



# Modern Slavery Statement

13/04/2023

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## Attributes

**Purpose** This document outlines our approach and commitment to ensuring that there is no Modern Slavery and human-trafficking at Group H2O AM

**Scope** H2O Asset Management LLP  
H2O AM Europe incl Switzerland  
H2O AM Asia Pte.  
H2O Monaco

**Last Update** 13/04/2023

## Document History

Revision	Date	Revision Description	Author/Reviewer	Executive Committee Approval
1.0	01/04/2019	None	Amy Breeds/Jean-Noel Alba	03/04/2019
2.0	06/04/2021	Statement applicable to Group H2O AM	Amy Breeds/Executive Committee	09/04/2021
3.0	10/03/2023	Statement applicable to Group H2O AM	Ruta Samuel rwd Sophie Mourton	11/04/2023

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## 1. Key Considerations

### Summary

This document sets forth the Group H2O AM's Global Modern Slavery Statement.

### Commitment

The primary purpose of all members of staff within the H2O is to ensure that they operate ethically and in the best interests of H2O AM and its client(s).

A breach of this Statement by H2O members of staff may result in disciplinary action against them and further may result in summary dismissal or early termination of contract. In addition, a breach can also prejudice the "fit and proper" status of a staff member and may result in a loss of status as an approved person with the FCA potentially impacting future employment

### Clients' Information

This Statement is made available through the H2O AM's website.

### Scope of Staff/Employees

All Staff

All H2O AM's Representatives

Restricted to:

### Key Dates

#### Publication Date

13/04/2023

## 2. Basic information

H2O AM Group ("H2O") is an alternative investment house, democratising accessibility to Global Macro investment, our edge lies in building value strategies across multiple asset classes through diversified carry. We bolster allocation through decorrelated alpha, acknowledging risk as inherent to performance. H2O AM funds provide institutional, corporate, and private investors with privileged access to global macro strategies within UCITS funds.

H2O is composed of 5 entities:

- **H2O Asset Management LLP** was founded in July 2010 as a Limited Liability Partnership and registered in England and Wales under the registration number OC 356207. Since December 17<sup>th</sup>, 2010, H2O is authorised and regulated by the Financial Conduct Authority ("FCA") and is entered on the FCA Register with the Registration Number 529105. Its registered address is at 33 Cavendish Square, London W1G 0PW.
- **H2O Monaco SAM** was founded in 2018 (Company Number (RCI) 17S07498).

Since August 25th 2017, H2O is authorised by the Commission de Contrôle des Activités Financières (CCAF) to carry out the following activities as mentioned in points 4.1 and 6 of article 1 of law n°1.338 of September 7, 2007 with the Registration Number SAF-2017-04. Its registered address is 24 bd Princesse Charlotte 98000 Monaco.

- **H2O AM Europe** was founded in Oct 2018 (Company Number RCS Paris n° 843 082 538). H2O is authorised and regulated by the Autorité des Marchés Financiers (“AMF”) since March 15th, 2019, with the Registration Number GP-19000011. Its registered address is 39 avenue Pierre 1er de Serbie, 75008 Paris.
- **H2O AM Asia PTE. LTD** was founded in August 2018 (Company Number 201827907K) and is no longer licensed with the Monetary Authority of Singapore (“MAS”) since July 2022. Its registered address is 12 Marina Boulevard, #17-01, Marina Bay Financial Centre Tower 3, Singapore 018982.
- **H2O AM Switzerland SA** was founded in 2021 as a non regulated company (Company Number CHE-167.132.256). It is 100% owned by H2O AM Europe. Its registered address is 11 rue Cornavin, 1201 Genève, Suisse.

### 3. Ownership

H2O AM Holding is 23.40% owned by Natixis Investment Managers Participations 1, itself owned by Groupe BPCE the second largest banking group in France, and 76.60% owned by Group H2O employees.

To date, approximately two-thirds of employees are shareholders, with no individual holding 25% or more of the capital.

### 4. Modern Slavery Statement 2023

Group H2O AM is committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We act ethically and with integrity in all our business relationships and undertake appropriate due diligence which supports the identification and subsequent mitigation of the risk of slavery and human trafficking occurring.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our company’s slavery and human trafficking statement for the financial year ended 31st December 2022.

Group H2O AM has 66 employees as at 31 December 2022 located in 5 offices worldwide. We also work directly with approximately 200 suppliers who provide us with goods and services. The majority of our spending is with suppliers of fully managed outsourced services, IT, financial services, and goods and services related to management of our premises. The

financial services industry is not within a high risk sector for modern slavery, however, we are not complacent and recognise the possibility of modern slavery issues existing somewhere in our supply chain.

## 1. Business Practice

Regarding or financing and investing activities, H2O does not currently consider environmental, social and governance (ESG) criteria in its investment process. Indeed, H2O's investment strategy is driven by all of the management team's views on the government bond, credit and currency markets, with the majority of positions taken through derivative contracts such as futures - making the integration of these criteria complex and therefore not widely undertaken in the financial marketplace.

However, H2O remains committed to developing the ESG analysis of its investments, as well as enhancing its policies and procedures. The approach described above may therefore evolve in due course.

H2O is able to incorporate exclusion lists into dedicated client portfolios at the request of those clients, and at present H2O already runs exclusion lists for a number of the segregated mandates and ICAV funds. Furthermore, sustainability risks are taken into account through systematic exclusions based on applicable regulations, sectors and countries subject to international sanctions and, in the case of mandates, on specific client requests.

H2O imposes additional scrutiny and approval from Compliance for any investments linked to issuers based in countries identified as "high risk" from an AML/CFT perspective. This includes, but is not limited to, countries identified by the Financial Action Task Force (FATF) as having strategic deficiencies in their anti-money laundering and combating the financing of terrorism, the EU lists of high risk countries and non cooperative jurisdictions for tax purposes, etc.). This approach is consistent with the risk-based approach defined in the EU AML Directive .

H2O also excludes all actors involved in the production, use, stockpiling, production and transfer of anti-personnel mines and cluster munitions, in line with the Oslo and Ottawa Conventions.

Both Risk and Compliance departments are in charge of complying with regulatory requirements regarding ESG principles for the management of its UCITS funds and their mention in the annual reports of the funds validated by the external auditors, where necessary.

In addition, we do undertake vetting of our suppliers in so far as this is possible, and we continue to monitor our supplier relationships throughout the life of any contract.

We will not knowingly support any supplier involved in modern slavery. We expect transparency and will work with our business partners to support them in driving positive change where reasonably possible. In the event that we did become aware of any modern slavery issues within any of our supply chains, this would be escalated to senior management and appropriate action taken depending on the circumstances – from engaging with a supplier, to terminating the relationship.

## 2. Code of Conduct

Our Code of Conduct confirms our commitment to respecting human rights in the conduct of our operations.

### 3. Whistle-Blowing

If our employees identify any issues relating to modern slavery we encourage them to report this to their manager. If they feel uncomfortable reporting in this way, we have a confidential whistleblowing arrangement in place. We commit to supporting any individual who raises concerns and that there will be no detriment to them. In 2022 we received no calls or correspondence relating to modern slavery.

### 4. Staff Training

To raise awareness amongst our employees, our annual staff compliance training programme includes a reminder of our commitment to respecting human rights, and information regarding the whistleblowing processes available. This is mandatory training, completed on an annual basis.

### 5. Approval

This statement has been approved by the H2O's Executive Committee and signed by Loic Guilloux our Chief Executive Officer.