



H2O
Asset Management

Global Client Complaints Policy

Version N° 8

August 2020

Each updated version cancels and supersedes any prior version

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Attributes	
Purpose	To describe global principles that should be followed by all Entities belonging to Group H2O AM, Employees and any third party representing the Group.
Scope	H2O Asset Management LLP H2O AM Europe H2O AM Asia Pte. H2O Monaco
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1. Key Considerations

Summary

This document sets forth the Global Complaints Policy of the H2O AM Group. H2O AM and its affiliates are required to take all reasonable and appropriate steps to manage, handle with skill and respond in a timely manner having regard to Regulatory timeline.

Complaints are considered under four categories, namely:

- MiFID - Eligible complainants;**
- MiFID - Non-eligible complainants;**
- Non-MiFID - Eligible complainants;** and
- Non-MiFID - Non-eligible complainants.**

This assessment is regardless of when the activity complained about took place.

An **“eligible complainant”** includes: consumers – defined as any natural person who is acting for purposes which are outside their trade, business, craft or profession; micro enterprises and small charities and trusts (as defined in DISP 2.7 of the FCA Rules).

Each product or service the Entity provides should be identified as to whether it is a MiFID product or service, a non-MiFID product or service or where the product or service combines both MiFID and non-MiFID elements, which elements fall under which definition.

Commitment

The H2O AM Group aims to deliver services to its clients with highest professional standards and in good faith. The Group has set up a complaint-handling system to address complaints pertaining to the Firm’s prospective client, former clients and existing clients. The complaints handling policies and procedures have been established to consider complaints efficiently, transparently and in a harmonised manner for all its affiliates, in accordance with the applicable regulations. Each member of staff responsible for dealing with investors and potential investors must be aware of the complaints handling procedures.

Clients’ Information

Group H2O AM keeps clients informed about the current policy in various ways:

- through the website ; or
- through Investment Management Agreement (IMA) where applicable; or
- any other document serving a similar purpose.

In preparing this document, every effort has been made to reflect Group H2O AM's priorities that are to better inform its clients and to ensure the accuracy of the information presented. However, if you require further clarification and/or if the current document doesn’t answer your questions, please contact us via clientservices@h2o-am.com.

Document Category within Group H2O AM

<input checked="" type="checkbox"/> Group Policy	<input type="checkbox"/> Non- Group Policy
<input type="checkbox"/> Group Procedure	<input type="checkbox"/> Non- Group Procedure

Scope of Staff/Employees

<input checked="" type="checkbox"/> All Staff	<input checked="" type="checkbox"/> All H2O AM’s Representatives	<input type="checkbox"/> Restricted to:
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2. Business Structure

H2O Asset Management LLP (referred to as “H2O AM”, “Firm”, “Entity” or ‘it’) is an asset management company authorised and regulated by the UK Financial Conduct Authority (“FCA”). It’s the parent company of:

- The wholly-owned subsidiaries: **(a) H2O AM Europe**, registered in France as an asset management company and regulated by the Autorité des Marchés Financiers (“AMF”); **(b) H2O AM Asia Pte. Ltd**, registered in Singapore as an asset management company and regulated by the Monetary Authority of Singapore (“MAS”); **(c) H2O Monaco**, registered in Monaco as an asset management company and regulated by the Commission de Contrôle des Activités Financières (“CCAF”).
- Other subsidiaries: **(d) Prometheus Wealth Management** is an independent wealth management company registered and regulated by the Commission de Contrôle des Activités Financières (“CCAF”); **(e) Poincaré Capital Management** is a Hong Kong based investment management firm licensed and regulated by the Hong Kong Securities and Futures Commission.

Note : H2O AM and its wholly-owned subsidiaries will be hereafter individually referred to as the “Firm”, Entity” or “Affiliate” and collectively referred to as the “Group H2O AM”, “Firms”, “Entities” or “we”.

Subsidiaries that are not wholly owned shall have their own policies that should comply with the key principles of this Policy.

