



Our Sustainability
Journey
JEFFERIES ESG REPORT

Jefferies

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Letter from Our CEO and President

In our inaugural ESG report published in April 2020, we wrote about COVID-19 and stated:

“Our team turned on a dime and, as they have time and time again in every crisis, overcame the challenges and continued to forge ahead to support each other through the crisis, to rush to the aid of our clients who were facing these same huge challenges, and all the while continuing to protect their families and to aid the communities they call home.”

To say that we fully appreciate how incredibly effective our team was in 2020 is an understatement. Our teams excelled beyond our expectations, not only in terms of results, but also on the social front.

As described in our annual report, our team’s financial success in 2020 is not the consequence of an overnight miracle, but rather decades of investment, hard work, patience, perseverance and great execution. At our core business, Jefferies Group, we had record revenues and record earnings. At Jefferies Financial Group, not only did we record impressive returns on equity and shareholder returns, but also returned almost \$1 billion in cash to our shareholders.

Perhaps the bigger story, though, was the incredible success we had on our collective personal front. Last year, it was noted as part of the Harvard Law School Forum of Corporate Governance that:

“The scope of ‘S’ [in ESG] has progressively widened over the past two decades, which reflects the evolving business environment of the 21st century where businesses and markets are increasingly interconnected and interdependent...

“In looking at examples of ‘S’ practices among businesses, it was also evident that these practices are a barometer for corporate culture. Where companies have a strong and shared culture across the organisation, ‘S’ practices tend to be strong. Where a culture is poor, or considered ‘toxic,’ ‘S’ tends to follow the same pattern.”

We could not agree more. When COVID-19 emerged in 2020, we did not have a “Pandemic Business Continuity Playbook,” or a “Pandemic Response Team” or a pandemic anything. What we did have was the shared Jefferies culture: a flat organization, with no bureaucracy and a deep sense of proprietary interest in our firm and our friends and colleagues. When the pandemic hit, and hit hard, our team responded as if we had been planning for this eventuality for years. Our technology team delivered in unprecedented ways to allow all of us to function as efficiently

Jefferies Mission and Purpose

As a people-driven business, our greatest contribution to the world flows through our team of outstanding individuals who live the Jefferies values of partnership, service, nimbleness, drive, and humility to make a positive difference in the communities in which we live and work. We strive to be a global leader in Investment Banking, Capital Markets and Asset Management and build value for clients and stakeholders by leveraging our diverse team and our culture of resilience and innovation.

in our basements, bedrooms and dens as we had at the office. Our support teams continued to assure that our businesses were being operated and our myriad risks controlled, despite complete physical separations. Our businesses adjusted to a decentralized environment in ways that gained public kudos, increased market share and, as noted above, resulted in record performance. And, together, our team in both large and small ways made sure that we never stopped looking out for each other, our families, our clients and our communities.

Put differently, the Jefferies culture, in an almost second-nature way, mobilized to protect all stakeholders – employee-partners, families, investors, creditors, clients, and people in all the places we live and work. It was and remains a humbling thing to watch.

As it pertained to our greatest asset, our employee-partners, we made it absolutely clear that we would not respond to the pandemic by furloughing people. That is not our culture, nor the right behavior of a responsible firm. Likewise, we made, and to this day make, very clear to all of our employee-partners that their safety is paramount, and nobody would be expected to work in an office unless they are comfortable doing so. Quite to the contrary, we are in the middle of what we call “JEF Ahead,” planning to construct a path forward that will run the gamut from people who are working at home full time, to people who follow some hybrid model of working from home and coming into an office, to some who will work from an office relatively full-time once again.

Despite having one of our busiest and most challenging years ever, we rallied together to give back to our communities both with our financial and our personal resources. Among other things, we supported real efforts to create mass-produced delivery methods for medicinal vaccines and therapeutics. We sponsored a special purpose acquisition company (SPAC), the aim of which is to support diversity and inclusion, and we have committed to donate our financial interest in that SPAC to further support diverse businesses and programs. We organized targeted donations of millions of dollars to those in need. Often, and in more instances than we can capture in a report, our employee-partners and their families were on the front lines with first responders or otherwise engaging in efforts to support first responders and their families.

Forgive us if we seem focused on the pandemic but realize that it has taken on an outsized place in our day-to-day thinking. Rest assured, though, that on all other fronts we have remained hyper-vigilant to our commitment to environmental, social and governance issues, including, we are excited to say, working with our newly expanded ESG/DEI Committee to measure our carbon footprint and achieve net-zero status for our operations, as described on page 13.

We hope you learn more about our efforts through this ESG Report and, as always, look forward to your feedback about how we can do better.

Thank you,



Richard B. Handler
Chief Executive Officer



Brian P. Friedman
President

Letter from the ESG/DEI Committee of the Board

While all of us on the ESG, Diversity, Equity and Inclusion Committee (the “ESG/DEI Committee”) are on one or more of the other Jefferies Financial Group Board Committees, we are particularly inspired and excited to be members of this Committee.

We realize how critically important sustainability is to Jefferies’ long-term success and to the betterment of the communities in which we live and operate. When our Board decided to elevate the oversight of Jefferies’ ESG efforts to regular monitoring and oversight, we were pleased to see how the ESG ethos was already embedded in the company.

When we embarked on this journey in 2019, we thought we would engage in a top-down exercise to bring different parts of the organization up to speed with ESG policies and expectations. To the contrary, we are finding that each of the businesses is already in the process of enhancing its ESG efforts and services because sustainability goes hand in hand with business intelligence and efficiency, and with our “do good” culture. We are highly confident that this bottom-up approach, coupled with our top-down efforts will lead to continued ESG success.

We are proud of the strides we made to advance ESG across Jefferies’ operations since the release of the last report. We started by understanding our current footprint and assessing gaps in each ESG area. In a few short months, we offset our operational footprint to achieve net-zero energy and publish a [Human Rights Statement](#) and [Health and Safety Policy](#) to underscore our commitments and operationalize them. Jefferies doubled down on its community giving and philanthropy like never before, donating a total of \$21.1 million to organizations around the world. Jefferies invested in and advised on social and environmental ventures such as ApiJect, Greencoat UK Wind and Empowerment & Inclusion Capital.

Also among our successes is the decision to have this Committee formally oversee Jefferies’ efforts relating to diversity, equity and inclusion (DEI). We operate in one of the many industries that has been challenged on the DEI front. It was not that long ago that this Board was made up of only white men. We are proud that 30% of our Board is now diverse, but we know that this is only a start. We are committed to increasing this statistic in the near future as we refresh our Board following two recent retirements.

In 2020, Jefferies also created the Jefferies Diversity Council that carries out the company’s DEI strategy and efforts and that is co-chaired by Rich and Brian. Our goal is to have our management teams represent the diversity of our Board and to have our teams at Jefferies feel proud of their organization that creates not just the platform for inclusion but also tangible results.

We encourage you to read about our efforts and provide feedback. Our goal is success, and your help in getting us there will be greatly appreciated.

ESG/DEI Committee of the Board

- Barry J. Alperin (Chairman)
- Linda L. Adamany
- Francisco L. Borges
- MaryAnne Gilmartin
- Jacob M. Katz

Jefferies – Who We Are



Jefferies Financial Group Inc. is engaged in investment banking and capital markets, alternative asset management and direct investing. Jefferies Group LLC (Jefferies Group), our largest subsidiary, was established in 1962 and is now the largest independent full-service global investment banking firm headquartered in the U.S.

Our strategy focuses on strengthening and expanding our core businesses of Investment Banking, Capital Markets and Alternative Asset Management, while continuing to simplify our structure and return capital to our shareholders. We are simplifying our structure through a managed transformation of our direct investing, or Merchant Banking, business, which, to date, has included divestitures, special distributions to shareholders of assets, as well as transfers of financial assets out of our Merchant Banking portfolio and into Jefferies Group. We anticipate additional transactions as our transformation is completed. Some of these transactions have generated significant

excess liquidity; some of these transactions have also reduced the future receipt of periodic distributions from subsidiaries to the parent company. In keeping with our strategy, a meaningful portion of the proceeds of these transactions has been returned to shareholders through share repurchases. During the past three fiscal years, we have returned to shareholders almost \$3.4 billion through share repurchases and dividends.

Our executive offices are located at 520 Madison Avenue, New York, NY 10022, as is the global headquarters of Jefferies Group. At November 30, 2020, we had 4,945 full-time employee-partners, including 3,922 full-time employee-partners at Jefferies Group. Jefferies Group retains a credit rating separate from Jefferies and remains a U.S. Securities and Exchange Commission reporting company.

We have come a long way from the small equities firm founded in the 1960s. Now a global company with 36 offices worldwide, the same energy, unending motivation, grit, and focus on customer service continues to be laser sharp.

Our strategy for Jefferies Financial Group is designed to complete the transformation into a pure financial services firm that is a global leader in Investment Banking, Capital Markets and Alternative Asset Management.

Throughout our history, we have continuously found new ways to contribute to a more equitable, resilient future for all of our stakeholders: our clients, our employee-partners, our shareholders and the people in communities where we live and operate. We recognize that our position in the market and our scale bring great responsibility. Sustainability serves as a guiding principle for how we conduct business and create solutions that are changing the world.

Jefferies Overview

JEFFERIES FINANCIAL GROUP

NET REVENUES*

\$6.0

BILLION

NET INCOME*

\$770

MILLION

TOTAL EQUITY*

\$9.4

BILLION

4,900+

EMPLOYEE-
PARTNERS

JEFFERIES GROUP LLC

Investment Banking, Capital Markets & Asset Management

\$6.4

BILLION TOTAL EQUITY*

MERCHANT BANKING

\$1.9

BILLION TOTAL EQUITY*

*As of November 30, 2020



JEFFERIES GLOBAL FOOTPRINT

The Americas

- **New York:** *Global Headquarters*
- Amblar
- Atlanta
- Boston
- Carlsbad
- Charlotte
- Chicago
- Dallas
- Houston
- Jersey City
- Los Angeles

- Meridian
- Miami
- Nashville
- Orlando
- Richmond
- Salt Lake City
- San Francisco
- Stamford
- Toronto
- Washington, DC

Europe & The Middle East

- **London:** *European Headquarters*
- Amsterdam
- Frankfurt
- Madrid
- Milan
- Paris
- Rome
- Stockholm
- Zurich

Asia

- **Hong Kong:** *Asian Headquarters*
- Beijing
- Mumbai
- Singapore
- Sydney
- Tokyo

Our Commitment to Sustainability

2020 marked an expansion of priorities and with that came a much larger focus on ESG. Our Commitment to sustainability, including diversity, equity and inclusion, is driven by the Board of Directors and, more specifically, the ESG/DEI Committee of the Board. The Committee this year has expanded its ambit in two primary ways. First, as a way of underscoring its focused oversight of Jefferies' efforts to broaden its diversity in the workforce and its efforts to help address social issues outside Jefferies, the Committee will now address diversity and inclusion and rebranded itself the ESG, Diversity, Equity and Inclusion Committee (the ESG/DEI Committee). Second, the Committee has committed to measuring and reporting our Scope 1 and 2 emissions to inform future carbon reduction goals. We incorporated ESG/DEI explicitly in the Board charter of the Nominating and Corporate Governance Committee and developed an ESG/DEI Committee to further drive execution of our goals.

Our Board and executive management team understand that financial, social and environmental sustainability go hand in hand and are enthusiastic about continuously improving in several areas most

applicable to our business. We believe that companies not focused on ESG/DEI initiatives will fall behind and be less agile to deliver products and services in our dynamic and volatile world. We have made great strides to integrate sustainability in our company's strategies and objectives.

We know progress does not happen overnight. Jefferies is committed to transparency with our stakeholders about where we are on our path of continuous improvement and encourage our customers and business partners to do the same.

