



Modern Slavery Statement 2021

Message from the COO – June 2022

ColCap Financial Ltd ACN 650 487 353 as the ultimate holding company of Columbus Capital Pty Ltd ACN 119 531 252 and all of its subsidiaries and controlled entities as disclosed in Appendix 1 (**ColCap Group**), operates in the non-bank financial services industry. This Modern Slavery Statement is made by ColCap Financial Ltd on behalf of the ColCap Group.



This is the second statement that our organisation makes under the *Australian Modern Slavery Act 2018 (Cth)*. Our initial statement was made by Columbus Capital Pty Ltd, which at that point in time was the holding company of the ColCap Group.

We understand ColCap Group's responsibility to protect and advance human rights within Australia and the Philippines being the two jurisdictions in which we currently conduct business with a physical business presence.

We have prepared and are implementing our *Modern Slavery Framework* that we will follow within our organisation to assist and guide us in identifying and managing our modern slavery risks.

Our focus for 2021 was to commence assessing our suppliers by issuing them a Modern Slavery Questionnaire (**Questionnaire**) for them to complete and return to us. This Questionnaire helps us to better understand any modern slavery risks within our supply chains and engage with any high risk suppliers, where any such risks are identified.

We appreciate that COVID-19 has impacted many industries and negatively impacted the livelihood of people and communities around the world. Accordingly, COVID-19 has increased modern slavery risks by placing many people in more vulnerable situations. As an organisation we have endeavoured to work collaboratively with our suppliers who have experienced challenging situations with respect to COVID-19 and their workforce. We also implemented accommodative policies and practices with our customers that were negatively impacted by COVID-19 to ensure that their vulnerable situation was appropriately considered.

We will continue to strengthen our modern slavery practices. The ColCap Group remains committed to protecting and enhancing human rights within the context of the *Modern Slavery Act 2018 (Cth)*.

Regards,

A handwritten signature in black ink, appearing to be 'Ilias Pavlopoulos', written over a light blue circular background.

Ilias Pavlopoulos, Director & COO

Approved by the Board of ColCap Financial Ltd ACN 650 487 353 on 17 May 2022

ColCap Modern Slavery Timeline

2019 - 2020

Introduction of anti-modern slavery practices to ColCap

2021 - 2022

Strengthen internal practices including provide training to staff and work towards making progress with supply chains by implementing Suppliers Code of Conduct, Modern Slavery Checklist as part of our on-boarding and annual confirmation of our suppliers.

Introduction

Within this statement, ColCap identifies and addresses the risk of modern slavery within our operations and supply chain while outlining the key changes that ColCap has made to ensure compliance with modern slavery regulations.

As a large non-bank financial services provider, employer, investor, purchaser, and community member, ColCap recognises that we have an important role to play in respecting and advancing human rights and protection against modern slavery in Australia and the jurisdictions that it operates in.

Our aim is to respect the human rights of all employees of ColCap and its contractors and agents that ColCap engages with to ensure that the rights of all those associated with ColCap are respected.

ColCap's Operations

This Modern Slavery Statement has been prepared in compliance with the requirements of the *Modern Slavery Act 2018* (Cth) for ColCap Financial Ltd ACN 650 487 353 (**ColCap**), Columbus Capital Pty Ltd ACN 119 531 252 (**Columbus**) also trading under the business name of Origin Mortgage Management Services, its wholly owned subsidiary Homestar Finance Pty Ltd ACN 109 413 498 (**Homestar**), Granite Home Loans Pty Ltd (**Granite**) and its special purpose funding-controlled entities. For the purposes of this Modern Slavery Statement references to ColCap will include Columbus, Homestar, Granite and its special purpose funding-controlled entities as outlined in our Appendix 1.

ColCap via Columbus and its wholly owned subsidiaries and its special purpose funding-controlled entities operates as a non-bank lender that specialises in residential and commercial mortgage secured loans. ColCap has a wholesale distribution arm where it provides the white labelled funding for loans provided by Mortgage Managers. Homestar and Granite are ColCap's retail mortgage management business that provide loans directly to retail consumers which includes loan products for owner occupied and investment purposes as well as SMSF and construction loans. Columbus provides prime loans and has a loan portfolio in excess of \$10 billion. ColCap capitalises on its existing resources, infrastructure, and expertise to deliver tailored and innovative product offerings to its customers in the residential lending market. Our business operations are supported by teams providing technology, operations (including payment, accounting, tax), project delivery, product development, finance, treasury, company secretariat, legal, risk, and compliance services.

