



KCG EUROPE LIMITED

Modern Slavery Act 2015: Slavery and Human Trafficking Statement

Introduction

KCG Europe Limited (the "**Company**") is committed to combatting slavery and human trafficking and to taking steps to ensure so far as possible that such practices are not taking place in its business or supply chain. Whilst the nature of our business means that the risk of slavery or human trafficking occurring in our business or supply chain is not high, we encourage all of our employees to raise any concerns that they have and expect all of our suppliers to adhere to the highest levels of ethical conduct.

KCGE's business and structure

The Company is a registered broker-dealer based in the UK providing execution services for institutional and broker-dealer clients across a broad range of asset classes covering U.S., European and other international markets. Its business is made up of three principal areas: market making, electronic execution and institutional sales and trading. The Company is authorised and regulated by the Financial Conduct Authority.

The Company is part of the KCG Group (the "**Group**"). Its ultimate parent company is KCG Holdings, Inc. ("**KCGH**"). KCGH has its head office in the U.S. and its shares are publicly traded on the New York Stock Exchange. The Group has approximately 950 employees worldwide and has operations in various locations in the U.S. and in London, Mumbai and Singapore.

Our supply chains

The Company has approximately 200 suppliers. They are based in a number of jurisdictions including the UK, other countries within Europe, the U.S., Canada and Singapore.

The nature of our suppliers varies considerably. Our supply chain includes for example: suppliers of financial services (such as KCG Americas LLC which acts as a broker-dealer and provides execution services for the Company's European clients wishing to trade in US stocks and BNP Paribas which provides custody and clearing services), suppliers of professional services (including legal and accountancy services), IT services, HR services (including payroll and recruitment services) and facilities services (including catering and cleaning).

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chain or in any part of our business.

The Group has a Code of Business Conduct and Ethics (the "**Code**") which confirms its commitment to promoting integrity and maintaining the highest standards of business conduct in all of its activities. The Code covers a wide range of business practices and procedures, including discrimination and harassment, health and safety and compliance with laws, rules and regulations. In particular, under the Code, if employees know of, or suspect, a violation of applicable laws or regulations, they must immediately report that information to their supervisor or any other



manager. Employees may also report any suspected violations of the law, the Code or other Group policies to the Group's Ethics Committee. Such reports may be made anonymously.

In addition, the Company has implemented specific anti-slavery and human trafficking policies (one policy designed for the suppliers and one policy designed for the staff) that reflects its commitment to ensuring that its business and supply chains are "slavery free".

Due diligence processes for slavery and human trafficking

The Company has reviewed its list of suppliers and does not consider that there is a high risk of slavery or human trafficking being present within their businesses or further down their supply chains. Nonetheless, the Company has put in place the following steps to mitigate any risks that may exist:

- we put together a questionnaire to gather more information from our suppliers about their business practices and their own policies and procedures regarding slavery and human trafficking;
- we identify those suppliers which we consider are likely to pose the greatest risk in terms of slavery and human trafficking and begin by asking them to complete the questionnaire;
- we also send the questionnaire to new suppliers that we consider may be at risk of having slavery or human trafficking present in their business or supply chain;
- we review the responses to the questionnaires and the slavery and human trafficking statements published by our suppliers in accordance with the Modern Slavery Act 2015 and consider whether any further due diligence is required;
- we have introduced specific contractual provisions into our contracts with suppliers asking them to warrant that they have taken reasonable steps to ensure that their businesses and supply chains are "slavery free".

Effectiveness of our policy

The Company's legal function will have responsibility for our anti-slavery and human trafficking policy and monitoring its effectiveness. The legal function will report to the Board of the Company on this issue at least annually and will immediately report any instances of, or concerns about, slavery or human trafficking in the Company's business or its supply chain of which it becomes aware.

Training

To ensure a high level of understanding and awareness of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our staff as part of our annual compliance programme. Such training is also being provided to new members of staff as part of their induction programme.



This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Company's slavery and human trafficking statement for the financial year ending 31 December 2016.

Philip Allison

1st February 2017

Philip Allison, CEO
For and on behalf of KCG Europe Limited