United Nations Sustainable Development Goals

Our ESG/DEI activities are aligned with the United Nation's Sustainable Development Goals (SDGs). These goals were established in 2015 by world leaders to end poverty, protect the planet, and seek to ensure prosperity for all. As a result of our review, we have determined that our current activities most closely align with the goals set forth below. Throughout this report, we indicate where the goals align with our ESG/DEI activities and impact.



2020 ESG Highlights

We are proud of the progress Jefferies has made since our last report to advance in our sustainability journey. We share these highlights with pride while also recognizing the large amount of work we have ahead.



Environment

- Conducted first complete carbon assessment of our operations and set baseline for carbon disclosure
- Achieved net-zero energy by offsetting 100% of our operational footprint



Social

- Donated \$21.1M in 2020 and 2021 to over 200 charities, organizations and nonprofits
- Supported Jefferies' COVID heroes going above and beyond to do their part during the pandemic
- Founded Empowerment and Inclusion Capital
- Added two new employee resource groups
- Launched Jefferies Diversity Council



Governance

- Developed new ESG corporate policies ([Human Rights Statement](#), [Health and Safety Policy](#))
- Expanded operational risk oversight and training
- LAM published Sustainable Investment Policy to guide responsible investment practices
- ESG/DEI Committee of the Board elevated Diversity, Equity and Inclusion

Sustainable Finance at Jefferies



Jefferies believes that systematically considering ESG issues leads to more complete investment analysis and better-informed investment decisions because how a company manages these issues has financial and other consequences. ESG integration is natural for Jefferies given our long-term investor focus on value creation.

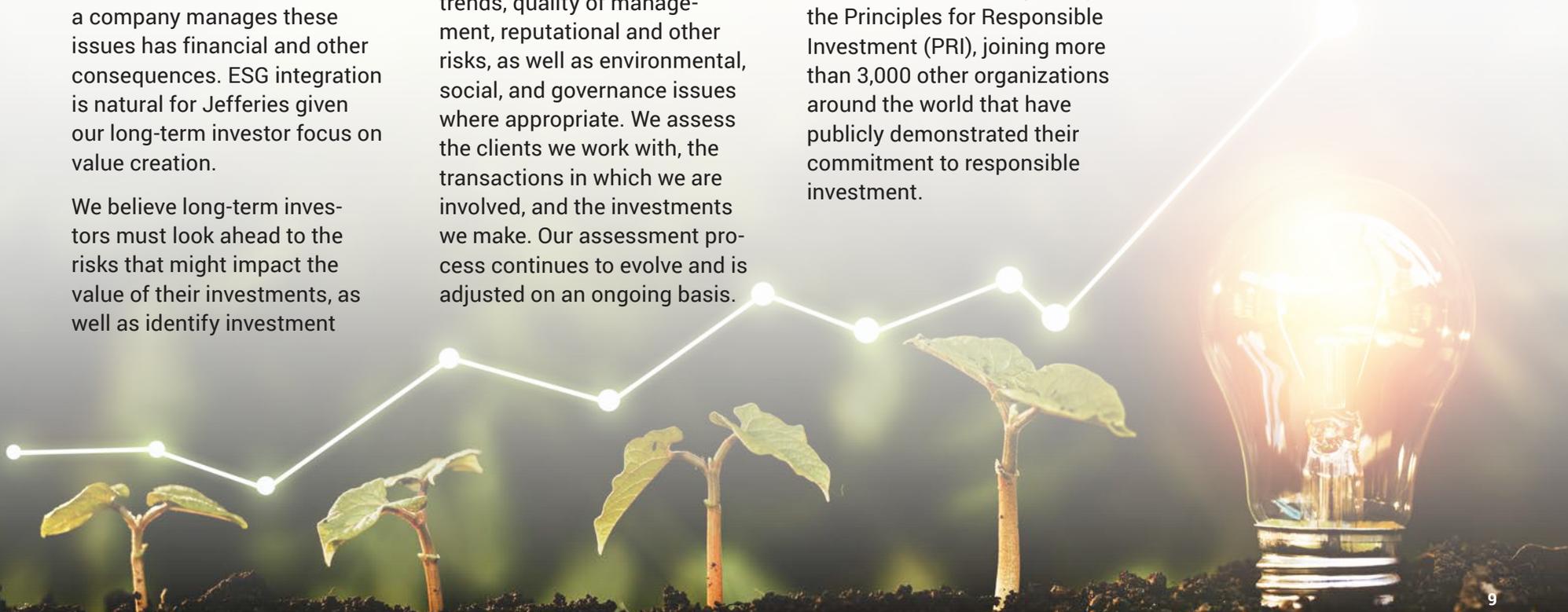
We believe long-term investors must look ahead to the risks that might impact the value of their investments, as well as identify investment

opportunities over long-term horizons. We also believe that governance is the foundation upon which successful companies are built. It is the mechanism through which Jefferies can ensure interests are aligned between fellow shareholders, management and other stakeholders of a company.

Throughout its operations, Jefferies assesses various factors including but not limited to financial performance, industry trends, quality of management, reputational and other risks, as well as environmental, social, and governance issues where appropriate. We assess the clients we work with, the transactions in which we are involved, and the investments we make. Our assessment process continues to evolve and is adjusted on an ongoing basis.

Under the combined Leucadia Asset Management (LAM) umbrella, we manage and provide services to a diverse group of alternative asset management platforms across a spectrum of investment strategies and asset classes. Since publishing our last report, LAM developed an ESG Statement and Sustainable Investment Policy. LAM also established an ESG Steering Committee to further support ongoing commitment to ESG principles. As of 2021, LAM is also a signatory of the Principles for Responsible Investment (PRI), joining more than 3,000 other organizations around the world that have publicly demonstrated their commitment to responsible investment.

Part of LAM's investment offerings includes Solanas Capital, focused on investing in alternative energy, efficiency and sustainable resources, and Sikra Capital, focused on investing in long/short equity opportunities primarily in Europe. Both of these divisions have their own ESG policies and strategies and align with the UN Sustainable Development Goals (SDGs).



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Global Insights – Make a Change: ESG’s Influence on Equity Flows, Asset Returns & Stockpicking

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Best Research Ideas

Global Insights – Make a Change: ESG’s Influence on Equity Flows, Asset Returns & Stockpicking

Jefferies analyzes the ESG landscape as it continues to gain importance in the investing community. In this deep dive report, Jefferies notes: ESG is one of the only areas with consistent inflows, a trend that is expected to continue as millennials build wealth; performance for ESG funds has been better than the overall trend; key themes to watch and methodologies for analyzing investments with ESG in mind. In addition, Jefferies points out that ESG investing could



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Commentaries & Views

Jefferies Analysts, Strategists and Economists provide real-time thought leadership across the global financial markets, offering insights and new ideas for or clients on a range of topics, including market strategy, economics, equity, fixed income, and foreign exchange.

Sustainably Sourced: Jefferies ESG Podcast

"Values At Work" - A Conversation with Dan Esty

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Lauren Puffer
ESG Equity Strategist
JEFFERIES GLOBAL EQUITIES

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Jefferies Insights - January 2021

As part of the firm's daily communication with clients, Jefferies regularly publishes perspectives, ideas and insights on the markets and our areas of focus through research reports, trend analysis, white papers and industry commentary, as well as strategy and economic thought pieces.

Economics and Strategy

Optimizing Your ESG Strategy and Disclosure in 2021

Laura Ulbrandt DiPierro

THE BROADRIDGE WEBINAR PROGRAM

ESG WEBINAR SERIES



Environmental Responsibility

Climate Change Impact



At Jefferies, we consider environmental sustainability a key driver to our long-term financial success. We understand that there are increasing environmental risks that can negatively impact our stakeholders. We strive to identify and manage the risks most pertinent to our business so we can do our part to reduce our carbon footprint and act as respectful environmental stewards.

Climate change is currently one of the biggest threats to humanity and poses a significant challenge for the global economy. At Jefferies, we take these challenges and turn them into opportunities for new and growing businesses that benefit the environment. For large and mid-cap companies, 37% of US ESG funds beat the market in the last five years. In a Jefferies proprietary survey of over 2,100

individuals, we found that consumers prefer sustainability-focused companies and expect them to outperform. We are committed to helping our clients and stakeholders accelerate the transition to a low-carbon economy and are looking at our own business practices to set the right example.

We are working to tackle climate change in various ways:

In Our Investments

We are helping finance climate solutions by deploying capital for green energy and a more circular economy. We are increasing the number of green, sustainable, and SDG-linked bonds and continue investing in mission-driven companies that are making huge strides toward a more inclusive, sustainable world. Jefferies also acts as a financial advisor to ESG-oriented companies. We currently advise Greencoat UK Wind PLC, a company with strategies in wind infrastructure, solar infrastructure and private equity.

With Our Clients

Through our Equity Sales & Trading, and Equity Research Initiative, we are incorporating ESG/DEI themes, content, and analyses into our research that we then distribute to our clients for them to use as part of their investment process. In this way, we are assessing companies and analyzing trends in relation to clean energy solutions, giving perspective to clients on the impact of carbon markets and other climate-related market mechanisms and opportunities.

Climate Change Impact

In Our Own Operations

Our goal is to minimize negative environmental impacts while meeting the needs of current operations and without compromising the ability of future generations to sustain their needs. We work with energy management consultants, utility companies and a variety of contractors that support Jefferies' sustainability objectives to improve current efforts and uncover new sustainability opportunities. We are dedicated to measuring and reducing our environmental footprint throughout our business operations and have analyzed our energy use in an in-depth carbon assessment to set a baseline for carbon reporting moving forward.

We are committed to net-zero energy across our businesses and achieved 100% carbon neutrality for our operations by purchasing carbon offsets with Renewable Energy Certificates (REC). Because energy use and office occupancy rates were lower in 2020 due to COVID-19 protocols, we used greenhouse gas estimates based on collected data for the 2018 and 2019 calendar years to inform our carbon offset and REC purchases. We want to do our part to advance climate action and this commitment is a key next step in our ESG journey.

***In 2020, we achieved
100% carbon neutrality
for Jefferies' offices and
data centers***



Energy Management

Environmental Indicators

Aligned with our commitment to reducing our environmental impact, we collected available data from our offices, data centers, aviation and vehicle fleet to calculate our energy consumption and greenhouse gas (GHG) emissions. Office data collected included available electricity usage from our leased offices with ten or more employee-partners as well as data centers. We have also collected available fuel-usage data from our aviation and vehicle fleet.

Because our office and data center needs can change year-to-year, our carbon footprint can also change. For this reason, the data in the table on the next page should not be used for comparison purposes. To the extent available, we collected data from the locations below for the 2018 and 2019 calendar years.*

US Offices:

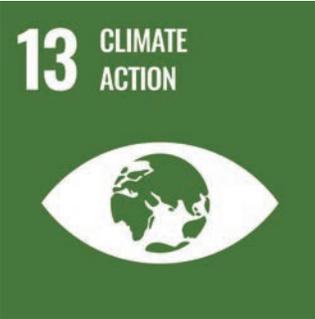
- Atlanta, Georgia
- Boston, Massachusetts
- Charlotte, North Carolina
- Chicago, Illinois
- Houston, Texas
- Jersey City, New Jersey

- Los Angeles, California
- New York, New York
- San Francisco, California
- Summit, New Jersey
- Stamford, Connecticut

Energy Consumption

Our US and international offices' and data centers' energy consumption are shown in the table on the next page. Only electricity consumption data is provided for the office locations. Due to limitations in data availability, usage estimates were applied to selected locations.

Data center energy consumption is based on server electricity load data by our third-party data center providers, many of which purchase Renewable Energy Certificates (RECs) / global equivalent products equal to our consumption (Data Center Provider Renewable Energy Purchased).



International Offices:

- Frankfurt, Germany
- Hong Kong, SAR
- London, United Kingdom
- Singapore
- Mumbai, India
- Sydney, Australia
- Tokyo, Japan

Data Centers:

- Hong Kong, SAR
- London, United Kingdom
- Secaucus, New Jersey
- Sydney, Australia

* Data from offices with fewer than ten employee-partners, offices without electricity usage information and data from Jefferies' Merchant Banking portfolio were not included in our data collection and calculations. Our environmental indicators are preliminary, unaudited, and subject to revision.

