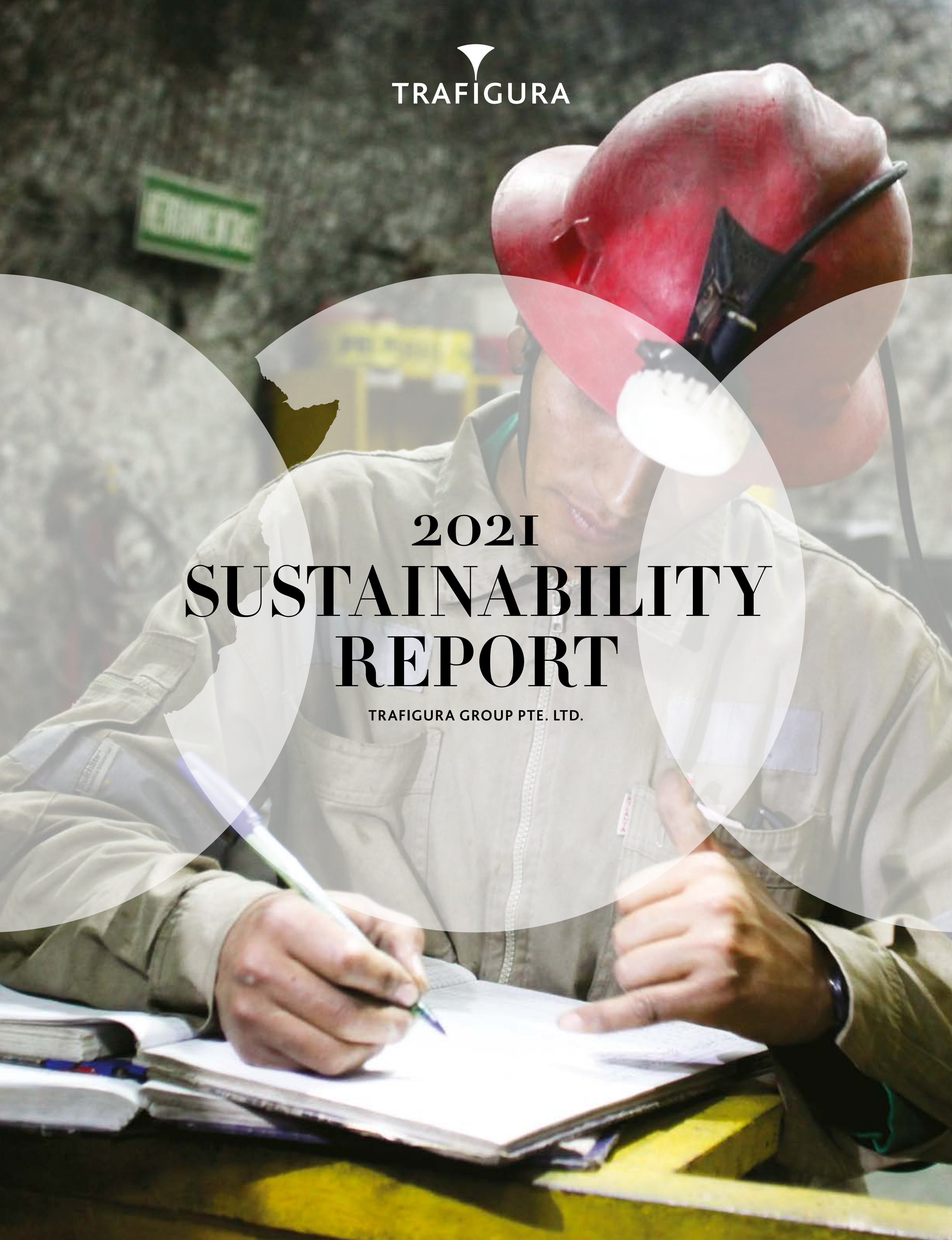

TRAFIGURA

2021 SUSTAINABILITY REPORT

TRAFIGURA GROUP PTE. LTD.

