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Modern Slavery and Human Trafficking Statement

Introduction

This statement is made by Monex Europe Limited (**MEL**) and its subsidiary Monex Europe Markets Limited (**MEM**) pursuant to section 54 of the Modern Slavery Act 2015 (the **Statement**). The Statement was approved by the Board of Directors of MEL and MEM for the financial year ending 31 December 2022 and will continue to apply until amended. The Board of Directors of MEL and MEM will review it at least once a year.

Organisational Structure

MEL operates in the financial services sector as a provider of unregulated commercial foreign exchange services and is authorised by the Financial Conduct Authority (the **FCA**) as an Authorised Electronic Money Institution (FRN: 998114).[1] MEL operates in the UK. MEM is authorised by the FCA to provide regulated foreign exchange services to eligible counterparties and professional clients (FRN: 596146). MEM operates in the UK only. MEL and MEM altogether have around 193 employees.

Both MEM and MEL entities are part of the Monex Group and are ultimately owned by Monex S.A.P.I de CV, a publicly listed company on the Mexican Stock Exchange which has its headquarters in Mexico.

Supply Chains

As part of the financial services sector, MEL and MEM recognise that they have a responsibility to take a robust approach to modern slavery and human trafficking. Both organisations are committed to improving their practices to combat modern slavery and human trafficking in their corporate activities, and to ensuring that their supply chains are free from modern slavery and human trafficking.

Given the nature of our suppliers and commercial partners, who are either financially regulated themselves or supply financially regulated firms, the majority of suppliers and business is done from locations which are considered to be a very low risk of engaging in modern slavery, forced labour or human trafficking. Our client facing business supply chains are generally short and direct, in that our service cannot be resold and must be consumed by our clients directly.

MEL and MEM do not undertake any seasonal activities or provide seasonal work.

Organisational Policies on Modern Slavery

Both organisations operate a number of internal policies and procedures which are relevant for mitigating the risk of modern slavery and human trafficking occurring in its business or any of its supply chains. In particular, the following policies are relevant to the issues discussed in this Statement:

[1] FRN updated in March 2024 to reflect MEL's FCA registration as an Authorised Electronic Money Institution, with permission to issue electronic money (e-money) and provide payment services.

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work against their will. Only specified, reputable recruitment agencies are used to source labour and any new agency is verified before they are used.

2. Whistleblowing policy

A whistleblowing policy is in place to ensure all employees are aware that they can raise concerns about how colleagues are being treated, or practices within the organisation, without fear of reprisals.

3. Risk Assessment

Both organisations apply risk assessment policies and procedures that are proportionate to their size, structure, location of activities, supply chains, and the nature of their business.

Due Diligence Processes

MEL undertakes due diligence of its supply chain and business and the business of its subsidiary, MEM, when approving new suppliers and commercial partners. All clients undergo a simplified or enhanced due diligence process whereby they are screened for evidence of criminal activity, adverse media and sanction lists. Under the aforementioned information, MEL and MEM assess if the client presents any risk from a modern slavery and human trafficking perspective.

Measuring Effectiveness

MEL and MEM assess the effectiveness of their policies by receiving management information on the number of new client accounts rejected. Additionally, both entities also receive feedback from staff through weekly front office and monthly compliance meetings on the effectiveness of its policies and procedures.

Staff Training

MEL and MEM provide training to all staff members across the firm alongside the wider training on financial crime, bribery, corruption, data protection and privacy and other related topics. Each financial year, employees receive e-learning modules followed by examination on the module material provided. MEL and MEM intend to periodically update this training in the future.

Board Approval

This Statement has been approved by the Boards of Director of MEL and MEM on the 11 March 2024 | 13:41 GMT.

Monex Europe Limited

Mck Edgeley

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Title: MD
Date: 11 March 2024 | 13:41 GMT

Monex Europe Markets Limited

Nick Edgeley
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Title: MD
Date: 11 March 2024 | 13:41 GMT