



# Modern Slavery Statement Tactical Global Management Limited

April 2024

**Document Control**

**Version History**

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**Drafted by:** Director Human Resources in consultation with Chief Financial Officer

**Approved by:** Chief Executive Officer

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## 1 Introduction

This Modern Slavery Statement outlines the steps Tactical Global Management Limited (TGM) has taken to prevent modern slavery and human trafficking in our business and supply chains globally during the financial year ending 31 December 2023. It is TGM's 4<sup>th</sup> annual report under the *Australian Modern Slavery Act 2018* (Cth) and is also made pursuant to the *Modern Slavery Act 2015* (UK) by Tactical Global Management Limited (TGM) (ABN: 35 077 796 411) and TGM Europe (ACN: 12572844).

TGM considers it best practice to provide a voluntary modern slavery statement despite being a boutique size company that falls below the requisite revenue threshold for submission and reporting to the Australian Border Force (ABF). While the statement is not provided annually to the ABF, it is readily available via the TGM website.

Modern slavery includes the most serious forms of human exploitation and takes many forms including: trafficking in persons; slavery; servitude; forced marriage; forced labour; deceptive recruiting for labour or services, and forms of child labour.

At TGM we have zero tolerance for all forms of modern slavery and human trafficking. This statement outlines our commitment to supporting fundamental human rights and the steps we have taken to prevent modern slavery in our business and supply chains.

## 2 About TGM

TGM is a specialist boutique asset management firm with a reputation for integrity earned over 25 years. We see ourselves as strategic partners committed to helping our clients exceed their investment goals. Established in 1997, we were one of the pioneers in specialist asset management. TGM introduced asset allocation, rebalancing, and currency hedging overlays to help trustees and investors move away from single manager balanced funds and towards specialist asset class managers. Today, TGM transacts annually approximately \$1b in equity and bond futures and \$10b in foreign exchange across its investment programmes.

TGM's tailored investment solutions include rebalancing, currency hedging, beta transfer, and downside protection equity overlays. We also provide execution services using exchange traded futures, options, ETFs, swaps, and spot and forward foreign exchange contracts. Consistent with our values, TGM has been supporting sustainable impact investing for over 10 years. After many years of research TGM now offers a global sustainable development goals (SDG) equities strategy and a global climate action equities strategy.

With extensive experience in managing investment programs for institutional clients globally for over 25 years, including pension funds, insurance companies, fund managers, banks, endowments, and charities, TGM is a trusted partner investors can rely on.

TGM employs less than 20 permanent staff in its Brisbane office across 3 key areas of the business including the following groups:

- Investment Strategies – including the Investment Strategies & Research team and the Implementation & Trading team;
- Investment Services – including the Fund and Regulatory Compliance and Operations team, and
- Corporate – including the Finance and Technology Solutions teams and Human Resources

TGM has a supply chain made up of more than 30 contracted suppliers. Supply chain relationships include suppliers from the following key sectors: information services, technology services, property services, business processes, logistics, consulting and professional services, marketing, office supplies and stationery and financial services.

TGM endeavours to conduct business with suppliers that have similar values, ethics and sustainable business practices as they relate to the protection of human rights and the mitigation of modern slavery risks.

## 3 Risk of exposure to modern slavery

As an investment management organization the risk of modern slavery within TGM's direct business operations is considered to be low, however, TGM recognises that it can indirectly be exposed to these risks through its supply chain, client relationships or other third party relationships.

TGM has conducted a risk assessment of its supply chain to identify the potential areas of modern slavery and human trafficking risk exposure.

The key areas identified to date include: cleaning services employed by building management, office consumables including tea and coffee and technology hardware suppliers that engage contract labour to assemble the hardware.

TGM is working to enhance its risk management processes to identify, assess and monitor potential modern slavery risk areas where the business could be exposed to human rights/human trafficking abuses.

#### **4 Risk management and due diligence to assess and address modern slavery**

TGM is integrating several actions to assess and address modern slavery risk. These have been grouped into the following areas:

##### **Governance and Policies**

TGM has an established set of policies and procedures that govern the way it operates. These are relevant to how TGM manages potential human rights issues as they relate to its business operations, supply chains and client interactions. They include:

*TGM's Code of Ethical Conduct* – The principles of the Code guide the conduct of employees, directors and contractors of the business. The Code also outlines what is expected of employees, directors and contractors in relation to not tolerating any form of slavery or human trafficking within our own business operations and supply chains. It also covers managing risks in all business activities and specifies the mechanisms for raising concerns including through the TGM Whistleblower Protection Program.

*TGM's Principles for Suppliers* - These expressly state the expectations for suppliers including that suppliers respect human rights, seek opportunities to improve environmental performance, provide safe, fair and ethical working conditions, promote diversity and not use or tolerate any form of forced, involuntary or child labour under any circumstances.

*TGM's Anti Money Laundering Policy* – Including procedures for revealing, mitigating and managing the risk of financial crime, including those linked to human rights violations.

*TGM's Workplace Health & Safety Policy* – Outlines TGM's duty of care to employees, directors, contractors and visitors alike to maintain high workplace health and safety standards across the business and to recognise that safety (including an environment free of human rights violations) is everyone's responsibility.