Energy Management

JEFFERIES' US & INTERNATIONAL OFFICES & DATA CENTERS	2019	2018
US Offices and Data Centers Electricity Consumption	15,747 MWh	15,195 MWh
International Offices and Data Centers Electricity Consumption	5,361 MWh	5,266 MWh
Total Electricity Consumption	21,108 MWh	20,460 MWh
Data Center Provider Renewable Energy Purchased	3,003 MWh	1,186 MWh

Greenhouse Gas Emissions

Jefferies determined Scope 1 and 2 emissions based on the information above. Scope 1 and Scope 2 emissions are considered “direct” and “indirect” emissions such as mobile source fuel consumption (aviation and vehicle fleet) and electricity usage in leased offices and data centers.

Jefferies’ 2018 and 2019 calendar year greenhouse gas emissions from our offices, data centers, aviation and vehicle fleet was calculated using the US EPA’s Simplified GHG Emissions Calculator Version 5 that uses the GHG Protocol’s GHG calculation methodology. US Emissions factors are updated using the EPA’s eGRID GHG Emissions Factors (issued March 2020). We utilized applicable 2018 and 2019 emission factors for our international offices and data centers.

JEFFERIES' EMISSIONS CATEGORIES	EMISSIONS IN MTCO2E*		
	2019	2018	% CHANGE
Scope 1 Emissions (Mobile Sources)	3,078	3,321	-7.3%
Location-Based Scope 2 Emissions US	4,431	4,218	5.0%
Location-Based Scope 2 Emissions International	3,679	3,893	-5.5%
Total Location-Based Scope 2 Emissions	8,110	8,111	0.0%
Market-Based Scope 2 Emissions US	3,854	4,094	-5.9%
Market-Based Scope 2 Emissions International	2,813	3,275	-14.1%
Total Market-Based Scope 2 Emissions	6,667	7,369	-9.5%
Total Scope 1 & Location-Based Scope 2 Emissions	11,188	11,432	-2.1%
Total Scope 1 & Market-Based Scope 2 Emissions	9,745	10,690	-8.8%

* MTCO2E – Metric Tons of Carbon Dioxide Equivalent



Social Responsibility

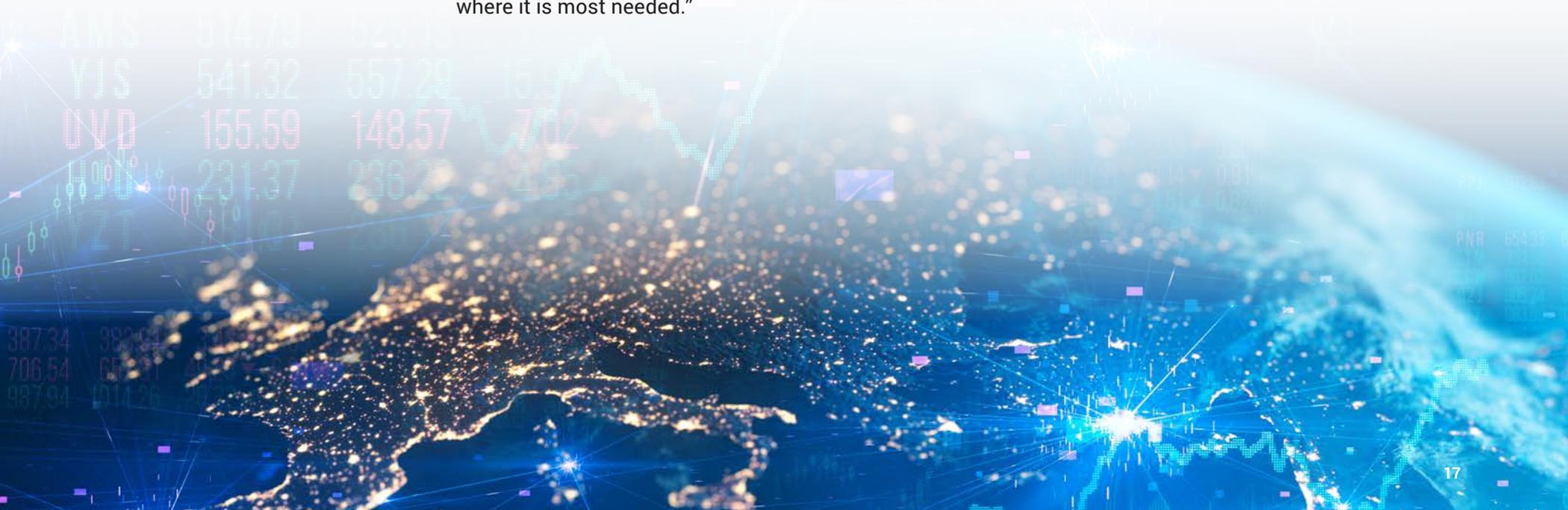
Doing Good



Jefferies hosted a “Doing Good” Global Trading Day on February 26, 2021 to support accredited charities focused on advancing diversity and inclusion, supporting COVID-19 relief efforts and improving sustainability and the environment. The Jefferies “Doing Good” Global Trading Day offered investors around the world the opportunity to join these efforts by trading with Jefferies.

Specifically, Jefferies donated 100% of net global trading commissions on February 26 for all trading in equities, fixed income and foreign exchange by the firm’s clients. In addition, Jefferies as a firm donated \$1 million directly, and all 3,922 employee-partners worldwide were given the opportunity to personally donate to these efforts. Collectively, we donated \$8.3M to 129 charities that each received \$65,000. These contributions were allocated to qualified charities dedicated to important initiatives. Examples include supporting youth, culture and arts, women and girls, veterans, COVID-19 relief, environmental sustainability, racial justice, LGBTQ+, hunger relief and more.

Leading up to the event, Rich Handler, our CEO, and Brian Friedman, our President, commented: “As we approach the one-year anniversary of the impact of COVID-19 on humankind, we at Jefferies are grateful to be so fortunate and we are excited to be able to contribute to many important causes that are dear to our and our clients’ hearts. Our Doing Good Global Trading Day supports organizations including those focused on diversity and inclusion, COVID-19 relief efforts and the sustainability and protection of our environment. Every one of us at Jefferies was thrilled to have the opportunity to partner with our clients, fellow employee-partners and shareholders as we utilized Jefferies’ global platform for a day of giving back where it is most needed.”



ApiJect Systems America



Our focus on investing in companies with social purpose is more important than ever. In 2020 we were intentional about partnering and investing in companies positively benefiting society, particularly around health, housing, and supporting underserved communities.

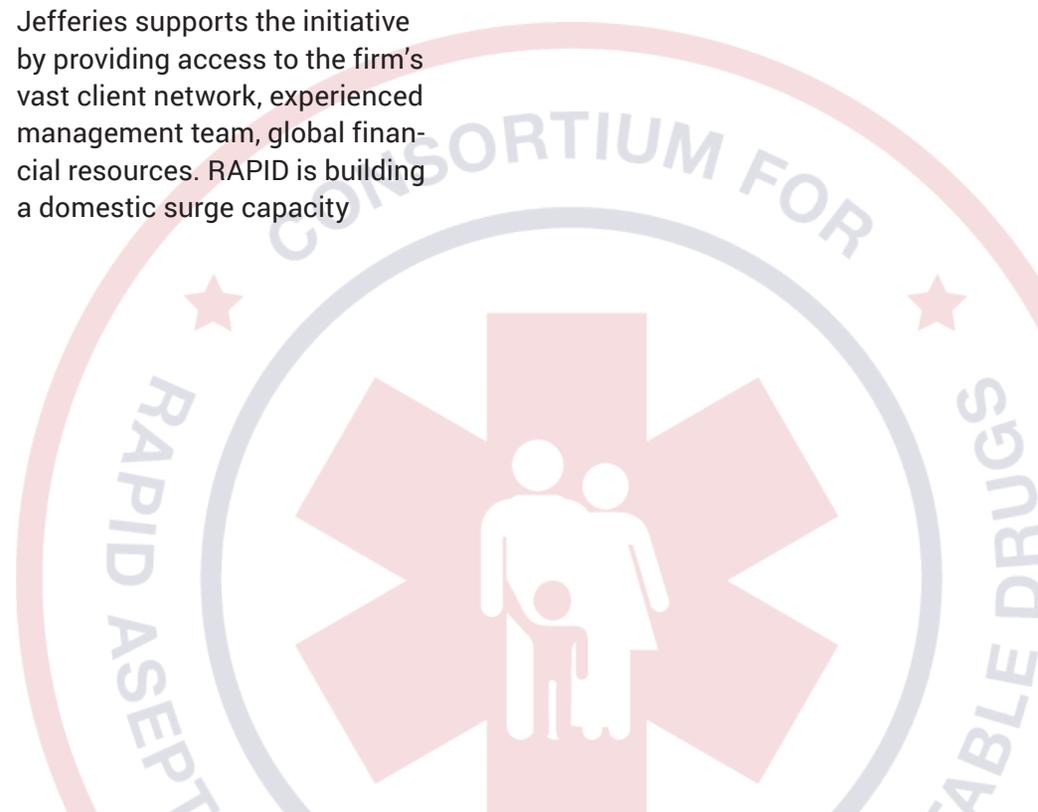
As part of the US Department of Health and Human Services launch of RAPID, a public-private partnership to create a US-based, high-speed, high-volume emergency drug packaging solution using low-cost prefilled syringes to deliver the medicinal therapeutics and vaccines needed to combat COVID-19, Jefferies seeded ApiJect Systems America (a public-benefit corporation) with \$10 million

and undertook an initiative to help raise up to \$1 billion in private capital.

This consortium called RAPID – Rapid Aseptic Packaging of Injectable Drugs – is intended to establish critically needed surge capacity “to fill and finish, on a rapid basis, hundreds of millions of prefilled syringes to respond quickly and efficiently to widespread health emergencies, such as the novel COVID-19 outbreak.” (HHS Public Announcement, March 18, 2020)

Jefferies supports the initiative by providing access to the firm’s vast client network, experienced management team, global financial resources. RAPID is building a domestic surge capacity

network of up to eight packaging facilities using Blow-Fill-Seal (BFS) technology. FDA-approved BFS technology is currently used to package billions of doses annually for medicines used to treat respiratory conditions, rotavirus oral vaccines and more. RAPID combines this well-established technology with an innovative interlocking needle hub to achieve population-scale volumes of prefilled syringes.



COVID-19 Relief Fund

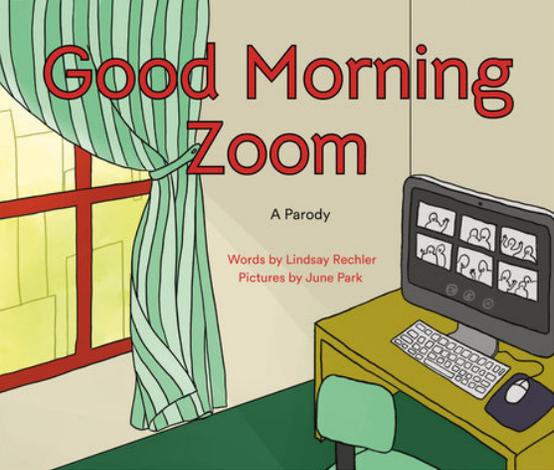


Our firm, our employee-partners and our clients commonly band together to address crises and disasters facing the places we work and live. 2020 was no exception. In honor of the passing of our CFO, Peg Broadbent, our community came together and raised \$9.25 million worldwide. We are in awe of the support and were thrilled to contribute this money to 85 worthy global charities who are each on the front lines helping those most impacted by the Coronavirus global pandemic.

