

Cambridge¹ Annual Modern Slavery and Human Trafficking Statement

Regarding the Fiscal Year That Ended December 31, 2017

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¹ The term “Cambridge” (also “we” “us” “our”) in this document refers to each and all of the following legal entities: Cambridge Mercantile Corp., Cambridge Mercantile Corp. (U.S.A.), Cambridge Mercantile Corp. (UK) Limited, Cambridge Mercantile Risk Management (UK) Ltd, and Cambridge Mercantile (Australia) Pty. Ltd.

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Message from the Senior Management of Cambridge

The year 2018 marks 155 years since Abraham Lincoln’s Emancipation Proclamation, and 185 years since the British Empire abolished slavery. Yet, so many years later the scourge of slavery still lives on: The Global Slavery Index of 2016² estimates that worldwide there over 45 million people in modern slavery! As senior managers of Cambridge we therefore urge all Cambridge employees, clients, other stakeholders and the public at large to review this Cambridge statement regarding modern slavery which we hereby sign off on. Cambridge is committed to working together with all stakeholders to ensure that Cambridge lives up to its commitment of zero tolerance for direct or indirect enablement of the evils of slavery and human trafficking.

- Gary McDonald, CEO and Director of Cambridge Mercantile Corp. & Cambridge Mercantile Corp. (U.S.A.)
- Mark Frey, COO and Director of Cambridge Mercantile Corp. & Cambridge Mercantile Corp. (U.S.A.) & Cambridge Mercantile (Australia) Pty. Ltd.
- Dorit Robbins, Chief Regulatory and Licensing Officer, and Director of Cambridge Mercantile Corp. (UK) Limited and Cambridge Mercantile Risk Management (UK) Ltd

Introduction

Cambridge is a multinational group of financial service companies providing foreign currency and global payments solutions. This Slavery and Human Trafficking Statement is official Cambridge policy applicable to all Cambridge’s operations across the globe. This statement complies with the requirements of subsection 54(1) of Britain’s Modern Slavery Act 2015 (“BMSA”).

What is the BMSA? It is an Act of the Parliament of the United Kingdom. It is designed to tackle slavery in the UK and consolidates previous offences relating to trafficking and slavery. The act extends to England and Wales. The bill was introduced to the House of Commons in draft form in October 2013. It received Royal Assent and became law on 26 March 2015.

BMSA is intended to combat slavery, servitude and forced, compulsory labour and about human trafficking, including by way of provision for the protection of victims. BMSA likewise provides for an Independent Anti-slavery Commissioner, among other measures to facilitate this goal.

Cambridge complies with the BMSA in all its offices, not just its UK office. We therefore ensure worldwide that no modern slavery, servitude, forced or compulsory labour and human trafficking (“modern slavery”) is taking place anywhere in our business or supply chain. Details of how we ensure this are set out in the seven sections that follow.

² <https://www.globallslaveryindex.org/findings/> <https://downloads.globallslaveryindex.org/GSI-2016-Global-Findings-1523302606.pdf>

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1. Cambridge's structure, business and supply chains

Cambridge's global headquarters are in Toronto, Canada, with additional offices in Canada, the UK, Spain, the US and Australia. Cambridge is licensed to service customers based in all those countries, as well as the entire European Union. Cambridge is a financial services business: Specifically, we provide solutions catering to our customers' foreign currency exchange and global payments needs. Cambridge's business is therefore based on intangibles rather than physical inventory, and our risk of being supplied directly or indirectly by slave labour is low. Our key suppliers are our banking partners, as well as our technology partners that provide us software to help us offer enhanced trading capabilities, as well as comply with anti-money laundering and related laws. Cambridge performs appropriate due diligence on both suppliers and customers. Additionally, with the partial exception of our European private client business, our business is strictly B2B servicing corporate rather than consumer clientele. Between our B2B focus, and the countries that our business focuses on, we face a low overall risk of in any way facilitating modern slavery.