*TGM's Whistleblower Protection Policy* – Outlines the circumstances whereby a person may raise genuine concerns relating to improper conduct, the various avenues for doing so including TGM's online, anonymous Whistleblower Report Form, the appointed Whistleblower Protection Officer and the support available to those who report such conduct as well as the Whistleblower Investigation Procedure (available to all employees via the Staff Portal). This conduct is not restricted to but may include suspected instances of human rights violations such as modern slavery or human trafficking.

In FY 2023, there were no reports of modern slavery or human trafficking through TGM's Whistleblower Protection Program.

The TGM Audit and Risk Committee oversees the company-wide risk management framework and has ultimate responsibility for governance and reporting of modern slavery and human trafficking risks to the TGM Board.

##### **Employees**

TGM is committed to ensuring its employees behave ethically and comply with the law. During the employee induction and onboarding process, the Director HR and the Chief Financial Officer conduct individual induction discussions with the new starters to communicate and reinforce the culture of maintaining a safe workplace that values equal opportunity and has a zero-tolerance approach to discrimination, harassment and victimisation. The ongoing importance of living TGM's core values of Integrity, Respect, Teamwork and Professionalism are reinforced via the onboarding process. TGM's Director HR communicates the importance of the Code of Ethical Conduct to embed new starters in the TGM culture and reinforce the importance of meeting and adhering to the behavioural expectations of the business.

TGM has robust policies and procedures regarding employment screening. Given the highly regulated financial services environment that the business operates in, it is standard process to police check preferred candidates prior to employment and conduct thorough reference checking. In terms of TGM's employment conditions, the focus is also on reasonable working hours,

appropriate workplace behaviour and a collegiate, respectful approach to business. Protecting human rights and ensuring modern slavery compliance are integral to TGM's Human Resources and Compliance policies. These policies and procedures are reviewed annually and communicated to employees via training provided by the Director HR at Monthly Staff Meetings.

### **Supply Chain Management**

From Q4 2020 following the introduction of TGM's Modern Slavery Policy, a risk assessment of TGM's supply chain was conducted to ensure that from a due diligence and corporate social responsibility perspective, TGM can identify the risks in its existing supply chain and make sensible procurement decisions going forward about supplier engagement.

An annual Modern Slavery Questionnaire is distributed to TGM's suppliers to ensure that they are operating with an aligned governance framework to proactively address and mitigate the risks of modern slavery in their operations. Based on TGM's supply chain profile, the risk of modern slavery remains quite low. However, TGM will continue to conduct annual due diligence checks on suppliers via the distribution of its Modern Slavery Questionnaire. Once the results of the Questionnaires are collated, they are reviewed for compliance with the Modern Slavery Act 2018. TGM will take all reasonable steps to ensure that its goods and services are not products of modern slavery. If any heightened modern slavery risks are identified, TGM will communicate the risks back to the supplier and identify corrective action that can be taken within an agreed timeframe as part of a remediation plan. Further action may include renegotiating contract terms, terminating a contract or reporting a supplier to the relevant authorities.

In 2021, TGM incorporated modern slavery compliance into its supplier engagement process via the *Principles for Suppliers* acknowledgement document. This was done to integrate human rights risk management into the front end of TGM's supplier engagement process.

### **Business Operations**

TGM adopts a due diligence approach to identify and manage any human rights risks in the screening of new clients and in investment decision making. In 2021 TGM also incorporated the risks of modern slavery and human trafficking into its ESG (Environmental, Social and Governance) Policy to identify, assess, mitigate and manage the risks of modern slavery and human trafficking in its business operations and supply chains.

### **Training**

TGM's CFO and Director HR complete annual online accredited Modern Slavery risk management training and provide annual modern slavery risk management training updates to TGM's employees, directors and contractors following the annual review of the Modern Slavery Policy and Statement. New employees receive Modern Slavery risk management training as part of their induction/onboarding process. TGM has integrated Modern Slavery Policy training within a suite of related corporate policies including Anti-money Laundering and the Code of Ethical Conduct.

## **5 Assessing effectiveness of modern slavery risk management**

To monitor and assess the effectiveness of modern slavery risk management across TGM on an annual basis, from FY2020, modern slavery risk management obligations were assigned to individuals within the business. These individuals are required to ensure controls are in place across the organisation to identify and mitigate modern slavery risk. They are also responsible for promoting modern slavery due diligence and awareness across the business.

Modern slavery risk management is included in the annual review of the risk functions of the business. This ensures that TGM is regularly reviewing and confirming its compliance with modern slavery policy initiatives and the associated due diligence. TGM is committed to detecting and addressing modern slavery risk and reducing exposure to modern slavery risk in its operations.

## **6 Consultation and approval of TGM's modern slavery statement**

TGM adopted a consultative approach to preparing and drafting its Modern Slavery Statement. The TGM executives responsible for the business's compliance policies were given an opportunity to provide feedback on the statement prior to its submission to the TGM CEO for approval. Annual updates to the Modern Slavery Statement are then forwarded to TGM's Audit and Risk Committee for endorsement and the TGML Board.

## **7 Other relevant information**

The previous impact of COVID-19 on TGM's supply chain between 2020 – 2022 was relatively minimal in terms of any adverse effects on achieving TGM business requirements or supplier operations. However, the Government indicated that the risk of modern slavery in the form of child exploitation increased significantly during the COVID-19 pandemic. TGM considered this information in terms of its monitoring of its supply chain and business operations and the heightened external threat to human rights during the recent pandemic.

This statement has been approved by TGM's Chief Executive Officer under delegated authority from the TGML Board of Directors.



Stephen Goode  
Chief Executive Officer

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