The charities selected are both large and small and represent food banks, childcare services, assistance with PPE and other medical supplies, support for front-line medical workers, assistance for afflicted military personnel, local teen centers, support for police and fire, workforce training and re-training and many other worthy areas that are most in need. We thank our employee-partners and clients for aiding in the selection of many of these remarkable charities.

Spotlight Charity

Jefferies supports a charity in India, Friends of Tribal Society, that helps hundreds of rural and tribal families through education and health initiatives. With the support of our India team, we provided food to 150 families struggling financially. Established in 1989 in Kolkata, India, the organization has over three decades of experience uplifting members of 34 rural communities by providing education primarily focused on literacy, health care, development, and empowerment. Their activities were acknowledged with the Gandhi Peace Prize and we were thrilled to support them through our fundraising efforts.



At Jefferies, we are honoring the employee-partners who have gone above and beyond to make an impact during the COVID-19 pandemic. These are only a few examples of how our incredible workforce is making a difference in their communities.

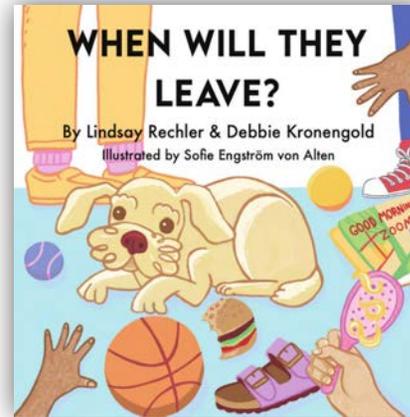
The Personal Side of Quarantine

Lindsay Kronengold Rechler, Managing Director and Head of Business Services, created an extremely creative and engaging way to comfort children during the pandemic and also raise much needed funds for COVID-19 related charities. Lindsay was having a hard time explaining the COVID-19 school closing and why she and her husband were now working from home

COVID-19 Heroes

to her small kids. That's when she hit on the idea of writing a story as the best way to explain to them what was going on. Her children love the popular book "Goodnight Moon" that points out all of the elements in one room. Now, with everyone home, Lindsay was inspired to write her own book called "Good Morning Zoom" as a parody to explain it to them. From creating couch pillow forts, to Mom and Dad working on their iPads and computers, to speaking to grandparents on video calls, "Good Morning Zoom" normalizes what, for a child, could be confusing aspects of the new normal. All proceeds from the book benefit COVID-19 charitable organizations.

Following the success of her first book, Lindsay partnered with her mother to write a second book, this time from the perspective of a house pet witnessing the added presence and affection of people at home. Similar to "Good Morning Zoom," 100% of the net proceeds are benefitting a charity, a local pet rescue organization.



We salute Lindsay and her family for helping families to better cope with the lockdown and for raising much needed funds for COVID-19 frontline relief organizations.

3D Printing Face Shields

Sarah Crouch, is the Deputy Director of Public Health for the London boroughs of Westminster and Kensington. She has an extremely important role helping coordinate policy and response to the COVID-19 pandemic. During the lockdown period, Paul was the primary caregiver for their two daughters. He helped run his household while keeping New York hours on the GSS desk.

As if Paul wasn't already busy enough, he decided to invest in a 3D printer and spent his weekends designing and producing face shields. During the PPE shortage, Paul donated hundreds of shields to local hospitals and clinics. We salute Paul for being a wonderful team player at home, in his community, and here at Jefferies.

Balancing Work with Duty

Andrew Mallios is a Managing Director and Sales Trader on our Equity team in New York. Andrew covers some of the world's largest investors for International Equities. Andrew's wife, Dr. Chrisoula Politis, is a pulmonologist working on the front lines of COVID-19. Working almost non-stop under extreme conditions, Dr. Politis continues to care for her patients and fight this virus every day. Meanwhile, Andrew is tending to their children, Alex and Daphne, while continuing to trade international equities 12+ hours a day.

COVID-19 Heroes

Teamwork Makes the Dream Work

Adam Carlson's wife, Dr. Magge, is a surgical oncologist at Mt. Sinai. In late March, Mt. Sinai deployed all of their physicians, including Dr. Magge, to cover COVID-19 units. Since then, Dr. Magge has been covering ICU shifts and working on the front line to treat critically ill patients suffering from the COVID-19 virus. Protective gear continues to run low and Dr. Magge selflessly puts her life at risk each day. Given her daily exposure to COVID-19, she and Adam are unable to have routine childcare for their 18-month old son, Devan. Instead, Adam has been taking care of Devan while continuing to execute his responsibilities as a member of the healthcare investment banking team, helping to launch one of the first IPOs in the US since the outbreak of the virus—Keros Therapeutics.

Keeping Us Up and Running

Raysa Gonzalez, who works in IT Branch Support at Jefferies, has been commuting into Manhattan, working onsite at 520 Madison through the pandemic. Each and every weekday she comes into the office to support our users who are working remotely. She quite literally keeps us up and running! Raysa often works weekends, addressing real-time problems to ensure that we continue to work successfully in this remote world.

At the same time, her husband Mylo, who works as an electrician, has been stationed around the clock at local hospitals. He has been working tirelessly to set up new wards and temporary COVID-19 areas, so these facilities are ready to care for incoming patients.

Adapting to Virtual Service

Robert de Wetter is a Senior Pastor at Snowmass Chapel, which is an inclusive and affirming inter-denominational parish. Robert has been following social-distancing protocol by providing online worship services to his community. He has found new ways to connect with parishioners, including Zoom events, remote meetings, shopping for others and phone trees. He has successfully kept his community together in a time in which stability is most important. Hundreds of people in the Aspen/Snowmass community tune in each week to take part in the service that provides inspiring music, prayers and messages of hope and love.

While Robert dedicates his time to serve his community, Regina de Wetter continues her role as administrator of the Jefferies Family Scholarship and cares for her children Elizabeth, Catherine and Peter.

Protecting Family While on the Front Lines

Although on a 12-month sabbatical, Dr. Wilde decided to return to the front line as an Accident and Emergency (A&E) and Intensive Treatment Unit (ITU) doctor after an urgent appeal from St. George's Hospital in Tooting, London. In her role, Dr. Wilde is on the front-line treating patients suffering from the COVID-19 virus. Given her daily exposure to COVID-19 patients, Dr. Wilde and Rob Leach decided that they needed to distance Dr. Wilde from their three young children, Leo, Freya, and Zachary, and their family dog, Juno. While Dr. Wilde performs her heroic role, Rob continues to lead the European ECM business while managing home schooling and helping to run the Leach household.



Employee Health, Safety and Wellbeing

Core to our principles is the tenet of respecting people and improving our communities. This means fostering an inclusive environment, maintaining safety and wellbeing in and out of the workplace, respecting the culture of the countries and regions in which we operate and engaging in activities that support our communities. Our people make up the fabric of our company and we feel honored to work for a company made up of diverse and creative teams, unafraid to push the limits of what is possible in the financial industry.

This year has shown us more than ever the importance of employee wellbeing. Jefferies is committed to providing a safe and healthy work environment for employee-partners and has robust policies and procedures in place to put this commitment in practice. We comply with relevant occupational health and safety laws with the goal of minimizing exposure to health or safety risks. We offer competitive health benefits and also offer additional services such as virtual classes, guest speaker series and health incentives.

Employee Health Benefits

Employee-partners qualify for comprehensive healthcare benefits. We incent our employee-partners to get an annual preventive care exam/physical by giving them reduced healthcare premiums once they submit their exam results. For our New York-based employee-partners, Jefferies partners with NYU's Preston R. Tisch Center for Men's Health and the Joan H. Tisch Center for Women's

Health to provide access to state-of-the-art facilities that address various health needs. For our locations with more than 30 staff members, we also provide flu vaccines free of charge to our employee-partners and their family members.

Employee-partners have access to our Employee Assistance Program (EAP) offered through Cigna—a confidential resource available to help with life's everyday issues. The EAP provides access to confidential counseling for difficulties such as: marital conflicts; legal problems; drug or alcohol abuse; depression or stress; and childcare. Additional webinars were rolled out this year to aid in the transition to working from home and for up-to-date COVID-19 precautions and measures.

Jefferies offers generous parental leave benefits, including paid time off, lactation rooms, back-up child-care and incentives for expectant mothers to participate in Cigna's Healthy Pregnancies Program.

In 2021, we are doubling the previous allocated amount for infertility coverage and expanding testing, counseling and treatment resources to help employee-partners with family planning.

Wellness Programs

Support for physical and mental health yields multiple tangible benefits. We offer a wide range of wellness lectures and incentive programs to appeal to various needs in the company. We are excited to launch a new program, jWell, which rewards our employee-partners and their partners for taking steps to improve wellbeing. Starting in January 2021, up to \$600 in employee gift cards can be earned when completing health assessments, screenings, health coaching, wellness exams and other health-related activities.

Diversity, Equity, Inclusion and Employee Engagement



Diversity fosters creativity, innovation and thought leadership through the infusion of new ideas and perspectives. It is without a doubt good for business. Unfortunately, our industry as a collective has historically lacked diversity.

Over the past few years, our Board of Directors has underscored our commitment to diversity by appointing diverse candidates to fill the seats of one-third of our independent directors. In 2020, the ESG Committee to the Board expanded its scope to formally address Diversity, Equity and Inclusion (DEI) as well. Additionally, our CEO and President made a commitment to have our firm reflect society as a whole, and to externally

create lasting change in the communities in which we live and work. Achieving this mission requires effort and cross-collaboration between senior leadership, our employee-partners, our customers and the community.

We formed Jefferies Diversity Council to give Jefferies' employee resource groups a platform to come together and discuss best practices as well as collaborate on firm-wide diversity initiatives. The Council's mission is to have a collaborative focus on recruitment, retention, development and promotion of diverse individuals across the firm; promote firmwide DEI awareness; and business integration of employee resource group initiatives. The Council meets regularly and shares ideas and

initiatives with the executive team and ESG/DEI Committee of the Board on an ongoing basis.

Jefferies is an equal opportunity workplace committed to providing an environment free of discrimination and harassment for all regardless of race, religion, ancestry, color, gender, pregnancy, age, physical or mental disability, medical condition, national origin, marital status, sexual orientation, gender identity or expression, covered-veteran or military status, genetic information, or any other factor. Our recruitment team is mandated to have a diverse candidate slate for each role and tracks each role/candidate to check compliance with this mandate.



Empowerment and Inclusion Capital

In 2020, we sponsored Empowerment & Inclusion Capital I Corp. (EICC), a special-purpose acquisition company (SPAC) with the unique, purpose-driven mission to acquire a diverse-led business and provide strategic advice in support of its ongoing growth and success to create enduring shareholder value. We intend to donate all of our founders' shares and warrants to initiatives supporting the economic empowerment and inclusion of underrepresented groups. By empowering diverse or inclusive businesses and reinvesting in our communities, we can collectively deliver sig-

nificant shareholder value while also promoting racial equity and a shift to a more inclusive economy and society.

Consistent with EICC's strategy and purpose-driven mission, the following criteria and focus areas guide the evaluation of acquisition opportunities across industries.

Diversity and Inclusion

EICC will seek to acquire a business with diverse owners or executive leadership or with a focus on building a more inclusive economy and society. EICC will leverage best-in-class practices and strategies for creating workplace diversity across race, ethnicity, gender, age and sexual orientation.

Strong Management Team

EICC will acquire a business with a strong existing management team that is aligned with our purpose-driven mission and focused on long-term value creation.

Defensible Market Position

EICC will look for a business with a strong position in its target market as a result of a differentiated technology, proprietary intellectual property, strong brand recognition and customer reputation, privileged distribution capabilities or other competitive advantages.

Attractive Growth Prospects

The business must have the potential to grow organically as well as through acquisitions, including those enabled by the public stock currency created in the initial business combination.

Ability to Generate Strong Cash Flows

The business must show a history of generating strong and sustainable cash flows, but EICC will be open to acquiring a business that, at the time of the initial business combination, is cash-flow negative so long as it has the potential to generate strong positive cash flows in the near future.



