Slavery and Human Trafficking Statement, 2019

Background

The UK Modern Slavery Act 2015 (the “Act”) requires covered commercial organisations operating in the UK to report annually on the steps they have taken during the preceding financial year to ensure that slavery and human trafficking are not taking place in their own businesses or in their supply chains.

This Slavery and Human Trafficking Statement (this “Statement”) has been produced by Coller Capital Limited (the “Company”), a private English company that is authorised and regulated by the Financial Conduct Authority in the UK and forms part of the Coller Capital group of companies (“Coller Capital” or “the firm”). This Statement reports on the steps taken during the financial year ending 31st March 2019 and sets out further steps planned to be taken during the financial year to 31st March 2020.

Organisational Structure and Supply Chains

Coller Capital is a specialist private equity secondaries firm with offices in London, New York, Hong Kong and Guernsey. The firm sponsors private funds (“Coller Funds”) that mainly acquire positions in third-party private equity funds from limited partners, and portfolios of unquoted companies from their corporate or institutional owners.

Coller Capital carries on business in the UK through the Company, which acts as a non-discretionary adviser in respect of the Coller Funds.

The supply chain pertaining to the Company’s advisory business encompasses those service providers one would typically expect for an office-based financial services business, covering professional services, information technology, communications, building services/facilities, food, travel, office furniture, among other goods and services.

Organisational Policies

Coller Capital is committed to preventing any form of slavery or human trafficking in its business and supply chains. The specific anti-slavery and human trafficking measures adopted by the firm form part of its overarching environmental, social and governance (“ESG”) framework, which is overseen by the firm’s ESG Committee and based on a written ESG policy.

Coller Capital’s ESG policy sets out the firm’s approach to responsible investment, in line with its status as a signatory to the United Nations-supported Principles for Responsible Investment (PRI). The firm has developed an Anti-Slavery and Human Trafficking addendum to the ESG policy to serve as guidance for its implementation efforts under the Act.
This Statement and our ESG Policy have been approved at Coller Capital’s group level, by the board of directors of the Company’s corporate parent.

Due Diligence, Assessing and Managing Risk

Coller Capital reviews its business and supply chains on an ongoing basis to identify the main risk areas where slavery or human trafficking could exist. This exercise is largely focused on engaging with the firm’s suppliers but where possible, the firm also reviews risks related to current or prospective investments by Coller Funds.

Following a risk-based approach, Coller Capital’s engagement has focused on key suppliers. For this purpose, the firm has ranked supplier relationships based on fees or other amounts spent; in addition, an important consideration has been which suppliers operate in sectors considered to present generally heightened risks of slavery or human trafficking.

Responsible Procurement

Coller Capital has a responsible procurement philosophy and engages with its suppliers on various ESG factors. The firm has introduced into its procurement process a formal requirement that all suppliers address modern slavery risks and, in the case of suppliers subject to the Act, comply with their obligations under the Act.

Key suppliers are issued with a formal letter about the Act in order to obtain information relating to, and confirmation that slavery and human trafficking is not taking place in their businesses. The results of this exercise inform the firm’s overall risk assessment and any further implementation steps.

When undertaking and documenting its annual risk assessment, the firm reviewed published information sources and made use of a third-party database to identify any media criticism of key suppliers in respect of modern slavery.

Responsible Investment

As far as investments by Coller Funds are concerned, Coller Capital seeks appropriate ESG information on portfolio funds and, to the extent available and relevant, underlying investments. This information is integrated into the firm’s analysis, review and decision-making processes, both before and after making an investment. The risks of slavery and human trafficking represent one of many ESG factors considered when investment recommendations or decisions are made and are also reflected in Coller Capital’s annual ESG Questionnaire that managers of portfolio funds are asked to complete on an annual basis.

Consistent with Coller Capital’s role as a private equity secondaries firm, the firm’s approach to ESG matters in respect of investments by Coller Funds varies with the extent of control and the ability to exercise influence in each case.

Further information relating to Coller Capital’s approach to responsible investment can be viewed at http://www.collercapital.com/About-us/Responsible-investment.aspx.

Training and Awareness

Coller Capital provides training and information to employees on slavery and human trafficking and the implications of the Act for the firm’s business. Awareness-raising materials, which have been prepared by in-house personnel and incorporate information received from external experts, have been provided to key personnel across the firm. The firm’s objective in providing training and information is to provide employees with enough knowledge and understanding to identify potential slavery and human trafficking risk factors and to highlight the steps taken and planned by the firm to address these risks.

As a private equity secondaries firm, Coller Capital recognises the importance of “influence” in its approach to ESG factors.
As a private equity secondaries firm, Coller Capital recognises the importance of “influence” in its approach to investing. This means, among other things, that the firm seeks to leverage its role as a responsible investor to raise awareness of and mitigate the risk of modern slavery in supply chains, including those relating to investments by Coller funds.

As part of its broader engagement activities related to the issues of modern slavery and human trafficking, Coller Capital has contributed to the development and promotion of the following:

- Published Guidance from the PRI on “Managing ESG risk in the supply chains of private companies and assets”.
- Workshop on “Human Rights Due Diligence in Private Equity Investment” organised by the PRI and the British Institute of International and Comparative Law.
- Issuance of thematic notes on various ESG factors (observations and practices) to managers of portfolio funds.

At present, a note on “Human Rights Due Diligence” is in preparation, and it is expected that this will be issued to circa 100 major managers of portfolio funds by the end of 2019.

The Company is committed to continuing to take positive steps to prevent slavery and human trafficking in its business and supply chains.

Peter Hutton, Director, June 2019