



Modern Slavery Statement

Reporting period: FY19-20
Version: 1
Review: Annual
Date: March 2021



This joint Modern Slavery Statement discloses the actions taken by Pepperstone Group Limited and its related bodies corporate (“Pepperstone Group”, “Pepperstone,” “we,” “us,” and “our”) to address the risks of modern slavery and human trafficking in our business. This statement is prepared to comply with the requirements of the Australian *Modern Slavery Act 2018* (Cth) (“the Act”).

1. Pepperstone Group structure, operations and supply chains

Pepperstone provides traders globally with the technology, tools, insight and support to allow those traders to access a range of over-the-counter derivative products, including margin foreign exchange (“forex”) contracts and other contracts for difference, via our online trading platforms. Pepperstone was founded in 2010 and has since grown to become one of the largest forex brokers in the world.

Pepperstone Group Limited is licensed and regulated by the Australian Securities and Investments Commission, AFSL No.414530.

The Pepperstone entities listed below are reporting entities under the Act in their own right. Each of the listed reporting entities has approved the preparation of a joint statement on their behalf.

Reporting Entities as of 30 June 2020:

- FX Group Holdings Pty Ltd, Australian registered (ACN 628 717 359)
- FX HoldCo Pty Ltd, Australian registered (ACN 609 955 062)
- FX MidCo Pty Ltd, Australian registered (ACN 610 799 865)
- FX BidCo Pty Ltd, Australian registered (ACN 609 955 053)
- Pepperstone Group Limited, Australian registered (ACN 147 055 703)

This statement also covers Pepperstone’s offshore subsidiaries and activities, including:

- Pepperstone GmbH, German registered (HRB: 91279)
- Pepperstone EU Limited, Cyprus registered (Company Number HE 398429)
- Pepperstone Financial Services DIFC Limited, DIFC registered (Registered Number: 3460)
- Pepperstone Limited UK registered (CN: 08965105)
- Pepperstone Markets Limited, Bahamas registered (IBC No. 177174 B)
- Pepperstone Finance EU Limited, Cyprus registered (Organisation Number: 408465)
- Pepperstone Finance Pty Ltd, Australian registered (ACN 135 927 918)
- Pepperstone Operations Pty Ltd, Australian registered (ACN 637 203 448)
- Pepperstone Markets Kenya Limited, Kenya registered (PVT-PJU7Q8K)



Pepperstone Group operating entities have largely the same policies and procedures, collaborate closely and share many aspects of their supply chains.

2. Modern slavery risks in our operations and supply chains

Pepperstone rejects any form of modern slavery. We're committed to implementing controls to ensure it does not occur in our business and raise awareness about it, both in our own business and supply chain. In this statement, the term 'modern slavery' is used to include a range of exploitative practices including human trafficking, sexual exploitation, forced labour, forced criminality, domestic servitude, child exploitation and forced organ removal.

We understand that the bigger risk for us, with respect to modern slavery, is the possibility of modern slavery occurring in our supply chain. Suppliers provide us with a range of goods and services including web and software services, electronics and technology, professional services (legal and accounting) and property leasing.

We have and will continue to focus our efforts on our supply chain as a key risk area. That said, given the nature of our business, we consider the risk of modern slavery in our supply chain to be low and we're not aware of any modern slavery in our supply chain.

3. Actions taken to assess and address those modern slavery risks

Internal Operations

Within the Pepperstone Group, we have robust onboarding and HR policies to prevent against the risks of modern slavery within our organisation and operations. We undertake a thorough employee onboarding process, which includes background checks. We also have HR policies which govern, among other issues, workplace safety, leave entitlements, equal employment opportunities, discrimination, harassment and bullying and a grievance resolution process.

We're also implementing a Modern Slavery Policy and we'll expect that any person or entity that has, or seeks, a relationship with Pepperstone to familiarise themselves with the Modern Slavery Policy and to act in a way that is consistent with its values.



Our Suppliers

At the end of the financial year 2019-2020, we conducted a review of that period to identify the 'Key Suppliers' in our supply chain. We've categorised a supplier as a Key Supplier if:

- the value of the supply agreement is greater than AUD\$100,000 per annum; or
- if the supplier is located in a 'High Risk' jurisdiction as per our internal Jurisdiction Risk Matrix; or
- the supplier is located in a medium-to-high risk jurisdiction, as categorised by the Global Slavery Index (www.globalsslaveryindex.org)

Review and collaboration with the Key Suppliers, as defined above, is an important step in our engagement with the Act. We are committed to continuous improvement with respect to identifying risks of modern slavery in our supply chain.

Of our Key Suppliers, many of these organisations are themselves required under either the Australian Modern Slavery Act 2018 or the Modern Slavery Act 2015 (UK) to prepare a modern slavery statement. For other Key Suppliers, we're in the process of seeking their completion of a self-assessment questionnaire about their management systems and supply chains. We'll also provide them with a copy of our Modern Slavery Policy.

We expect our Suppliers to have similar values to us regarding modern slavery and have ongoing plans to continue to engage with our suppliers in relation to their modern slavery statements or self-assessment questionnaire.

Due diligence

We have an Outsourcing Policy to manage the selection, appointment, monitoring and supervision of external service providers. For select suppliers, we require them to complete an AML/CTF Questionnaire as part of the due diligence process.

We're in the process of developing a Vendor Due Diligence Policy which will further reinforce our onboarding requirements and ongoing review of suppliers.

4. [How we assess the effectiveness of actions taken](#)

We are committed to the ongoing review and assessment of our policies and procedures outlined above, focusing on the Key Suppliers within our supply chain. We plan to implement a Vendor Due Diligence policy which will also set out our procedure for ongoing review. We will continue to engage with our suppliers regarding their modern slavery practices. We will conduct an annual review of this statement.



5. The process of consultation in preparing this statement

All companies within the Pepperstone Group are committed to implementing controls to ensure modern slavery does not occur in our business and raise awareness about it, both in our own business and supply chain.

The companies within the Pepperstone Group are subject to the same policies and standards, the companies work closely together and provide support and assistance as required.

This statement was approved by the boards of each of the reporting entities covered by this statement on **31 March 2021**.

Tamas Szabo
Group CEO
Director - Pepperstone Group Limited
Director - FX Group Holdings Pty Ltd
Director - FX HoldCo Pty Ltd
Director - FX MidCo Pty Ltd
Director - FX BidCo Pty Ltd

Signed: 21 June 2021