Benefit from Our Resources

EICC will seek to acquire a business that will benefit from access to the public capital markets as well as from the strategic advice of Jefferies management team.

Sourced through Proprietary Channels

EICC will leverage its broad and diverse sourcing platform and does not expect to rely on a broadly marketed process to find a target.



Training and Development

In 2020, we were intentional about hiring 50% women for our summer internship program. Internships are the best way to get familiar with Jefferies' culture and business practices. Interns bring fresh valuable insight to our company and we elevated their voices this year up to our CEO and President through an essay competition focused on diversity, employee engagement, and how to best improve as an organization. We are humbled by their words and have taken their candid feedback into consideration to better position ourselves as a desirable and inclusive workplace.



One of our essay winners, Taloshili Olavi Hangila, writes, "It is unbecoming that in a day and age where most facets of society have evolved, the world is still grappling with treating minorities as equals. An act of minimal humane love and kindness seems far out of reach for a fraction of individuals in our communities. Jefferies is at the genesis of striving towards one such utopia, where diversity thrives and where acceptance is a norm."

Another one of our essay winners, Alyssa Mills, rightly notes that "setting quantitative and qualitative inclusion targets, incorporating more mentorship for diverse employee-partners, and increasing the presence of existing diversity programs such as jWIN" would go a long way to increase diversity up to the senior level. She also notes that "the only way to truly increase diversity and retain women in the workforce, is to address biases in a swift manner." Whether gender or race, unconscious bias is present in everyone and we have to actively work to break barriers.

We rolled out unconscious bias training in 2020 to all of our upper management. In 2021, all employee-partners at Jefferies will also receive this mandatory training. We value the voice and suggestions from all of our employee-partners and interns and work to incorporate feedback in our strategic objectives.

We also value continued education and development for all employee-partners at the company. We equip our people at all stages in their careers with the tools necessary to become thoughtful and effective leaders. In 2020, selected Jefferies training and ongoing education programs included:

- Unconscious Bias Training (mandatory for all employee-partners in 2021)
- Leading High-Performance Teams
- Management Essentials
- Leading and Facilitating Effective Meetings
- Finding and Using Your Strengths

Employee Resource Groups

Solid internal partnerships with employee resource groups allows Jefferies to tap into a wealth of diverse talent and ensure continued growth and success. Jefferies’ Chief Executive Officer and President, Rich Handler and Brian Friedman co-chair the Global Diversity Council, which includes the heads of our six Global Employee Resource Groups (ERGs). The Council was founded with a mission of a collaborative focus on recruitment, retention, development and promotion of diverse individuals across the firm. In 2020, the Diversity Council launched a cross-ERG pilot mentoring program as investment in the professional and personal development of our ERG members and allies.

EMPLOYEE RESOURCE GROUP	DESCRIPTION	2020 ACTIVITIES
	<p>Provides resources and networking opportunities to improve the experience, development and connectivity of women at Jefferies, increase women’s presence at all levels of the firm, and foster the advancement of women.</p>	<ul style="list-style-type: none"> • Hosted annual Women for Finance Symposium • Raised \$25K to support Equality Now, a nonprofit addressing violence against women and girls • Recognized 15 women through the ‘Rising Stars’ program that provides mentorship, training and networking opportunities for high-performing women at Jefferies
<h2>J-NOBLE</h2>	<p>Fosters an inclusive, diverse working environment with a focus on equitable treatment and an enhanced workplace for both Black and Latinx women and men. J-NOBLE works strategically to recruit, retain, and support employee-partners through fostering a best-in-class work environment and emphasizing the importance of diversity and inclusion in company culture.</p>	<ul style="list-style-type: none"> • Hosted second annual J-NOBLE Diversity Symposium • Sponsored second cohort of J-NOBLE fellows: sophomore college students who are assigned a senior Mentor, provided quarterly programming, and the opportunity to participate in sophomore and junior-year internships • Spotlitged diverse clients through a series of monthly speaker events
<h2>JEMS</h2>	<p>Promotes ethnic diversity initiatives in Jefferies’ Europe, Middle East and Africa region (EMEA). Encourage, empower, and invest in the next generation of talent while developing an inclusive working environment that appreciates and cultivates a diverse workforce, reflecting our clients and society at large.</p>	<ul style="list-style-type: none"> • Launched a series of allyship events which included ‘Talking to your Children about Race’ and ‘Addressing Racial Injustices’ • Launched Quarterly webinar series aimed at building a pipeline of high school and college aged students. • Continued Quarterly newsletter “Hidden JEMS,” which focuses on celebrating differences through cultural awareness and highlighting talent and diversity across the firm • Raised \$25K to support Mind the Gap (Street Child) to support the education of children in parts of the world most impacted by COVID-19

Employee Resource Groups

EMPLOYEE RESOURCE GROUP	DESCRIPTION	2020 ACTIVITIES
<h2 data-bbox="214 295 554 386">jMosaic+</h2>	<p data-bbox="604 295 1066 597">Focused on supporting and connecting the Jefferies LGBTQ+ community and its allies; increasing the recruitment, support and advancement of LGBTQ+ employee-partners and clients; and facilitating open dialogue, communication, education and policies that foster a collaborative and inclusive work environment.</p>	<ul data-bbox="1129 295 1906 669" style="list-style-type: none"> <li data-bbox="1129 295 1906 393">• Sponsored an Allyship training for employee-partners to better understand the importance and significance of being an Ally within Jefferies and in our communities <li data-bbox="1129 399 1906 464">• Organized virtual 5K run/walk to support two organizations supporting people disproportionately affected by COVID-19 <li data-bbox="1129 470 1906 535">• Hosted events to raise awareness for National Coming Out Day and Transgender Awareness Week <li data-bbox="1129 542 1906 607">• Spearheaded firmwide campaign to add pronouns to e-mail signatures <li data-bbox="1129 613 1906 669">• Sponsored and participated in virtual Out for Undergrad recruiting conference
<h2 data-bbox="340 708 554 799">jVETS</h2>	<p data-bbox="604 708 1066 870">Focused on building a pipeline of veterans at Jefferies, building a community of peers who understand the military to private sector transition, and supporting external veteran-related organizations.</p>	<ul data-bbox="1129 708 1906 1016" style="list-style-type: none"> <li data-bbox="1129 708 1906 805">• Rich Handler hosted virtual fireside chat with retired General, Stanley McChrystal, a four-star General and Former Commander of the U.S and International Forces in Afghanistan <li data-bbox="1129 812 1906 876">• Partnered with Toys for Tots to raise over \$17K to send toys to families in need <li data-bbox="1129 883 1906 980">• Hosted Veterans Day event with former Navy SEAL Joe Femenia, Global Head of Distressed and Special Situations, to discuss the impact of his service on his career and personal life <li data-bbox="1129 987 1906 1016">• Launched Veterans MBA Recruiting Symposium
<h2 data-bbox="235 1055 554 1130">NextGen</h2>	<p data-bbox="604 1055 1066 1149">Empowering the future generation of Jefferies' leaders through networking, education and cultural awareness.</p>	<ul data-bbox="1129 1055 1906 1292" style="list-style-type: none"> <li data-bbox="1129 1055 1906 1153">• Launched weekly Isolation Inspiration speaker series to discuss a variety of topics focused on personal and professional development <li data-bbox="1129 1159 1906 1256">• Hosted STEPtember challenge to benefit the Cerebral Palsy Alliance Research Foundation and supported Breast Cancer Awareness Day <li data-bbox="1129 1263 1906 1292">• Hosted a series of virtual networking events

Stakeholder Engagement



The success of our sustainability strategy relies on collaboration with and input from key stakeholders, including employee-partners, suppliers, customers, peer companies, public policy makers, industry bodies, nongovernmental organizations (NGOs), sector experts, and others. Through regular, ongoing, close contact with our stakeholders, we are better able to anticipate emerging trends and challenges and innovate solutions.

Individual functions across the company drive our decentralized approach, engaging in ways that are most relevant to their objectives and operations. These include partnerships, sponsorships, collaboration on industry initiatives, customer education, conference participation, employee surveys, mentoring, and more. We identify appropriate stakeholders based on factors such as expertise, willingness to collaborate, reputation, location, and sphere of influence.



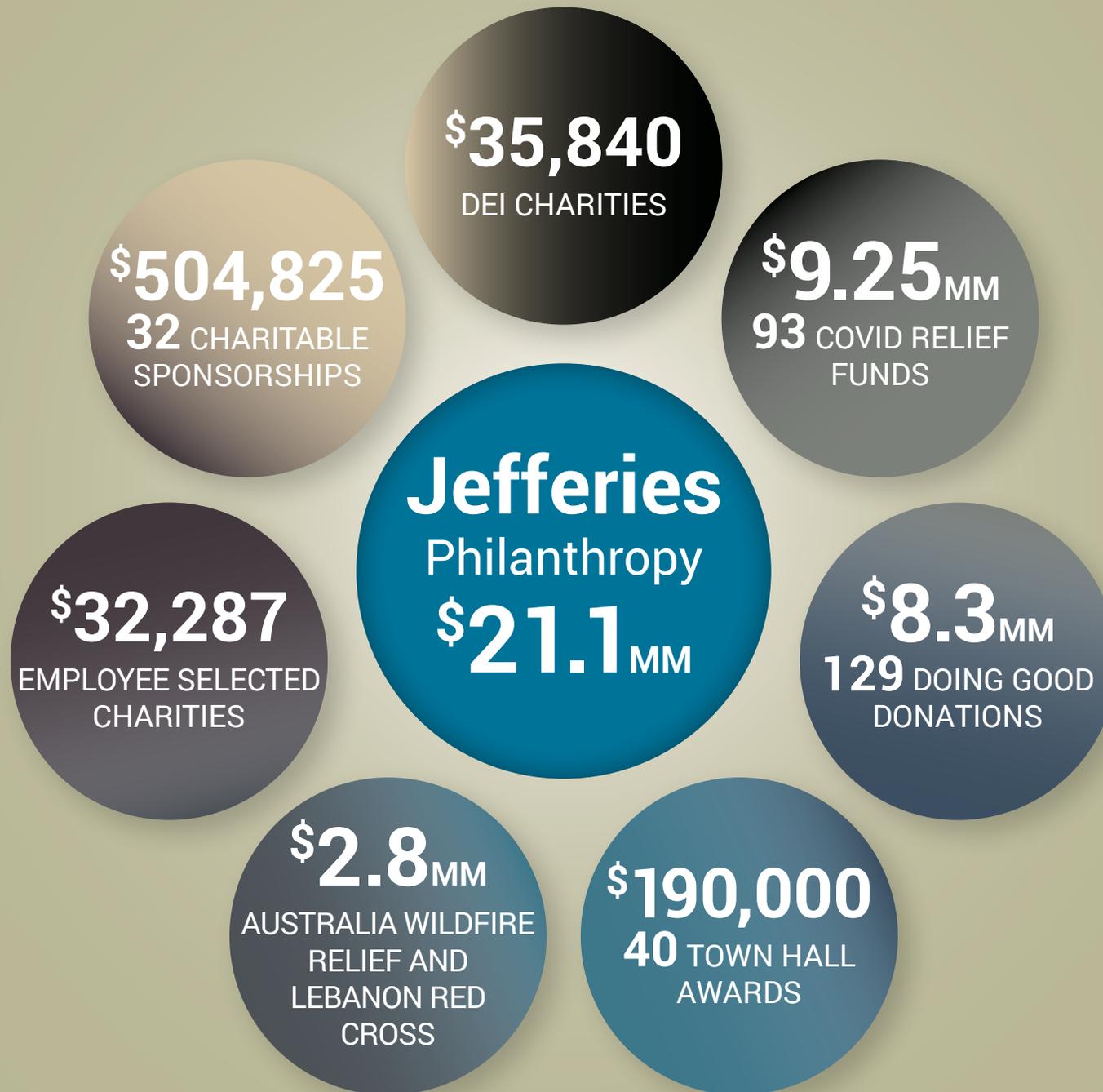
Urban Leadership Fellows Program (ULF): In partnership with ULF, Jefferies Municipal Securities welcomes high school seniors as summer interns annually.