The following licenses issued by the Australian Securities and Investment Commission (ASIC) are held by subsidiaries of ColCap:

- (a) Columbus Capital Pty Ltd ACN 119 531 252, Australian Credit License number 337303 and Australian Financial Services License number 337303;

- (b) *Homestar*: Australian Credit License number 390860; and
- (c) *Granite*: Australian Credit License number 516104.

ColCap is the ultimate holding company of Columbus, Homestar and Granite and controls special purpose funding-controlled entities that it uses to raise funding via securitisation transactions. These entities all have common directors, do not have employees and the Board of ColCap is the ultimate governing body of all of these entities.

As a result, all owned and controlled entities by ColCap follow ColCap's corporate policies and procedures including its modern slavery expectations and approach in mitigating modern slavery risks. As part of the development of this Modern Slavery Statement, all common directors of these entities were part of the Board of ColCap and approved the Modern Slavery Statement.

ColCap's registered business address is Level 12, 77 Castlereagh Street, Sydney NSW 2000, Australia and Manila, Philippines.

Employees

ColCap has 260 employees located in Australia and the Philippines. In the Philippines, its wholly owned subsidiary provides administrative and client services to ColCap clients and customers.

Within its own operations, ColCap has reviewed its remuneration practices to ensure that all staff entitlements were provided in accordance with legislative provisions and human rights practices across Australia and our operations in the Philippines.

For all national and international staff, our internal employee Code of Conduct is provided as part of onboarding a new employee and on an annual basis to allow for any changes within our Code of Conduct and legislative changes affecting the rights of our staff. This is done to ensure that our people are aware of their rights within the workplace and provides guidance on how to make complaints about unacceptable behaviour.

Response to COVID-19 and Employment safety

Recent changes ColCap has made include implementing processes to assist all staff to work from home during the COVID-19 pandemic. This removed the risk that may have been faced to the health of all staff members and were protected to the greatest extent possible whilst working for ColCap during the COVID-19 pandemic.

ColCap will continue to work with the directions of the orders implemented by the State and National Governments and will where possible and within its control ensure that staff working conditions remain safe.

Our Modern Slavery Assessment

We have considered our actions to identify and address modern slavery practices in any part of our operations and supply chains and have been monitoring the effectiveness of our processes and procedures to address the modern slavery risks that our business causes, contributes to, or is directly linked to, in line with the *Modern Slavery Act* and the *UN Guiding Principles on Business and Human Rights*.

We will continually assess the effectiveness of our actions in identifying and managing modern slavery risks by:

- (a) considering our corporate governance and tracking our actions and outcomes;
- (b) reviewing our onboarding process and monitoring of our suppliers and our supply chain;
- (c) partnering with our suppliers and other external partners;
- (d) reviewing our HR practices and training provided to our staff; and
- (e) reviewing the effectiveness of our policies, procedures, processes, incident reporting, grievances and other business reporting.

We have commenced and will continue to work on our *Modern Slavery Framework* and processes to ensure we can review the effectiveness of the actions we are taking to assess and address modern slavery risks in our operations and supply chains. Reviewing the outcomes of our business processes, ColCap will work on revising and strengthening our actions to continually improve our approach to advancing human rights and protection against modern slavery.

Internal Governance

Our future plans to further strengthen our internal governance is to review our internal policies to include how we address modern slavery risks and implement mitigation strategies.

Document	Changes made or to be implemented
Modern Slavery Framework	<p>The development of our Internal <i>Modern Slavery Framework</i> to address how ColCap will address anti modern slavery internally. Our <i>Modern Slavery Framework</i> sets out the processes and tools we will put in place to ensure that ColCap complies with the <i>Modern Slavery Act</i> and the Framework includes the <i>Supplier Code of Conduct</i> that will be rolled out and the <i>Supplier Modern Slavery Checklist</i>.</p> <p>Our Board provides leadership and oversight of the modern slavery program of work and reviews and approves the Modern Slavery Statement.</p> <p>Our Executive Team is accountable for the <i>Modern Slavery Framework</i> and delivery of the Modern Slavery Statement.</p>
Supplier Due Diligence	<p><u><i>Supplier Modern Slavery Checklist</i></u> We have rolled out a <i>Supplier Modern Slavery Checklist</i> incorporating standard modern slavery and human rights questions as part of engagement with our material suppliers.</p> <p><u><i>Contract clauses</i></u> We will work on including contractual provisions focused on modern slavery within our contractual terms with our suppliers.</p> <p><u><i>Supplier Code of conduct</i></u> All of our material suppliers will be provided with our Supplier Code of Conduct and will be required to comply with it as part of their contractual obligations.</p>
Human Resources Policy	<p>Addresses the way in which we recruit and manage human resources in accordance with our legislative requirements.</p>