3. Policy Coverage

This Global Complaints Policy (referred to as “Policy”) is applicable to all Entities belonging to the Group H2O AM and its Employees (referred to as “Employees” or “Staff”). Where necessary, each Entity may have an additional policies and procedures that will supplement this policy when is required by the local National Competent Authority (referred to as “NCA”).

Group H2O AM has a global footprint. For this reason, the Policy’s guidance shall be applied in all jurisdictions where the Group operates and is registered. Equally, each Entity belonging to the Group H2O AM is required to maintain and operate effective organizational and administrative arrangements in order to comply with the local National Competent Authority (referred to as “NCA”).

4. Key Messages to our Clients regarding Complaints

- H2O AM has a written record of its Complaints Procedure related to the funds for which H2O acts as Management Company or (Sub-) Investment Manager. It covers the quality of services provided by H2O to direct clients, the conduct of staff towards any direct clients, or actions by H2O directly affecting clients.

- H2O's objective is to resolve any complaints as quickly as possible and provide a fair complaints procedure which is clear and easy to use for anyone wishing to make a complaint.
- H2O aims to resolve complaints on the first contact to build client confidence and loyalty.
- Customer complaints also represent valuable information to prevent recurring problems. They can point the way to understanding the root causes of client problems and help H2O target core processes that need improvement.
- It also seeks to enable the identification and mitigation of any possible conflicts of interest arising from the complaint. Such conflicts should be managed in conjunction with the Firm's Conflicts of Interest Policy.
- You can contact us by phone or in writing, whatever suits you best. Our contact details are communicated in the Appendix N°1 and on H2O's website (<https://www.h2o-am.com/>)
- We undertake to treat any complaints according to the following principles: transparency towards the client, free access to the claims processing, objectivity, providing an answer in a reasonable timeframe.
- Claim processing time is defined according to the rules stated by the "**Ombudsman Services**" of the home country where each Affiliate is implemented. Details are communicated in Appendix N°1.
- Keep a detailed record of the correspondence, who you have spoken to, and the time of the conversation.
- According to EU law you should have access to simple, effective and low-cost out-of-court ways to resolve disputes with your service provider. These are known as Alternative Dispute Resolution (ADR) entities. They should respond to your complaint within 90 days. Please refer to [Directive 2013/11/EU](#) of the European Parliament and of the Council on alternative dispute resolution for consumer disputes for more details
- **With regard to "Cross border complaints"**, if you operate in your country through a financial services firm registered in another EU Member State, you might be covered by an out-of-court complaint scheme situated in the home country of the firm.
- **With regard to "Financial Dispute Resolution Network"**, the financial dispute resolution network of national out-of-court complaint schemes in the European Economic Area countries (FIN-NET) was designed to help consumers overcome barriers that can result from cross-border transactions. Their website allows the consumer to identify the relevant out-of-court complaint scheme in the country of the financial services provider and contact that body directly. FIN-NET schemes also give consumers the possibility to make their cross-border complaints in the language of their financial contract, or in the language in which they have normally dealt with their financial services provider.

5. Definitions of Complaint

A complaint is considered as any expression of dissatisfaction (oral or written), whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service, or a redress determination, which (a) alleges that the complainant has suffered (or may suffer):

- financial loss;

- material distress of material inconvenience; and (b) relates to an activity of that respondent, or any other respondent with whom that respondent has some connection in marketing or providing financial services or products, which comes under the jurisdiction of the Financial Ombudsman Service (FOS).

A complaint by potential clients who are dissatisfied with our decision not to provide a service to them will also be considered in accordance with this policy.

A complaint can be made by potential, actual or former clients, regardless of whether they are categorised as retail, professional or eligible counterparty. Although to be clear, H2o AM and its Affiliates don't deal directly with retail investors.

6. What are a MiFID Complaint And non MiFID Complaint?

In addition to the portfolio management services the Entities belonging to the H2O AM Group provide, they may provide additional services subject to MIFID Regulation. With regard to MIFID services:

A MiFID complaint is, amongst other things, a complaint to which article 26 of the MiFID Org Regulation applies, and so refers to a complaint about:

- The provision or the failure to provide investment services or ancillary services to a client by an investment firm;
- The provision or the failure to provide one or more investment services to a client by a CRD credit institution;
- Selling structured deposits to clients, or advising clients on them, where the sale or advice is provided by an investment firm or a CRD credit institution;
- The activities permitted by article 6(3) of the UCITS Directive when carried on by a collective portfolio management investment firm; and
- The activities permitted by article 6(4) of the AIFMD when carried on by a collective portfolio management investment firm.