Contents

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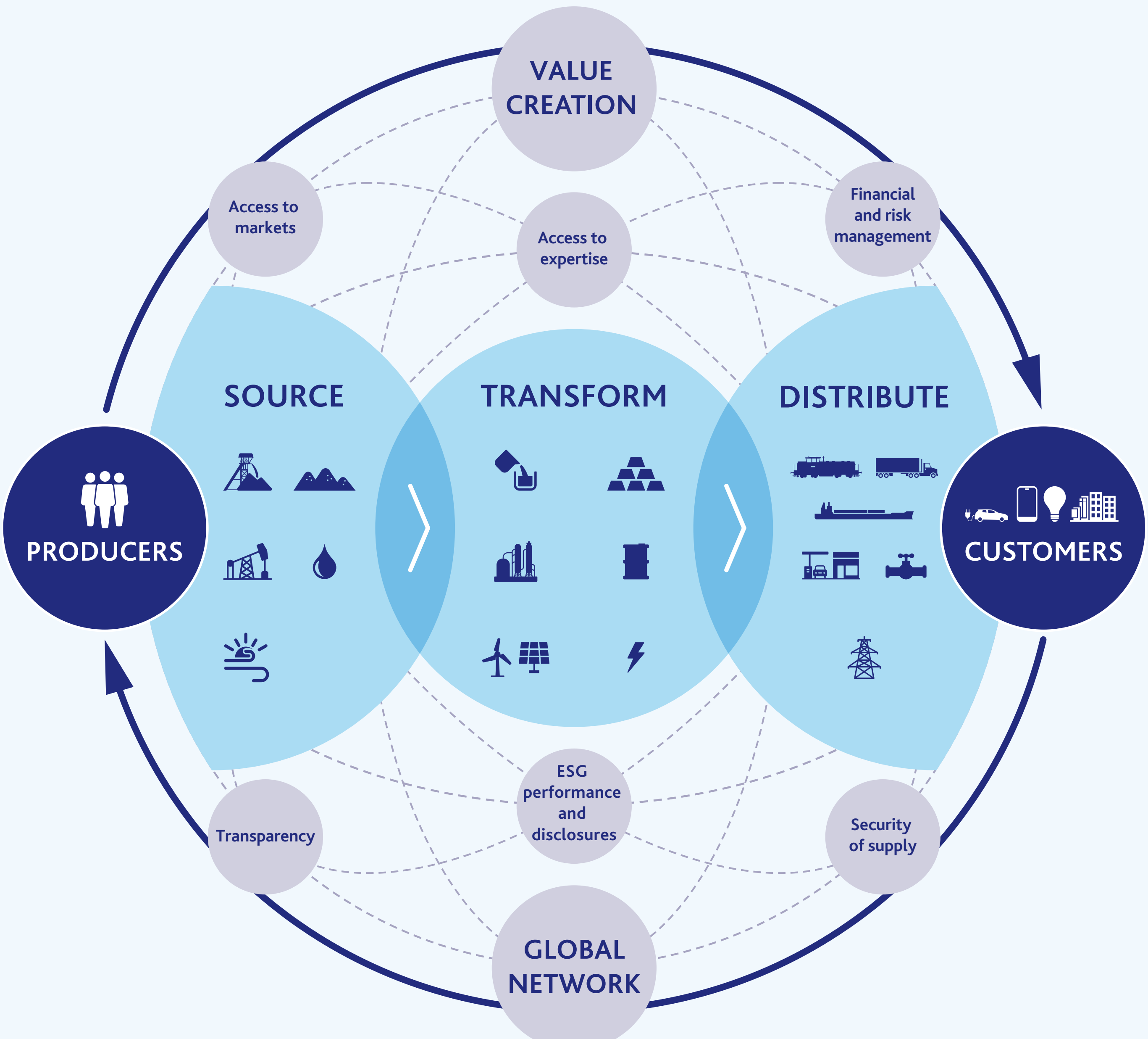
For more information on the way we manage sustainability, including videos and case studies, please visit www.trafigura.com/2021SR and www.trafigura.com/sustainability

Trafigura Group Pte. Ltd. and the companies in which it directly or indirectly owns investments are separate and distinct entities. In this publication, the collective expressions 'Trafigura', 'Trafigura Group', 'the company' and 'the Group' may be used for convenience where reference is made in general to these companies. Likewise, the words 'we', 'us', 'our' and 'ourselves' are used in some places to refer to the companies of the Trafigura Group in general. These expressions are also used where no useful purpose is served by identifying any particular company or companies.