Employee Code of Conduct	Mentions the expected behaviours of employees of ColCap.
Whistle-blower policy	A Whistle-blower policy and mechanism for reporting for staff.
Training	<p>We recognise the need to increase our staff's knowledge and to highlight the importance of addressing modern slavery. As part of our compliance training modules, we rolled out a modern slavery training module for all of our employees to undertake.</p> <p>When the Framework is implemented, staff will be provided with additional training.</p>

Supply Chains

Our plan for this year was to further expand on our anti-modern slavery practices and ensure external businesses with whom we engage with have appropriate mechanisms in place to protect their staff's human rights. ColCap aims to ensure that its supply chains are upholding the rights of their employees and contractors when providing services to us. Our supplier companies provide the following outsourced functions to ColCap.



Information Technology and Telecommunications



Hardware



Office Supplies



Credit and Financial Service representatives



Cleaning Services



Commercial Business Relationships

ColCap primarily deals with suppliers from either Australia or the Philippines.

ColCap has identified that the size and nature of our suppliers' products and services affects the risk of engaging with modern slavery practices:

Low Risk	<ul style="list-style-type: none"> Businesses who engage in anti-modern slavery practices and have compliance obligations under the <i>Modern Slavery Act</i>.
Medium Risk	<ul style="list-style-type: none"> Businesses who uphold human rights their staff but may improve their practices by implementing anti-modern slavery practices within their operations to ensure that staff are aware of their rights.
High Risk	<ul style="list-style-type: none"> Businesses who do not recognise human rights or modern slavery laws. Businesses who's supply chains are located in developing countries Businesses who subcontract to suppliers located in developing countries

Within our operations, it has been identified that businesses abroad may be at a higher risk of subjecting their staff to modern slavery if they are in developing countries. However, it does not limit our measures to those companies that are at higher risk. As part of our risk identification processes, modern slavery assessments via completion of the *Modern Slavery Checklist* will be conducted on all businesses prior to entering in any contractual arrangements. We understand that external suppliers may not be required to comply with Australian anti-modern slavery laws, however it is important to acknowledge those companies that do and advise of our expected behaviours via our *Supplier Code of Conduct* those who are not subject to Australian anti-modern slavery laws.

As part of our due diligence process, we will provide supply chains and third-party companies we engage with our Supplier Code of Conduct and require them to complete our *Modern Slavery Checklist* to ensure that we are aware of any actual or potential modern slavery risks and make our expectation clear that we expect human rights of all people providing services to ColCap are respected. We aim to work with our suppliers to become Anti-Slavery compliant in the event that they are not operating in accordance with the *Modern Slavery Act 2018* (Cth) or have similar provisions in place.

Appendix 1: Special purpose funding-controlled entities

The following entities are controlled by Columbus Capital Pty Ltd and are covered in this statement.

- Origin Mortgage Management Services Pty Ltd
- Homestar Finance Pty Ltd
- Granite Home Loans Pty Ltd
- ColCap Investments Pty Ltd
- ColCap Pty Ltd
- AVA U2 Pty Ltd
- Homestar Finance Pty Ltd
- Granite Home Loans Pty Ltd
- ColCap Servicing Pty Ltd
- Pharos NB Pty Ltd
- Pharos AQ Pty Ltd
- Pharos IAC Pty Ltd
- Pharos IAC 2017-2 Pty Ltd
- Pharos IAC 2018-1 Pty Ltd
- Pharos IAC 2019-3 Pty Ltd
- Pharos AQ NTX Pty Ltd
- Pharos CB 2020 Pty Ltd
- Pharos AQ 2020 Pty Ltd
- Pharos IAC 2020 Pty Ltd
- Pharos RV Pty Ltd
- Pharos NB 2021 Pty Ltd
- Pharos AQ 2021 Pty Ltd
- Pharos AQ 2021V Pty Ltd
- Pharos AQ 2022 Pty Ltd
- Pharos NB 2022 Pty Ltd
- ColCap Pty Ltd
- Columbus Capital Funds Management Pty Ltd
- Columbus Capital Financial Pty Ltd
- Columbus Capital Home Loans Pty Ltd
- Xpress Loans Direct Pty Ltd
- Xpress Loans Pty Ltd
- Columbus 3 Pty Ltd
- Columbus 4 Pty Ltd
- Columbus 5 Pty Ltd
- Columbus Capital Home Loans (No 2) Pty Ltd
- SQL Funding Pty Ltd
- Origin Money Pty Ltd
- Origin CF Pty Ltd
- Origin Mortgages Pty Ltd
- Origin Mortgages (Aus) Pty Ltd
- Pioneer First Australia Pty Ltd