A MiFID Complaint is also a complaint about the equivalent business of a third country investment firm, though requirements apply to complaints from retail clients and elective professional clients only.

This does not come under the jurisdiction of FOS.

A non-MiFID Complaint is complaint from Unit Holders/Eligible Complainants regarding collective portfolio management services (UCITs or AIFs schemes) carried out by any Entity belonging to the Group H2O AM that is acting as an asset management company or an AIFM.

7. Additional Definitions and Relevant Information applicable in certain jurisdiction

- According to the **Monetary Authority of Singapore – “MAS”**, additional definitions must be taken into account where handling complaints; there are disclosed in Appendix N° 2.
- With regard to the jurisdictions where Entity’s portfolios are marketed, the distributor is responsible to handle complaints according to the required timeline by the local regulator.

8. Complaints’ Handling Process

Entities belonging to the H2O AM Group operate in different jurisdictions, in- and out-side the EU’s Area as an asset management company as well as for other activities under MIFID regulation like, but not limited to : sub-investment advisor, marketing agent...

The following rules have been defined in order to handle complaints with skill whatever the jurisdictions where the Group H2O AM operates and according the regulatory rules at home country where Entity has an agreement.

8.1. Internal Rules governing Complaints Framework

- At Group H2O AM level, Client Services and the Compliance Team are in charge of following clients’ complaints as well as to provide an adequate advice in order to handle such complaint with skill, answer on time according to the regulator timeline and assess the fairness of the answer.
- Any members of staff who receive a complaint are required to forward it to the Compliance Team *immediately*.
- No person may respond (whether orally or in writing) to any form of complaint unless such person is authorised to do so by Compliance Team.
- Admitting liability on behalf of the H2O AM, any Affiliates or any member of Staff is subject to the achievement of all required investigations as well as the senior management approval. Thus, it is clearly forbidden to communicate on this matter without Compliance Team prior-approval.
- Compliance Team and Client Services will:
 - deal with all complaints sent directly from clients and/or forwarded internally
 - record all complaints and keep up to date the complaints register
 - well document each complaint
 - may conduct further inquiries where necessary
 - will respond to client directly or review and approve when another Team has been appointed to do so;
- All complaints (including unresolved complaints) are reported to the Executive Committee.

8.2. Answers’ Timeline

- Entities belonging to the Group must answer according to the regulatory timeline disclosed in Appendix N° 1.

- When each Entity's local regulator does not define a formal timeframe for answering, the Entity should answer the complainants according to most restrictive timeline defined in Appendix N°1.

8.3. Key Steps and Authorized Formal Communications

The following key stages should be conducted by the Compliance Team or any member of Staff who has been formally appointed to do so.

- **“Acknowledge receipt”**: in the first instance, the Firm must send the complainant a prompt¹ written acknowledgement, but no later than 3 days, informing the client about prospective investigations, if any.
- **“Resolution Delay”**: a delay of **8 eight weeks** to resolve the complaint is specified in the FCA DISP1.6 as well as in the AMF General Handbook (Article 318-10). If we are unable to resolve the complaint within **four weeks of receipt**, we need to write to the client again to explain why we need more time to complete the investigation. If our investigation is going to take **longer than eight weeks**, we need to write to the client again to explain why we are not in a position to give a final response and when the conclusion is expected.