Trafigura's financial year ran from 1 October 2020 to 30 September 2021.

At a glance

At the heart of global supply, Trafigura connects the world with the vital resources it needs. Through our Oil and Petroleum Products, Metals and Minerals, and Power and Renewables divisions, we deploy infrastructure, skills and a global network to move commodities from where they are plentiful to where they are needed most, forming strong relationships that make supply chains more efficient, secure and sustainable.



www.trafigura.com/about-us/what-we-do

Statement from the Executive Chairman and Chief Executive Officer

While there is much work ahead of us, in 2021 Trafigura made significant progress in improving our approach to ESG and in evolving our business to respond to the changing needs of customers and stakeholders in the ongoing energy transition.

Jeremy Weir
Executive Chairman and Chief Executive Officer

Looking back, FY2021 marked another turbulent year for people across the world and for the customers and markets we serve. Amid volatile market conditions, our business performed well overall, achieving record volumes and profitability and providing a vital service to our customers in the face of significant supply-chain disruptions. Importantly, we made significant progress in evolving our business to meet the changing needs of our customers and the rising expectations of our stakeholders in relation to the ongoing energy transition to a low-carbon economy.

Our operational assets, however, experienced high levels of disruption, in part as a result of reduced staffing levels and increased employee turnover. Safety performance was also negatively affected and I am saddened to report six fatalities at Group operations during FY2021, four of which occurred at mining operations. This is simply not acceptable and safety improvement plans are being put in place across the Group to ensure safety performance meets the high standards we require wherever we work.

Responding to climate change

Greenhouse gas emissions

Reducing our operational emissions is a key element of our response to climate change. In January 2021, we announced our first greenhouse gas (GHG) emissions reduction targets, pledging to reduce operational (Scope 1 and 2) GHG emissions by 30 percent compared to FY2020 by the end of 2023. I am pleased to report strong progress against this target. By the end of FY2021, we had achieved a 22 percent reduction in total Scope 1 and 2 emissions and a number of initiatives are underway to reduce emissions further.

In December 2021, we announced a target to reduce the intensity of total shipping emissions by 25 percent by 2030, compared to the 2019 IMO industry baseline – a 48 percent reduction compared to the IMO 2008 industry baseline. The emissions covered by this target encompass around 70 percent of our reported Scope 3 emissions. In 2022, we will work to identify a longer-term pathway to reduce GHG emissions, with the objective to set new GHG reduction targets from 2024 onwards.

Decarbonising shipping

As one of the world's largest charterers of ships, Trafigura is committed to the goal of decarbonising the global shipping industry as rapidly as possible and by 2050 at the latest. We continue to advocate for industry and regulatory action to enable the transition to zero-emissions vessels and fuels, including as a leading member of the Global Maritime Forum and the World Economic Forum's, Getting to Zero, Coalition, and as a key proponent of this partnership's Call to Action. As a founding signatory of the Sea Cargo Charter, we are helping to drive increased transparency and comparability of shipping emissions across the industry.

We became a founding member of the First Movers Coalition, an initiative announced by President Biden at COP26 in Glasgow and led by Presidential Special Envoy for Climate John Kerry and the World Economic Forum. Through our participation in the Coalition, we are committed to helping drive demand for zero-emissions technologies and fuels in the shipping industry and for low-carbon aluminium. At COP26, we announced our commitment to convert six vessels, 18 percent of our current owned fleet, to use zero-emissions fuels by 2030. This is subject to the availability of technology, which we are co-sponsoring with MAN Energy Solutions, to develop a green ammonia two-stroke maritime engine by 2024 for new builds and for retrofitting by 2025.

Our role in the energy transition

Trafigura's role is to connect the world with the resources it needs. This includes supplying critical metals and minerals required for the transition to a low-carbon economy, and for reliable, affordable, cleaner energy. As one of the world's largest suppliers of metals such as copper, nickel, zinc, aluminium and cobalt, we also have a key role to play in financing, responsibly sourcing and helping to decarbonise the production and supply of these transition metals.

We have invested to facilitate new sources of supply of nickel and cobalt – key components of lithium-ion batteries for electric vehicles – including supporting the construction of a new, low-carbon intensity nickel sulphate plant at Terrafame in Finland. We have acquired a minority stake in Prony Resources' Goro nickel and cobalt mine in New Caledonia, helping to secure long-term financing, technical and customer support, in collaboration with local stakeholders and the French government. Prony Resources is targeting a 50 percent reduction in emissions by 2030 and carbon neutrality by 2040.

