

Slavery and Human Trafficking Statement for 2018/19

February 2020

Introduction

This statement is made on behalf of Jefferies International Limited (“Jefferies” or “we”) pursuant to section 54(1) of the Modern Slavery Act 2015 (the “Act”) for the financial year ending 30 November 2019 and sets out the steps taken by Jefferies to ensure that modern slavery and human trafficking do not take place in our supply chain or any part of our business. This is our fourth annual statement under the Act.

Jefferies is committed to conducting its business in compliance not only with the letter, but also the spirit, of all applicable laws and regulations. We have a zero-tolerance approach to modern slavery in all its forms and do not tolerate it either within our business or within our supply chain.

Our business

Jefferies is a UK subsidiary of Jefferies Group LLC, the global investment banking firm with headquarters in New York which provides a full range of investment banking, sales, trading, research and strategy across the spectrum of equities, fixed income, and foreign exchange, as well as wealth management, in the Americas, Europe and Asia. Our own headquarters are in London. We also have branches in France, the Netherlands, Sweden, Italy, Germany, Switzerland and Spain.

Jefferies is a financial services provider, which predominantly employs professionally qualified and highly skilled people. We therefore consider the risk of modern slavery existing within our business to be low. However, notwithstanding this, we conduct our own due diligence with respect to our suppliers as set out below.

Our employees

Our Employee Handbook reflects our zero-tolerance approach to modern slavery and human trafficking both within Jefferies and our supply chain. The Employee Handbook highlights the steps that our staff can take if they are concerned about any such type of behaviour.

The Jefferies Group Code of Ethics also reflects these values, including the aim to ensure that the Group’s operations and, so far as is possible, its suppliers’ operations are free from modern slavery and human trafficking.

We also comply with all applicable employment legislation relating to employee terms and conditions, including pay, and we invest heavily in supporting the health and wellbeing of our staff.

Our supply chain and due diligence processes

Our supply chain relates to our office-based financial service business – supplying personnel, goods and services to support the services that we in turn provide to our clients. The goods and services provided to us include business services (such as cleaning, catering, security and print and document services), professional services (such as external training, audit services and advisory services in areas such as tax, law, regulation and insurance), real estate, technology (the systems, software and equipment to maintain our global technology infrastructure) and travel. Some of our suppliers are engaged on a global basis, others are local.

Jefferies applies a risk-based approach to assess the likelihood of the existence of modern slavery or human trafficking within our supply chain.

Criteria that are assessed against include factors such as the geographical location in which a supplier operates and sources goods or services, the nature of the goods and services supplied and any known incidents or concerns relating to modern slavery or human trafficking. This enables us to categorise the suppliers from a risk perspective and identify further due diligence and contractual requirements as applicable.

We issue higher risk suppliers with our Modern Slavery Act Supplier Questionnaire to enhance our supplier vetting process. When responses are received, these are evaluated and the risk assessment of the supplier is updated accordingly. Where appropriate, suppliers are required to develop an action plan to satisfy any identified gaps.

We have concluded that there continues to be a low risk of modern slavery and/or human trafficking within our supply chain, however it is important that we continue to monitor this risk.

In the event that we should become aware of a case of modern slavery or human trafficking occurring within our supply chain, we would take appropriate action which may include terminating the contract with the supplier.

Our policies

In addition to the suppliers due diligence processes and our Employee Handbook, Jefferies has a number of policies that together address its approach to the identification of modern slavery risks and the steps to be taken to prevent modern slavery and human trafficking in its operations.

These include:

Code of Ethics: this code sets out standards of behaviour that must be followed by all employees, consultants and contractors of Jefferies.

Anti-Financial Crime Policy: this policy applies to Jefferies and its directors, officers, employees and any other of its representatives and sets out policies and procedures to prevent the commission of financial crime and the movement of money which has derived from crime. This policy also sets out rules with regard to bribery and corruption.

Whistleblowing Policy: this policy details the procedures all of our officers, employees, contractors, consultants, interns and agency employees should follow if they suspect misconduct, malpractice, or illegal

acts or omissions by others with respect to our organisation, including in relation to compliance with policies, our suppliers or practices within the business or supply chain.

Training

Slavery and human trafficking awareness training is conducted for Jefferies' procurement and facilities team, legal, compliance, human resources and other individuals in its business with responsibility for managing suppliers in those areas identified as being higher risk.

The purpose of the training has been to help our staff understand the requirements of the Modern Slavery Act, raise awareness of modern slavery and human trafficking as an issue that could potentially affect our supply chain, provide assistance in identifying high risk suppliers and behaviours, and explain how we deal with potential modern slavery and human trafficking risks in our supply chain.

We have also trained all of our staff on our policies regarding modern slavery and human trafficking. This training will be repeated annually.

Board Approval

This statement covers 1 December 2018 to 30 November 2019 and has been approved by the board of directors of Jefferies International Limited on 20 February 2020.

Huw Tucker

A handwritten signature in blue ink, appearing to read 'H. Tucker', with a stylized flourish at the end.

COO and CFO
Jefferies International Limited

24 February 2020