- **“Formal Complaints investigation”**

Any additional communication to the complainants should:

- ✓ Explore with any appropriate members of staff at the validity of and the reasons for the complaint, and promptly respond to the client.
- ✓ Explore whether or not the client is claiming any pecuniary loss and, if so, whether this is the responsibility of the Firm or an outside agent and, if the latter, whether he was appointed by H2O or the client.
- ✓ Consider whether or not compensation should be offered to the Client and, if so, at what level. If any compensation is to be paid by the client in settlement of the complaint, this must be approved by the CEO or deputy CEO.
- ✓ Investigate the matter further if required and having regard to any relevant information.
- ✓ Provide a *clear explanation, align with regulators requirements* and, if appropriate, *an apology and an assurance that steps have been taken to avoid a reoccurrence*.
- ✓ Send the complainant a **“Summary Resolution Communication – SRC ”** where the Firm is able to resolve the complaint rather than expected according to the timeline defined and disclosed in Appendix N°1
- ✓ Send the complainant a **“Holding Letter”** where it becomes apparent that the complaint cannot be resolved within the timeframe defined and disclosed in Appendix N°1 in order to advise that the matter is still being investigated.
 - **“Final Response”** - *required not later than timeframe defined and disclosed in Appendix N° 1 - where the Firm :*
 - Accepts the complaint and offers redress or remedial action where appropriate; or
 - Offers redress or remedial action without accepting the complaint; or
 - Rejects the complaint knowing that reasons for doing so will be clearly communicated to the complainants.

¹ According to the timeframe defined in the Appendix N°1



- **OR, Send A “Written Response” – That is not the “Final Response”** explaining why the Firm is not in a position to make a ‘final response’ and when it expects to be able to provide one.
- ✓ **As a last resort**, advise the complainant what further steps are available to it under the regulatory system , including **Ombudsman’s Services**, where client rejects the final response or doesn’t accept to wait any longer when the Firm has exhausted the legal deadlines as defined and disclosed in Appendix N°1.

9. Record Keeping and Reporting

- The Compliance Team is responsible for recording each complaint received and the measures taken for its resolution.
- Records must be kept for at least five years from the date the complaint was received.
- The Firm will provide the necessary reporting to the Regulators, as follows:
 - To the FCA via GABRIEL twice a year. These reports must be submitted within 30 business days of the end of their relevant period. The Compliance Officer must ensure that the Firm provides a complete report on the complaints received from eligible complainants (or a nil return declaration, as applicable).
 - To the AMF via GECO once a year. The information should be included into the FRARAC Report.

10. Appendices

10.1. Appendix N° 1:

Complaints Handling Timeline having regard to the requirements from the Financial Conduct Authority “FCA”, Autorité des Marchés Financiers “AMF” and the Monetary Authority of Singapore. “MAS”

	FCA -UK-	AMF -France-	
Complaints may be sent by emails to :	<ul style="list-style-type: none"> complaints@h2o-am.com compliance@h2o-am.com clientservices@h2o-am.com 	<ul style="list-style-type: none"> complaints@h2o-am.com compliance@h2o-am.com clientservices@h2o-am.com 	<ul style="list-style-type: none"> complaints@h2o-am.com compliance@h2o-am.com clientservices@h2o-am.com
Complaints may be sent by post to :	H2O Asset Management L.L.P.: 2 nd Floor, 10 Old Burlington Street, W1S 3AG, London, United Kingdom	H2O AM Europe SAS: 5 th Floor, 39 avenue Pierre 1er de Serbie 75008 Paris, France	H2O AM ASIA PTE. LTD. 20 Collyer Quay, #10-01, 20 Collyer Quay, Singapore (049319)
Complaints may be sent by phone to :	Your usual point of contact	Your usual point of contact	Your usual point of contact
Time limits for dealing with a complaint	<ol style="list-style-type: none"> Written acknowledgement not specified Respond to any complaints within a maximum period of four weeks following their receipt; If our investigation is going to take longer than eight weeks, we will write to you again to explain why and let you know when we expect to be able to conclude matters. When we have completed our investigation we will let you know the outcome in writing; As a last resort and if you are not happy with our final response, you have the right to refer your complaint to the Financial Ombudsman Service, free of charge – but you must do so within six months of the date of this letter in various ways, as mentioned below. 	<ol style="list-style-type: none"> Written acknowledge receipt not specified Respond to any complaints within a maximum period of two months following their receipt, unless special circumstances are duly justified, between the date of receipt of the complaint and the date to send the response; If our investigation is going to take longer than two months, we will write to you again to explain why and let you know when we expect to be able to conclude matters. When we have completed our investigation we will let you know the outcome in writing; As a last resort and if you are not happy with our final response, you have the right to refer your complaint to the AMF’s Ombudsman Service, free of charge in various ways as mentioned below. 	<ol style="list-style-type: none"> Written acknowledge receipt within three business days, unless a reply can be provided within this period; The Compliance Officer will investigate the matter further if required. Where it becomes apparent that the complaint cannot be resolved within 7 business days, a holding letter must be sent to the client to advise that the matter is still being investigated. The Compliance Officer must use all efforts to ensure that the complaint is satisfactorily resolved within 28 days of the initial reporting. A complaint can be closed once the client accepts the decision and the actions are completed. If the complaint cannot be resolved after 28 days, the complaint should remain open and be monitored by the Compliance Officer until all internal options are exhausted. If a client rejects the