2. Cambridge's policy in relation to slavery and human trafficking

We do not tolerate or condone the practice of modern slavery in any form and Cambridge is committed to ensuring that there is no modern slavery in our business or supply chain. Our policies to implement this commitment include:

- A policy requiring employees who suspect, or become aware of, any instances of modern slavery in our business or supply chain, to report such incidents to management and /or make use of our whistle-blowing channels (as appropriate). All good faith whistle-blowing is protected against retaliation

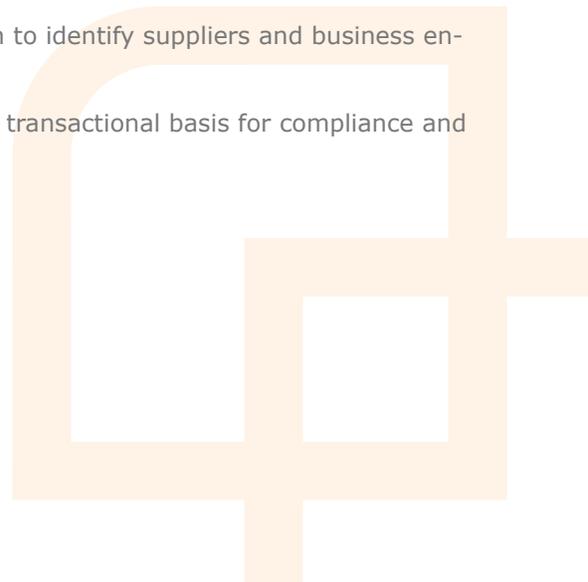
3. At Cambridge, we follow due diligence processes in relation to slavery and human trafficking in our business and supply chains

The due diligence processes we follow include the following measures:

- Due diligence relating to modern slavery carried out on suppliers identified as being at higher risk of modern slavery.
- A periodic risk assessment of our business and supply chain to identify suppliers and business engagement where the risk of modern slavery is highest.
- Scrutinizing clients both during initial on-boarding and on a transactional basis for compliance and reputational risks.

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4. The parts of Cambridge's business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps we have taken to assess and manage that risk

Cambridge engages with numerous related suppliers and services across the globe. In order to manage and mitigate any risk we periodically assess our business and supply chain in order to identify those areas in which we consider the risk of modern slavery to be the highest. At present we would consider that the risk of modern slavery occurring is somewhat higher in jurisdictions where they have less legislation against or controls of such activity. For business involving such jurisdictions we are on heightened alert for suspicious signals of possible modern slavery. Many jurisdictions with a relatively high percent of their population enslaved are for separate reasons deemed high risk countries by Cambridge and therefore payments to such countries are always intensely scrutinized.

Cambridge is committed to acting professionally and fairly in all of our business dealings and relationships we operate, including enforcing appropriate systems and controls. Cambridge also confirms that all counterparties we do significant business with, conduct all their business with integrity and that they, like us, have a zero tolerance approach to modern slavery

5. Measured against appropriate performance indicators, Cambridge is effective in ensuring that slavery and human trafficking is not taking place in our business or supply chains

Cambridge investigates all its counterparties who play a more than minimal role in the Cambridge business to ensure the counterparties are not in breach of anti-slavery laws. Cambridge likewise obtains contractual promises from all such counterparties that they comply with their legal obligations, which include laws against slavery.

Cambridge stays alert to tips provided by any of the contact options described at the end of this statement. Cambridge provides an initial response within five business days of receipt, and a complete response within thirty calendar days of receipt. This way we ensure raised concerns get the appropriate priority, and we maximize our ability to collaborate with others in carrying out our anti-slavery compliance.

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6. The training and capacity building about slavery and human trafficking available to Cambridge staff

Cambridge in its last fiscal year paved the way for training on our policies and procedures in relation to modern slavery to all Cambridge staff, as part of annual refresher training in anti-money laundering compliance beginning in spring 2018. These measures ensure we are all aware of Cambridge's zero tolerance for being party in any way to slavery or human trafficking, and that this zero tolerance overrides any potentially competing priorities.

7. Cambridge Contact Information

In case of any questions or concerns relating to this statement, please feel free to contact us by any of the following methods:

- 1) Email to legal@cambridgefx.com
- 2) Fax to 1- 866-217-8713,
- 3) Mail to Cambridge Mercantile Corp. (UK) Limited, ATTN: Legal, 71 Fenchurch Street, 10th Floor, London, UK EC3M 4BS.

Cambridge's website is www.cambridgefx.com

Cambridge's social media addresses:

1. LinkedIn https://www.linkedin.com/company/cambridge-mercantile/?trk=hb_tab_compy_id_100319%20
2. Twitter https://twitter.com/Cambridge_FX
3. Vimeo <https://vimeo.com/cambridgeglobalpayments>

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