The Dormitory Authority of the State of the New York Public Finance Diversity Fellowship Program (DASNY): Jefferies applies to DASNY's lottery program annually to sponsor a college student for a six-month fellowship term.

Sponsor Partners: This program pairs low-income New York City high school students with a sponsor, who provides financial support, and Jefferies employee mentors.

Sponsors for Educational Opportunity (SEO): Jefferies' London office works with this charitable organization that seeks to improve academic and career opportunities for students from minority and low-income backgrounds.

Jefferies Donations (2020 – 2021)



Jefferies Family Scholarship



“I want to thank you for your kind donations. I am now able to concentrate on my studies towards becoming a doctor in the future where I can give back to the community with my service. I also hope to give future aspiring students the same helping hand you have given me.” – Anthony Tang

Through our corporate philanthropy and support of volunteerism, Jefferies and its subsidiaries fulfill the company’s CSR Principle, “Improve Communities,” to make a positive difference in the communities in which we live and work. One of our major initiatives annually is Jefferies Family Scholarship.

We are celebrating 40 years of improving students’ lives through The Jefferies Family Scholarship. Our educational scholarships assist and support the children of Jefferies Group employee-partners in the pursuit of their academic goals. These awards are intended to recognize outstanding achievement, both academic and non-academic, and address financial need and individual excellence.

Children of Jefferies employee-partners attending or planning to attend the last two years of private high schools, or public and private colleges and universities for undergraduate and graduate studies are eligible to apply for this award. Over the past 40 years, we have supported approximately 1,229 scholarships totaling over \$10.5 million, including \$483,500 to 40 students in 2020.

Regardless of financial need or academic performance, we encourage all eligible students to apply. While our recipients express immediate gratitude for being selected to receive a scholarship, it is in the subsequent years that they appreciate how this program changes lives and continue to speak of how the scholarship positively impacted their educational experience.

Pre-Veterinary Medicine at State University of New York Delhi

Mechanical Engineering at Stony Brook University

Computer Science at University of Surrey

Master of Science in Computer Science with specialization in Data Science at University of Washington

Engineering at Indian Institute of Technology Bombay

Master of Social Work at New York University Graduate School

Chemistry at Imperial College London

Town Hall Awards

Each year Jefferies Group rewards employee-partners who have excelled among our businesses and support staff with special recognition (represented by a Tiffany's crafted award) and a \$5,000 donation to the charity of their choosing.

This year, Jefferies Town Hall charitable donations of **\$190,000** went to:

\$10,000

ARTS & CULTURE

Chicago Children's Museum
International Center for Journalists
The Public Theatre

\$26,250

HUMANITARIAN AID

International Rescue Committee
Jefferies Australian Relief Fund
Lebanese Red Cross
UNICEF USA

\$22,500

CONSERVATION & ANIMALS

Australian Wildlife Conservancy
Bushfire and Natural Hazards CRC
International Association for Bear
Research & Management
North Shore Animal League America
Town and Country K9 ResQ

\$61,250

HEALTH & RESEARCH

Autism Speaks
Camp for All Foundation
Cure Alzheimer's Fund
Cycle for Survival, Memorial Sloan
Kettering
Damon Runyon Cancer Research
Foundation
Multiple Myeloma Research Foundation
Polyglucan Body Disease Research
Foundation
Ronald McDonald House Charities Inc
Serious Fun Children's Network
St Jude Children's Hospital
Strive
The Society Campaign for Colorectal Care
The Tiny Miracles Foundation

\$25,000

EDUCATION

Change for Kids
Cornell University
Gary Klinsky Children's Centers (GKCC)
Jefferies Family Scholarship Fund
Lively Minds

\$45,000

UNDERSERVED COMMUNITIES

914 Cares
A New Way of Life
Empower - Emerging Markets Foundation
Habitat for Humanity, Greater Newburgh
Hetrick-Martin Institute: New Jersey
Lenox Hill Neighborhood House
Lunch Break
Minds Matter Of New York City, Inc
Seizing Every Opportunity (SEO)
Streetwise Partners, Inc.
Wounded Warrior Project

ESG/DEI Activities in One of Our Significant Joint Ventures



Berkadia, a 50% owned business, is a leader in the commercial real estate industry, offering a robust suite of services to their multifamily and commercial property clients. With a steadfast dedication to its clients, partners and employee-partners, Berkadia provides world-class service to the communities it serves by living out the firm’s core values each and every day.

Expertise and Investment in Affordable and Sustainable Housing Communities

Berkadia’s Affordable Housing financing efforts led to a 32% YOY growth in targeted affordable housing finance with Government Sponsored Enterprises (GSEs) in 2020. Additional bright spots include a 148% increase in financing volume for manufactured housing communities and a 170% increase for multifamily properties under 50 units. Both product types unofficially support the preservation of affordable housing for low-to-moderate income families in the United States. Overall, Berkadia’s total 2020 multifamily housing business with Freddie Mac represented 68% mission-driven business, which is based on a prescribed FHFA formula for determining the affordability of units based on the geographic location of the property as well as the rent and unit mix within the property. Their similar Fannie Mae placed business was at 42% through Q3 2020. Berkadia grew its HUD financing volume from the previous year, heavily utilizing a financing vehicle with a strict mission to provide safe and affordable housing to low to moderate-income tenants. Berkadia has been at the forefront of efforts with Fannie Mae to encourage and facilitate beneficial programmatic considerations for minority-owned multifamily housing providers seeking to borrow from the GSE.

Commitment to Diversity and Inclusion

Berkadia remains steadfast in its mission of promoting positive social changes both inside and outside of the company. In 2020, they established a Committee for Diversity, Equity, Inclusion and Belonging (DEIB) and began partnering with Ivy Planning Group, an expert in creation and operationalization of corporate DEIB strategies and cultural transformation. Through this partnership, Berkadia formed employee focus groups for underrepresented employees (ethnic, racial, gender, LGBTQ+) to collect feedback and start open dialogues about employee experiences at Berkadia, and hosted executive thinking and learning sessions with their Management Committee. Feedback will be used to mature their long term, education focused DEIB strategy as they work to become an industry leader in the DEIB space. Educational information and opportunities, updates on DEIB at Berkadia and an open Q&A forum for employee voices are featured in a regular, internal DEIB newsletter. Externally, Berkadia became a sponsor of the Mortgage Banking Association’s CREF initiatives for DEIB and hosted a panel discussion about DEIB in the multifamily market in December. In 2021, they plan to continue their organization-wide focus on DEIB education and cultural transformation, establish employee resource groups for underrepresented demographics and solidify their partnership with recruitment agencies, universities and job boards focused on hiring from underrepresented groups.



Human Rights and Supplier Responsibility

Jefferies acknowledges

the pervasive human rights risks, particularly around privacy, data security, and ethical practices in our value chain. Our strong policies and management systems in each of these areas makes us resilient in a volatile world of accelerated innovation, global data proliferation, and fast-changing regulatory frameworks. We also have strong relationships with our business partners to ensure our expectations for ethical business conduct and compliance are passed down.

Jefferies is committed to responsible and ethical business practices in our operations and with our partners, clients and vendors around the world. We

know that managing risks to rights holders is not only the right thing to do, but also good for the financial longevity of our business. Jefferies respects the human rights defined in The United Nations Universal Declaration of Human Rights (UDHR) and follows the framework set forth in the United Nations Guiding Principles on Business and Human Rights. We embed human rights policies and practices across our business, guided by our [Human Rights Statement](#) and [Code of Business Practice](#).

One of Jefferies' top priorities is to create a culture and environment in which each and every employee is treated with respect, free from any form of discrimination or harassment. The company has zero tolerance for inappropriate behavior. As part of the company's ongoing effort to maintain that culture, and consistent with a recent change in the laws in New York, all Jefferies employee-partners globally are required to attend a mandatory Sexual Harassment Prevention Training annually.

Supply Chain Management

Jefferies Group's suppliers primarily support our financial services business – supplying personnel, goods and services for our offices and operations. The goods and services provided to us include business services (such as cleaning, catering, security and print and 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 our global technology infrastructure) and travel. Some of our suppliers are engaged on a global scale, others are local.

Our Operational Risk Management group is responsible for coordinating the company's periodic supplier risk assessment program. The program evaluates the risk of critical suppliers and is based on an internal and external questionnaire with responses reviewed by the relevant internal subject-matter experts. The assessment looks at business continuity, anti-money laundering

and compliance, credit risk, information security, legal, and other factors important to our business. Each review produces a rating assessment that ultimately informs continued business with a supplier.

Jefferies applies a risk-based approach to assess the likelihood of the existence of modern slavery or human trafficking within our supply chain. We issue higher-risk suppliers with our Modern Slavery Act Supplier Questionnaire to enhance our supplier vetting process. We have concluded that there continues to be a low risk of modern slavery and/or human trafficking within our supply chain, however it is important that we continue to monitor this risk.

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 may include terminating the contract with the supplier. More information on our approach to combatting human trafficking in our supply chain is outline in our [Modern Slavery Act Statement](#).

A photograph of the Tower Bridge in London, featuring its two stone towers and blue suspension cables. The bridge is set against a blue sky with light clouds. A semi-transparent blue rectangle is overlaid on the center of the image, containing the text "Governing Responsibly".

Governing Responsibly

Governance of Sustainability and Diversity



Sustainability is intrinsic to our culture and we strive to be an example of strong leadership and corporate stewardship. This commitment extends from the top and throughout the organization as we see employee-partners at all levels taking ownership of ESG/DEI practices. We know we are on a journey and we are continuously reflecting on how we can do better.

We have long emphasized and adhered to a high standard of conduct, and it is important that all of our employee-partners and Board members maintain this standard and foster a culture of transparency and trust. We have taken steps over the past few years to increase Board independence and diversity, formalize oversight for ESG and DEI, engage our shareholders, and strengthen our policies and guidelines.

ESG and DEI are under the purview of our ESG/DEI Committee, supported by Jefferies employee-partners and a global network of subject-matter experts. Currently, each division and underlying corporate entities are responsible for their own ESG/DEI strategies and approaches consistent with Jefferies' overarching principles and policies. ESG/DEI employee-partners now report progress to the Committee on a regular basis.

Business Ethics

Jefferies' [Code of Business Practice](#) applies to Jefferies and all of its subsidiaries, and the company's employee-partners, officers and directors. The company embraces the importance of conducting its business in full compliance with all applicable laws and regulations. Each employee and officer is required to annually certify in writing receipt and review of the Code.

The Code also outlines a process for reporting violations and covers topics such as Conflict of Interest and Insider Trading. Jefferies has an open-door policy that encourages employee-partners, consultants, independent contractors, vendors and interns with workplace concerns (including any alleged discrimination or harassment) to bring those concerns to the attention of their manager, a member of the Legal Department or Human Resources. Jefferies also has an Ethics Hotline for reporting complaints, including anonymous complaints.

Jefferies has a [Whistle Blower Policy](#) in place that includes procedures for receiving and investigating complaints as well as the protection of whistleblowers. Jefferies' Board established and adopted the policy, delegating to the Audit Committee the responsibilities created by these procedures.

Our Political Contribution Compliance Policy is intended to prevent any conflict of interest or pay-to-play practices with political contributions to state and local officials who may have influence over the awarding of government and public business to financial services providers. Employee-partners covered by the policy receive annual training.



Risk is an inherent part of our business.

The extent to which we effectively manage the risks within our business activities is critical to our profitability, financial soundness, and long-term viability. Accordingly, we have a comprehensive Risk Management Framework (RMF) with formal governance structures and processes to identify, assess, monitor and manage risk.