			<p>decision, the client must be advised of what further steps are available to it under the regulatory system. In particular, the client must be told of his rights under FIDReC.</p>
<p>The Financial Ombudsman Services can be contacted in a number of ways:</p>	<ul style="list-style-type: none"> • By post: Financial Ombudsman Service Exchange Tower, Harbour Exchange Square London, E14 9SR • By phone: 0800 023 4567 • Online: https://www.financial-ombudsman.org.uk/contact-us/complain-online 	<ul style="list-style-type: none"> • By post: Ombudsman - Autorité des Marchés Financiers, 17 place de la Bourse - 75082 Paris cedex 02. • By Fax: +33 (0)1 5345 5960 • Online: https://www.amf-france.org/en/amf-ombudsman/mediation-file/request-mediation 	<ul style="list-style-type: none"> • By post: Financial Industry Disputes Resolution Centre, 36, #15-01 Robinson Rd, City House, Singapore 068877 • By Phone: +65 6225 1059 • Online: https://www.fidrec.com.sg

10.2. Appendix N° 2:

Additional definitions and relevant information, having regard to the Monetary Authority of Singapore – “MAS”

TYPES OF COMPLAINTS

Complaints are categorised as Minor Complaints and Major Complaints.

Minor Complaints:

Minor Complaints are complaints which do not relate to employees specifically or which can be categorised as minor complaints. They can be classified as follows:-

- Product related – including pricing, marketing materials, disclosures which are relating to basic product features and offering;
- Administration related – including data integrity, accuracy, timeliness of information or correspondences and operational services etc.;
- After sales services or facilities provided by H2O AM.

Major Complaints:

The nature of complaints that fall within this scope can be broadly classified as follows:-

- Acts involving fraud, dishonesty or other offences of a similar nature;
- For example, any wrongdoing by an employee which may result in civil law violation, forgery of signature, misappropriation, unauthorised change or instructions.
- Acts involving inappropriate advice, misrepresentation or inadequate disclosure of information;
- For example, not having presented regulatory required offering documents / product brochures / marketing literature or improper name card issuance or improper recruitment advertisements.
- Failure to satisfy MAS licensing criteria or the Fit and Proper Guidelines;
- Any complaints made to regulatory or official bodies or the press or media;

- Breach of any confidentiality obligations or miss-use of client data;
- Other misconduct involving non-compliance with any regulatory requirement relating to the provision of any financial advisory service (e.g. misrepresentation of facts or information which induces a client to enter into a contract;
- A serious breach of H2O's internal policy or code of conduct which would render an employee or appointed representative liable to demotion, suspension or termination (e.g. requesting a client to sign on blank or incomplete form, not having presented H2O's offering documents or product brochure, not using H2O AM's authorized marketing materials, misuse of client private data, inadequate services or improper name card issuance or recruitment advertisements etc.)

Employees who are the subject of complaints may also be subject to investigation and potential disciplinary action as H2O AM is obliged to investigate and report such misconduct.

Matters Not Treated as Complaints

If a client complains about the poor performance of a fund, collective investment scheme or other investment that he or she has made, this is not treated as a complaint that requires investigation. You should make a record of the client's dissatisfaction and send that to the H2O Head of Marketing so that the matter can be brought to the attention of the relevant fund manager and H2O AM can respond as appropriate.