

# Modern Slavery and Human Trafficking Statement – Financial Year 2021

APRIL 2022

## Introduction

This statement is made on behalf of Jefferies International Limited (“Jefferies”, “firm”, “we” or “our”) pursuant to section 54(1) of the Modern Slavery Act 2015 (the “Act”) for the financial year ending 30 November 2021 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 sixth 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 within our business or our supply chain.

## Our Business

Jefferies is a UK subsidiary of Jefferies Group LLC, a global investment banking firm with headquarters in New York which provides a full range of global investment banking, sales, trading, research and strategy across the spectrum of equities, fixed income and foreign exchange, in Europe. Our own headquarters are in London and we have a subsidiary in Germany together with branches across Europe.

Jefferies being a financial services provider, predominantly employs professionally qualified and highly skilled people.

We have a zero-tolerance approach to modern slavery in all its forms and do not tolerate it within our business or our supply chain.

## Zero Tolerance Approach

Jefferies’ zero-tolerance approach is reflected in the [Jefferies Group Code of Business Practice](#), [Supplier Code of Conduct](#) (which references the International Labour Organisation’s indicators of forced labour), [Human Rights Statement](#) and the Employee Handbook. This includes the aim to ensure that the group’s operations and, so far as possible, its suppliers’ operations are free from modern slavery and human trafficking, and that the fundamental human rights of all Jefferies employees and contractors are upheld. They highlight, together with the [Whistleblowing Policy](#), amongst other matters, the steps that staff are to take if they are concerned about or suspect the existence of any such type of behaviour, including by anonymously contacting the dedicated global ethics action line.

This statement is also referenced in the [Jefferies ESG Annual Report](#).

## Due Diligence Processes

### Suppliers

Our supply chain relates to our office-based financial services 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 / 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 and protect our global technology infrastructure) and travel. Some of our suppliers are engaged on a global basis, others are local.

We have concluded that there continues to be a low risk of modern slavery and human trafficking within our supply chain. Notwithstanding this we continue to monitor this risk given its importance.

Jefferies applies a risk-based approach to assess the likelihood of the existence of modern slavery and/or human trafficking within our supply chain. The criteria that are assessed against are the nature of the goods and services supplied, the geographical location in which a supplier operates and sources goods or services, and any known incidents or concerns relating to modern slavery or human trafficking. This enables us to categorise suppliers from a risk perspective and identify further due diligence and contractual requirements as applicable.

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, following investigation, may include terminating the contract with the supplier.

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In addition to the processes outlined above, in Q4 2021 modern slavery enquiries have also been included within our ESG due diligence questionnaire which is sent to critical vendors of the Jefferies Group on a periodic basis, being annual or bi-annual depending on their risk categorisation.

Our work to tackle modern slavery in our supply chain is part of our broader vendor risk governance which is overseen by our vendor risk management team, part of the Operational Risk Department, and subject to the firm's overarching risk management framework. With effect from the 2021 financial year, certain aspects, including review of the ESG due diligence response data for critical vendors (as above), are also considered by Jefferies Group's ESG Working Group which reports into the ESG, Diversity, Equity and Inclusion Board Committee of the ultimate parent, Jefferies Financial Group Inc.

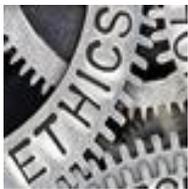


## Client Transactions

As part of the Jefferies client onboarding process, together with our anti money laundering, bribery and corruption controls, all clients are subject to related due diligence checks and screening, this includes negative news searches and, where necessary, enhanced due diligence reports. Likewise, throughout the client lifecycle, the firm also has monitoring technologies which, amongst other matters, screen our clients on a daily and monthly basis against adverse news, including human rights issues. Where necessary, matters are escalated to the financial crime and compliance teams, with further escalation being to the Head of Compliance and the Group General Counsel. As part of Jefferies' conduct risk framework, where a client, counterparty or transaction is deemed to pose a significant conduct risk, this is reviewed and evaluated by our Conduct Risk Committee.

## Our Policies

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.



### Code of Business Practice

This code sets out standards of behaviour that must be followed by all employees, consultants and contractors of Jefferies.



### Supplier Code of Conduct

Outlines the expectations for all suppliers providing products and services to Jefferies Financial Group and its financial services group companies.



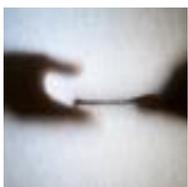
### Human Rights Statement

Sets out our core principles in respecting employees together with integrity and expectations as to clients and vendors, including the consideration of human rights risk when performing due diligence prior to business transactions.



### Whistleblowing 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. There were no issues relating to modern slavery have been raised via whistleblowing.



### Anti-Financial Crime 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.

We comply with all applicable employment legislation relating to employee terms and conditions, including pay, and are focussed on promoting diversity and supporting the health and wellbeing of our staff.

## Training

Slavery and human trafficking awareness training is provided annually to individuals in Jefferies' business with responsibility for engaging suppliers in those areas identified as being of relative higher risk. The purpose of the training is to assist our staff in understanding 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.

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## 2022 Initiatives

We intend to take the following steps in 2022 to enhance our policies, controls and oversight in relation to modern slavery and human trafficking:

1. **Supplier Due Diligence:** review the replies to the ESG due diligence questionnaire (includes modern slavery enquiries) sent in 2021/2022 to critical vendors of the Jefferies Group so as to ascertain their respective risk rating and next steps;
2. **Supplier Code of Conduct:** reference the Modern Slavery Statement 2021 and review other agreements and policies for its incorporation; and
3. **Training:**
  - review those areas receiving annual modern slavery training with a view to expanding as necessary; and
  - employees to be required to undertake ESG training.

## Board Approval

This statement covers 1 December 2020 to 30 November 2021 and has been approved by the board of directors of Jefferies International Limited on 7 April 2022.



**Huw Tucker**

CEO and CFO

Jefferies International Limited  
100 Bishopsgate  
London EC2N 4JL