The Board is ultimately responsible for the governance and oversight of risk management and ensuring adequate systems and controls are maintained to enable risks to be appropriately identified, measured, managed and monitored. Our risk management processes encompass the active involvement of executive and senior management, supported by many departments with underlying policies and procedures. Our Global Chief Risk Officer (CRO) has primary responsibility

Risk Management

for overseeing the development and implementation of the RMF, while senior members of the Risk Management Department own the implementation of its supporting policies and procedures.

The RMF is approved by the Risk Management Committee, which meets weekly and is comprised of our CEO, Chairman, Chairman of the Executive Committee, Chief Financial Officer, Global Treasurer and the Global CRO. Our Global CRO and Global Treasurer meet with the Board of Directors not less than quarterly to present our risk profile and to respond to questions. Through the RMF, the Board requires a comprehensive and integrated view of risk and risk management and the use of a common risk language and taxonomy across the Firm. The Board has set up a hierarchy of Board and Executive Management Com-

mittees and Sub-Committees, collectively the 'Risk Oversight Committees,' with the objective of ensuring an effective risk governance structure.

Employee-partners undergo mandatory training that covers different risks to the companies. In 2020, we expanded our scope to include operational risk, which includes trading, technology, data protection and privacy, cybersecurity, market and regulatory compliance, fraud and theft, business disruption, clients and business practices, and people risk. Our Global Operational Risk Policy is communicated and shared with employee-partners during the training and outlines employee responsibility and how to watch for and report issues. Operational Risk Representatives (ORR) have been assigned to every business unit

to ensure added accountability across the company.

We have put in place business-continuity and technology plans that will enable us to conduct business not only from our disaster recovery sites but also from coordinated work-from-home locations that we believe will give us the ability to continue to serve our clients' needs. Those plans include both the technology to continue to trade and the technology that will permit us to continue to communicate seamlessly with each other, with you, with our regulators, and with our partners and affiliates. We began to implement those plans in early February 2020, we have tested them with good success, and our testing gives us confidence that we are resilient and prepared for challenges to come.

Our Risk Management Principles

- **Robust Risk Culture:** Everyone takes individual and collective responsibility for mitigating risk.
- **Hands-on Approach:** Senior management is deeply involved in the details of our risk management approaches.
- **Independent and Integrated:** Risk management teams are independent from, yet deeply integrated into, the business.
- **Asset Quality:** With a key focus on asset management quality, those assets that are less liquid are particularly scrutinized with additional metrics, limits and constraints to manage risks.

Data Security and Customer Privacy

As our lives become more and more reliant on technology, the need to protect Jefferies, our business partners, and our clients against sophisticated and modern cyber threats is as important as ever.

Jefferies leverages various cybersecurity-centric tools and abilities to help, defend, protect and respond to our clients' and employee-partners' digital needs. We manage our IT governance and risk by using a combination of leading industry frameworks such as ISO, NIST and COBIT. Our policies and standards are established based on these frameworks to maintain the availability,

confidentiality and integrity of the firm's information assets. Key Risk Indicators (KRIs) are defined and overseen by a Governance Committee composed of senior executives across business and control divisions.

Jefferies cybersecurity program is headed by our Chief Information Security Officer (CISO) who has overall responsibility for the strategic vision, design, development, implementation, and adherence to all necessary protocols related to cybersecurity.

The approach that Jefferies employs focuses on five layers of controls – protection,

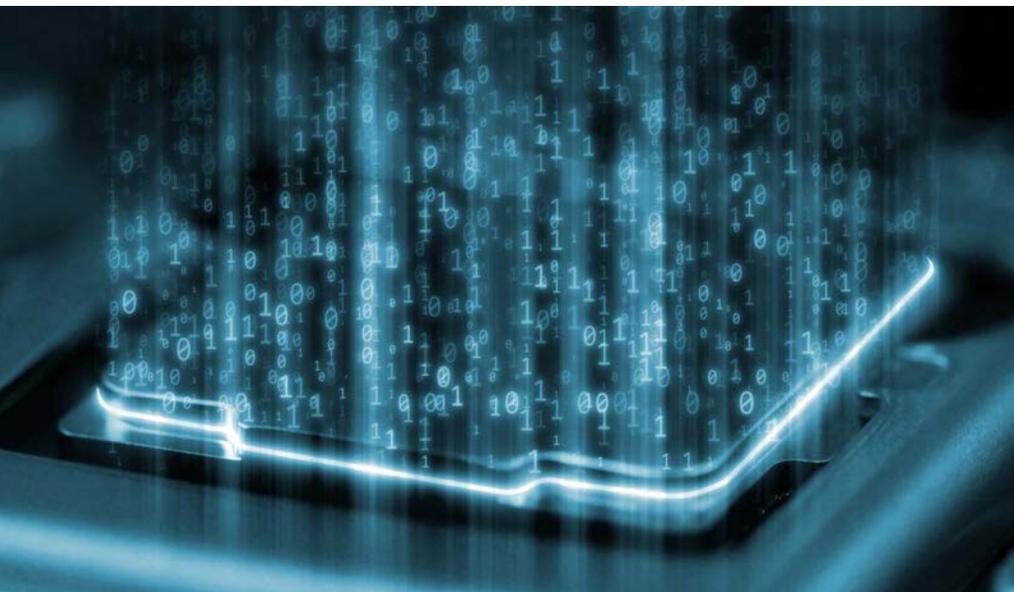
prevention, detection, response, and recovery. We invest in and utilize intelligence solutions and state-of-art technology to defend against internal and external cyber threats and break this down by a number of distinct areas including:

- Annual review of cybersecurity related policies, standards and procedures
- Centralized administration of user-access permissions
- Dedicated 24/7 Security Operations Center (SOC)
- Cyber incident response program
- Annual penetration testing and regular vulnerability scans
- Endpoint security such as anti-virus using industry leading solutions
- Monitoring firewall traffic and access activity
- Data Loss Preventions (DLP) solutions with strict data classification
- Physical security to Jefferies premises and data centers

In addition, through a combination of regular independent reviews such as annual cybersecurity assessments against the stated frameworks, annual network penetration testing and System and Organization Controls attestation, we make sure our internal controls are effective and not only meet but exceed the industry standards and best practices.

The firm is also a member of the Financial Services Information Sharing and Analysis Center and the Information Security Forum, two leading cyber threat and security standard information sharing groups, the Securities Industry and Financial Markets Association (SIFMA) cybersecurity forums and participates in the US Secret Service Cyber Fraud Task Force, the FBI's InfraGard National Members Alliance and other security-focused groups.

Jefferies maintains a strong third-party vendor management process which addresses all elements of vendor engagement. A mandatory cybersecurity assessment is required for new



Data Security and Customer Privacy

vendors. The assessments are overseen by the Vendor Risk Committee to ensure that our policy is being applied consistently and operating effectively. Over and above this, we then require critical vendors to complete an annual assessment where we seek to understand if there have been any significant changes to how the vendor operates, which we may need to take into consideration.

Jefferies is committed to cultivating a cyber awareness culture. All new joiners are required to take cybersecurity training upon joining and we also provide continuous training to 100% of our employee-partners and contractors, and equip them with the best knowledge to protect our sensitive data and customer information. We also test staff regularly through simulated email phishing exercises and provide additional email phishing awareness training where required.

The CISO meets with Jefferies Board members on a bi-annual basis to provide updates on Jefferies security posture.

This includes providing details of cyber events in the news, significant incidents since the previous meeting, updates on the cybersecurity maturity program and new initiatives in progress.

Throughout 2020, we regularly communicated with our employee-partners regarding trending threats, which included phishing- and COVID-19-related scams. We conduct regular phishing tests on employee-partners and offer detailed information on how they can protect themselves from cybersecurity threats on the Global Information Security website.

During the pandemic, more than 95% of Jefferies users have been working remotely. To maximize cyber safety, Jefferies commissioned an independent review of its remote working capability which determined that it has a robust IT infrastructure able to provide adequate capacity and security to support the large influx of remote access activities. In addition, security protocols such as multi-factor

authentication were rolled out to all our users to ensure day to day operations are conducted securely.

Customer Privacy

Jefferies is committed to protecting personal data of our customers, employee-partners and other third parties engaging with the firm. Jefferies has robust governance processes in place to oversee our collection, processing and retention of this personal data; we continually review how we protect individuals' privacy and look for ways to strengthen our privacy program. We are accountable for complying with data privacy

laws and principles, which include requirements to minimize the amount of personal data processed and prevent this personal data from being improperly disclosed (whether by accident or intentionally).

The European Privacy Risk Control Framework (PRCF) outlines the framework for European privacy risk management. Privacy risk is a subset of the Operational Risk Management Framework (ORMF) which supports this document to specify the procedures and standards under which privacy risk is identified, measured and managed.



A photograph of a city skyline, likely New York City, featuring several prominent skyscrapers with glass facades. The buildings are reflected in a body of water in the foreground. A dark blue rectangular overlay is centered over the image, containing the text "Merchant Banking" in white. The sky is clear and blue, and there are some green trees visible on the left and right sides of the frame.

Merchant Banking



Real Estate Planning and Development committed to ESG initiatives

HomeFed is a real estate development company that specializes in creating large-scale master planned communities. This provides the company with a unique opportunity to develop sustainable communities that provide needed housing while instituting best practices to protect sensitive plant and animal species, create public transit, and reduce carbon emissions for tens of thousands of people that live in those communities.

HomeFed’s Otay River Restoration Project, located in south San Diego County, demonstrates HomeFed’s commitment to sustainable real estate development and commitment to its ESG initiatives. The project encompasses more than 250 acres over 4 miles of the Otay River, which had previously been sand mined and abandoned without remediation prior to HomeFed’s ownership. In partnership with the City of Chula Vista, HomeFed embarked on a substantial effort to restore the river to its natural course, removing invasive plants and revegetating with native plants to invite the return of native wildlife. To date, HomeFed has provided \$6,000,000 toward restoration of the river valley. Click here for more information on the Otay River Restoration Project: <https://otayriverrestoration.net/>.

Also in support of HomeFed’s commitment to its ESG initiatives, HomeFed partnered with Project Mercy, a local non-profit with the mission to construct solid and secure houses to improve the quality of life for impoverished families in Mexico. Over the last 30 years, Project Mercy has constructed more than 1,600 free homes for people living in Tijuana Mexico’s most desperate communities. COVID-19 has precluded volunteer travel to Mexico to build homes, so HomeFed donated a temporary build site to construct wall and roof panels to be shipped across the border to Mexico where onsite home construction could be completed at a later date by locals. HomeFed donated funds for materials and employee-partners donated their time to construct 1 of the 5 home panel sets during this temporary build day.



Industry:	Real Estate
Locations:	CA, FL, NY, SC, VA
JEF Investment:	1995





Industry:	Telecommunications
Locations:	Italy
JEF Investment:	2011



Providing critical Internet connectivity during lockdown

Linkem is a rapidly-growing fixed wireless broadband provider, the largest in Europe and the fifth-largest broadband provider in Italy. The company operates proprietary broadband networks across Italy, which it is upgrading to 5G to offer fiber-like fixed wireless connectivity, in a market where wireline infrastructure has suffered many years of under-investment. Linkem’s network serves as a key competitor to the traditional wireline network, providing the only independent last-mile connection to the majority of homes it passes.

Italy was one of the first countries in the world to be significantly impacted by COVID-19, and was the first European country to lock down its population to slow the spread of the disease. Linkem’s broadband was immediately designated an essential service with clearance to operate the business as normal during the lockdown. Despite that clearance, Linkem closed its offices and enabled all its employee-partners to work from home, rapidly implementing a cloud-based system to enable remote call center operations, and providing laptops to employee-partners without home computers. Throughout the year, Linkem prioritized employee wellbeing and maintained employment, with no staff reductions.

During the lockdown, broadband became even more critical, enabling the population to work from home, socialize, attend classes, receive healthcare, and disseminate crucial information, and providing a much-needed source of entertainment. Linkem maintained its quality of service despite a 57% increase in weekly user traffic in the first two weeks of lockdown. Despite the surge in usage, Linkem continued to deliver service with no outages, and the company moved quickly to upgrade capacity where necessary to maintain continuous network availability. Linkem’s proprietary network allows the company to install the service for a new customer in an average of 5 days, in contrast to over 30 days for wireline services, which proved critical to many consumers who desperately needed a connection. As a result, Linkem activated record numbers of new customers while in lockdown, despite the logistical challenges.

