

Slavery and Human Trafficking Statement – Financial Year 2023

APRIL 2024

Introduction

This statement is made on behalf of Jefferies International Limited, pursuant to section 54(1) of the UK Modern Slavery Act 2015 (the “UK Act”) for the financial year ending 30 November 2023, and also covers Jefferies (Australia) Pty Ltd (together “Jefferies”, “firm”, “we” or “our”) for the purposes of Section 16 of the Australia Modern Slavery Act 2018 (Cth) (the “Australia Act”), being the principal European and Australian operating subsidiaries of Jefferies Financial Group Inc. We have set out below 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.

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 an investment banking firm which provides a full range of global investment banking, sales, trading, research and strategy across the spectrum of equities, fixed income and foreign exchange. Jefferies Financial Group Inc. is headquartered in New York with offices in more than 35 cities across the Americas, Europe and Asia.

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

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Zero Tolerance Approach

Jefferies’ zero-tolerance approach is reflected in the Jefferies Financial Group Inc. [Code of Business Practice](#), [Supplier Code of Conduct](#) (which references the International Labour Organisation’s indicators of forced labour), [Human Rights Statement](#), each applying to all subsidiary companies, and the respective regional Employee Handbooks. These include 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 Financial Group Inc. [ESG Annual Report](#).

Jefferies

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/or 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 geographical location in which a supplier operates and sources goods or services (by reference to the Global Slavery Index), 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 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, could include terminating the contract with the supplier.

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

In addition to the processes outlined above, modern slavery enquiries have also been included within our ESG due diligence questionnaire which is sent to all critical vendors of the Jefferies Financial Group on a periodic basis, being annual or bi-ennial depending on their overall vendor risk categorization. The enquiries, amongst other matters, address modern slavery and human trafficking, with the completed questionnaires being tracked and risk ratings applied. The review of such replies enables the firm to identify and track any relative higher risk critical vendors. To the extent replies to the ESG due diligence enquiries identify areas requiring further consideration, these are followed up within the Jefferies Global ESG Working Group in order to determine any additional actions which need to be taken.

Our work to tackle modern slavery is part of our broader vendor risk governance which is overseen by our vendor risk management team, part of the Operational Risk Department, and being subject to the firm's overarching risk management framework. Certain aspects, including review of the ESG due diligence response data for critical vendors (as above), are also considered by the Jefferies Global ESG Working Group which reports into the ESG and DEI 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 Chief Compliance Officer and the Group General Counsel. As part of Jefferies' conduct risk framework, where a client, counterparty or transaction is deemed to pose a potentially significant conduct risk, this is reviewed and evaluated by our Conduct Risk Committee.



ESG Philosophy

More broadly, Jefferies believes that systematically considering ESG issues leads to more complete investment analysis and better-informed investment decisions. ESG integration is natural for Jefferies given our long term investor focus on financial value creation and risk mitigation. As part of the investment due diligence process, Jefferies assesses various factors that include, but are not limited to, financial performance, industry trends, quality of management, reputational and other risks, environmental, social, and governance factors. We make these assessments because we believe this approach is consistent with robust investment management, as well as driving a positive impact in our communities. The factors included in our evaluation process continue to evolve and are assessed and adjusted on an ongoing basis. For further details of Jefferies' approach please refer to the [Jefferies Group Sustainable Investment Statement](#).

Our Governance

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

Applies to Jefferies and its subsidiaries and the firm's employee-partners, officers and directors. We embrace the importance of managing our business in full compliance with all applicable laws and regulations. Each employee-partner and officer is required to annually certify in writing both receipt and review of the Code.



Supplier Code of Conduct

Outlines the expectations for suppliers providing products and services to Jefferies. Key areas addressed include ethics, labor, health, safety, and the environment.



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.



Sustainable Investment Statement We adopted a Sustainable Investment Statement (SIS) for clients, prospective clients, employees, and other stakeholders so that they may better understand how Jefferies defines and approaches these different aspects of sustainable investing and finance. This statement was developed through robust stakeholder engagement, including the Jefferies Financial Group Inc. ESG and DEI Board Committee and senior executives from multiple Jefferies business units, based on a peer review and recommendations conducted by an external consultant.



Whistleblowing Policy

Details the procedures all of our staff and contractors 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 raised via whistleblowing. The Jefferies Financial Group Inc. Audit Committee is responsible for handling whistleblower procedures.



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 very focused on promoting diversity and supporting the health and wellbeing of our staff.

Training

Slavery and human trafficking awareness training is provided to individuals in Jefferies' business with responsibility for engaging suppliers in those areas identified as being of relative higher risk. This also includes face to face training to relevant staff in the following areas: Corporate Services, Technology, Vendor Risk Management, Human Resources, Legal and Compliance. The purpose of the training is to assist our staff in understanding the requirements of the UK Act and the Australia 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, explain how we deal with potential modern slavery and human trafficking risks, enhance our processes and ensure appropriate embedding of the modern slavery framework. In the wider context, amongst other firmwide training, all employees participate in periodic mandatory face to face ethics training, attendance being tracked. Employees also receive ESG training.

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Next Steps

We aim to continually enhance our policies, controls and oversight in relation to modern slavery and human trafficking. This includes continued focus on the risk assessment review processes in relation to the ESG due diligence questionnaire (also contains modern slavery enquiries) sent to all critical vendors, which provides insights into progress monitoring, together with the ongoing face to face modern slavery training to relevant employees so as to ensure appropriate embedding of the modern slavery framework.

Australia

As set out above, this statement sets out the steps taken to ensure that modern slavery and human trafficking do not take place in the supply chain or any part of the business of Jefferies (Australia) Pty Ltd (including its wholly owned subsidiary, Jefferies (Australia) Securities Pty Ltd, together "Jefferies Australia"), being a reporting entity for the purposes of Australia's Modern Slavery Act 2018 (Cth). This statement has been reviewed by Jefferies Australia which has included consultation with the Legal, Compliance and COO functions of both Jefferies Australia and the Asia parent entity together with oversight provided by the Jefferies Global ESG Working Group.

Board Approval

This statement covers 1 December 2022 to 30 November 2023 and has been approved by the board of directors of Jefferies International Limited on 3 April 2024 and by the board of directors of Jefferies (Australia) Pty Ltd on 6 May 2024.



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