In addition to its core business, Linkem was able to provide emergency high-bandwidth connectivity for a variety of critical sites, including an Army field hospital that was connected within 16 hours of receiving the order, and other health care facilities. Linkem also deployed emergency connections to prisons, which were closed to all visitors, to allow prisoners video calls with their families.

We are immensely proud of the team at Linkem and all they have done to keep Italy connected during the crisis.



IDAHO TIMBER

Industry:	Forest Products
Locations:	ID, NM, TX, AR, LA, NC, FL
JEF Investment:	2005
Status:	Current



Commitment to a vital environment in harmony with sustainable manufacturing of forest products

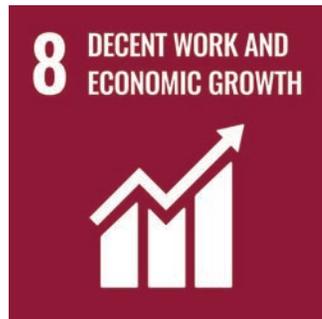
Idaho Timber is a forest products manufacturer focused on value-added products and the safety of its employee-partners. Idaho Timber has earned Sustainable Forestry Initiative certification for select facilities. In production, Idaho Timber extends sustainability through remanufacturing lower value lumber to create higher-value products while striving to recover all fiber possible, putting it to highest and best use. Wood waste in the form of chips and sawdust are used in paper manufacture and for biomass energy production. In order to improve efficiency, the company recently upgraded several plants with new, energy-efficient lighting which has reduced energy consumption, replacement frequency and the attendant materials waste. In addition, optimizing older equipment by installing variable frequency drives has further reduced electricity consumption.

Idaho Timber also has a multitude of safety programs in place designed to protect the health and well-being of its employee-partners. In response to the COVID-19 pandemic, we immediately restricted all non-essential travel. The company also implemented policies and procedures consistent with pronouncements from the Center for Disease Control and local health districts to help protect our employee-partners from the spread of the virus. In terms of normal work processes, a new safety training program implemented in 2017 has reduced the average number of injury claims by 24% and the average loss ratio by 82%. The company also encourages a culture of safety through a competition conducted between all operating divisions for the title of #1 Safety Division, which is awarded annually. Employee-partners are further protected in the workplace by Idaho Timber’s robust policies on equal employment opportunity, non-harassment and non-violence.

The company serves the larger community through thoughtful, proactive interaction with the environment, and good stewardship of resources in the manufacture of value-added forest products. Local communities are served through meaningful investment in educational sponsorships, building material donations, housing assistance and volunteer time. Funds and educational opportunities are provided for teachers and students to learn about the forest products industry. Building materials are donated to various charities to facilitate their service to the needy, and Habitat for Humanity is supported both financially and through paid employee service time.



Industry:	Finance
Locations:	Salt Lake City, UT
JEF Investment:	2012



Affordable financing to provide customers with flexible transportation

Foursight Capital is a specialty auto finance company that focuses on providing non-prime customers with affordable financing options for their car purchases. Foursight is dedicated to being a positive influence for our dealer partners, employee-partners, and the community at large by building a supportive and empowering corporate culture, being environmentally responsible, and promoting community involvement.

Nurturing a corporate culture focused on the employee has been a corporate mandate since inception. That focus has been validated by winning awards for top places to work and best companies to work for five years in a row. We foster a family atmosphere dedicated to diversity and empowerment while providing robust benefits and employee centric policies including flexible work hours, work from home options, casual work attire, free meals regularly, paid maternity leave, and generous time off. More recently we added a mental health and awareness program to support in response to the pandemic.

Foursight’s commitment to environmental sustainability has helped reduce our impact on the environment. We have eliminated waste in the breakroom in 2020 by providing every employee with reusable plates and utensils. In response to the pandemic Foursight shifted 40% of its staff to working remote full time and redesigned the office to provide a socially distanced environment that has resulted in zero spread amongst the employee base.

To encourage community outreach each year every employee is awarded two paid community service days, so employee-partners are able to contribute back to society where they see the most value. During a year when so many needed help due to the pandemic, we spent over 170 hours coordinating, facilitating, and actively contributing to community projects. Through this initiative we have worked with local organizations such as the American Red Cross, the Humane Society, Support our Local Pets Utah, Best Friends Animal Sanctuary and others.

Through fostering a robust and enriching corporate culture, environmental responsibility, and active community involvement Foursight continues to strive to make a positive impact on the lives of everyone we deal with.



Industry:	Oil & Gas
Locations:	CO, MT, ND & WY
JEF Investment:	2014
Status:	Current



Evaluating Health, Safety and Environmental Matters when Selecting Partners

As a financial partner to oil & gas operators, **Vitesse** is not directly involved in the production, development, operations, or transportation of oil & gas and must implicitly rely on its operating partners to directly perform all field operations.

Vitesse evaluates and assesses the environmental stewardship, social responsibility, hiring practices and community awareness of each of our operating partners as part of our overall evaluation of where we will invest capital. Six major operators manage more than half of the wells in which Vitesse has a financial interest. All six of these companies have executive leadership responsible for Health, Safety and Environmental matters, with three of the largest publicly reporting their sustainability plans annually. During 2020, a significantly greater percentage of produced natural gas was captured through enhanced processing systems helping to reduce greenhouse gasses released into the atmosphere.

In addition to the sustainability work performed by our operating partners, Vitesse is constantly looking for every opportunity to be a good partner to our community and planet. We respect our employee partners and support a team of people who are employed without regard to age, race, color, religion, sex, gender preference or national origin. We also value the environment and environmental sustainability.



A scenic view of the Hong Kong skyline, featuring a traditional junk boat with three red sails on the water in the foreground. The background shows a dense cluster of modern skyscrapers under a blue sky with scattered white clouds. A semi-transparent dark purple rectangle is overlaid on the center of the image, containing the text "Frameworks and Standards" in white.

Frameworks and Standards

SASB Index

According to the SASB Industry Level Materiality Map, the following categories are likely material issues for Financials. The table below references Jefferies alignment to qualitative accounting metrics within this report and other sources.

SASB TOPIC	CODE	JEFFERIES ALIGNMENT
Employee Diversity and Inclusion	FN-IB-330a.1	<p>Our commitment to Employee Diversity, Equity and Inclusion (DEI) starts at the top. Our ESG, Diversity, Equity and Inclusion Committee of the Board has oversight of DEI activities. Jefferies Diversity Council is sponsored by executive leadership and has a collaborative focus on recruitment, retention, development and promotion of diverse individuals across the firm.</p> <p>Please see Diversity, Equity, Inclusion and Employee Engagement, Employment and Inclusion Capital, Training and Development and Employee Resource Groups on Pg. 23 – 28. Further information available our Jefferies Diversity Website.</p>
Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities	FN-IB-410a.3	<p>Jefferies believes that systematically considering ESG issues leads to more complete investment analysis and better-informed investment decisions, because how a company manages these issues has financial and other consequences.</p> <p>Please see Sustainable Finance at Jefferies on Pg. 9, ApiJect Systems America on Pg. 18, Empowerment and Inclusion Capital on Pg. 24, and ESG/DEI Activities in One of Our Significant Joint Ventures on Pg. 32.</p>
Business Ethics and Professional Integrity	FN-IB-510a.2 FN-IB-510b.4	<p>Jefferies' Code of Business Practice applies to Jefferies and all of its subsidiaries, and the company's employee-partners, officers and directors. Each employee and officer is required to annually certify in writing receipt and review of the Code.</p> <p>Jefferies has a Whistle Blower Policy in place that includes procedures for receiving and investigating complaints as well as the protection of whistleblowers.</p> <p>Please see Business Ethics on Pg. 35.</p>

SASB TOPIC	CODE	JEFFERIES ALIGNMENT
Systemic Risk Management	FN-IB-550a.2	<p>We have a comprehensive Risk Management Framework (RMF) with formal governance structures and processes to identify, assess, monitor and manage risk.</p> <p>Employee-partners undergo mandatory training that covers different risks to the companies. In 2020, we expanded our scope to include operational risk which includes trading, technology, data protection and privacy, cybersecurity, market and regulatory compliance, fraud and theft, business disruption, clients and business practices, and people risk.</p> <p>Please see Risk Management on Pg. 36. Further information available in our 2020 Annual Report.</p>
Employee Incentives and Risk Taking	FN-IB-550b.3	<p>For information on supervision, control and validation of traders' pricing of Level 3 assets and liabilities, see Fair Value Disclosures, in our consolidated financial statements included in our Annual Report on Form 10-K.</p>

U.N Sustainable Development Goals

In 2015, the United Nations developed 17 Sustainable Development Goals (SDGs) with the aim of achieving a more sustainable future for the world. Nine of the SDGs outlined below align to our ESG priorities. This table references sections of this report that related to each goal.

GOAL	DESCRIPTION	REPORT SECTION
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Ensure healthy lives and promote well-being for all at all ages	Employee Health, Safety and Wellbeing, ApiJect Systems America, Merchant Banking
 <p>4 QUALITY EDUCATION</p>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Training and Development, Stakeholder Engagement, Employee Resource Groups, Jefferies Family Scholarship, Town Hall Awards

GOAL	DESCRIPTION	REPORT SECTION
 <p>5 GENDER EQUALITY</p>	Providing women and girls with equal access to education, health care, decent work, and representation in political and economic decision-making processes	Training and Development, Employee Resource Groups
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Ensure access to affordable, reliable, sustainable and modern energy for all	Sustainable Finance at Jefferies, Merchant Banking
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Human Rights and Supplier Responsibility, Merchant Banking
 <p>10 REDUCED INEQUALITIES</p>	Reducing inequalities in income as well as those based on age, sex, disability, race, ethnicity, origin, religion or economic or other status	Empowerment and Inclusion Capital, Diversity, Equity, Inclusion and Employee Engagement
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	Make cities and human settlements inclusive, safe, resilient and sustainable	ESG/DEI Activities in One of Our Joint Ventures, Employee Health, Safety and Wellbeing
 <p>13 CLIMATE ACTION</p>	Take urgent action to combat climate change and its impacts	Energy management, Climate Change Impact, Merchant Banking
 <p>15 LIFE ON LAND</p>	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Merchant Banking

Methodology

We relied upon the Sustainability Accounting Standards Board (SASB) to help us understand the areas that may be most relevant to our U.S. investors and we referred broadly to the Global Reporting Initiative (GRI) to help us identify areas that we may have missed. We drew upon the subject matter expertise of our colleagues throughout Jefferies to collect and organize the content relative to the areas we identified in our benchmarking. Lastly, we compared our activities to the United Nations Sustainable Development Goals (SDGs) to assess how we may be contributing to these important goals.

Cautionary Note on Forward-Looking Statements

This letter contains “forward-looking statements” within the meaning of the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Act of 1934. Forward-looking statements include statements about our future and statements that are not historical facts. These forward-looking statements are usually preceded by the words “should,” “expect,” “intend,” “may,” “will,” or similar expressions. Forward-looking statements may contain expectations regarding revenues, earnings, operations, and other results, and may include statements of future performance, plans, and objectives. Forward-looking statements also include statements pertaining to our strategies for future development of our businesses and products. Forward-looking statements represent only our belief regarding future events, many of which by their nature are inherently uncertain. It is possible that the actual results may differ, possibly materially, from the anticipated results indicated in these forward-looking statements. Information regarding important factors, including Risk Factors that could cause actual results to differ, perhaps materially, from those in our forward-looking statements is contained in reports we file with the SEC. You should read and interpret any forward-looking statement together with reports we file with the SEC.

Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk. Therefore, it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal the corresponding indicated performance level(s).

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