In addition, we have stepped up our pioneering efforts to develop the responsible sourcing of cobalt from formalised artisanal and small-scale mining in the Democratic Republic of the Congo (DRC), through our agreement with the state-owned entity established for this purpose, Enterprise Générale du Cobalt (EGC), and the international non-governmental organisation, Pact. Our work with EGC is an example of our leading responsible sourcing programme, through which we identify and mitigate risks to people and the environment from our supply chain and work with suppliers to ensure that natural resources drive sustainable development.

We are seeing increased interest in the traceability, responsible sourcing and carbon footprint of the commodities we supply from our downstream customers across a number of sectors, in particular from manufacturers of electric vehicles, which are significantly more metals intensive. Trafigura already offers low-carbon zinc from Nyrstar's European smelters, powered primarily by renewable energy, and low-carbon aluminium through a financing facility, which enables us to pay premiums to suppliers for lower-carbon production. We are currently developing an innovative programme with leading blockchain tracking services provider Circulor to track dynamically and attribute GHG emissions throughout our nickel and cobalt supply chains, enabling us to offer customers low-carbon, responsibly sourced battery metals.

The transition to a low-carbon economy is both urgent and achievable, but the transition cannot happen overnight. At the same time, global energy demand continues to grow. Oil and gas will continue to be needed for many years to come, even as consumption of fossil fuels eventually declines over the next several decades. We believe that low-carbon intensity, low-cost and high-quality sources of oil and gas will be the most resilient and in greater demand over time. This belief underpins our acquisition of a minority 10 percent stake in Rosneft's Vostok Oil, announced in December 2020. Vostok Oil is expected to produce oil with a GHG emissions intensity that is up to 75 percent lower than the global industry average for new projects, using wind and associated petroleum gas as its primary sources of energy. Rosneft also recently announced its commitment to a net positive biodiversity impact across its global operations.

We have continued to diversify our energy trading book to reflect a changing global market, including reconfiguring and growing our biofuels business. Now an integral element of our refined products offering, we offer customers tailored solutions to reduce their carbon footprint, supplying biofuels produced from secondary recycled oil and purpose-grown crops across a range of markets from road transportation to maritime bunker fuels.

Carbon intensity is also becoming a major new specification in oil and gas markets, and we are working with a growing number of producers and customers to quantify, reduce and find solutions to abate or compensate upstream Scope 3 GHG emissions. This includes, for example, an agreement with Rosneft to support the verification of supply chain emissions and identification of opportunities to reduce GHG emissions associated with the production and transportation of Rosneft's export crude oil from three major ports.

Evolving our business

The ability to adapt rapidly to the changing needs of the markets we serve has been a hallmark of Trafigura's success over almost three decades. But the pace of evolution accelerated in FY2021, as we developed new products and services and entered new markets, in response to very significant growth in demand for low carbon products and solutions.

Our Power and Renewables division completed a successful first full year of trading, building a global power trading capability that leverages our core skills in risk management, physical markets and arbitrage, and progressing investments into renewable power, emerging technologies and hydrogen. The Nala Renewables joint venture with IFM Investors built out its management team and a significant pipeline of renewable power projects in onshore wind, solar power and battery storage. This has enabled us to increase our ambition to target 4GW of cumulative generative capacity from the Nala Renewables portfolio by 2025, comprising projects that are operating, in construction or late-stage development. In addition to a growing portfolio of solar and wind projects, initially in the US and Chile, Nala Renewables is expected to commence construction of a 250MW battery energy storage system at Nyrstar's Balen site in Belgium by the end of Q1 2022.

Regulated and voluntary carbon markets are important in achieving a net zero world and in 2021 we established a carbon trading desk. The team combines trading, finance and origination expertise alongside technical project and policy support to provide a full-service, integrated offering. Trafigura is actively investing in a portfolio of high-quality carbon credits from verified and trusted project developers, facilitating the flow of private capital funding into initiatives that sustainably remove and/or avoid GHG emissions. We are also developing an innovative carbon calculator tool to provide greater transparency and clarity to producers and consumers about the carbon content of the commodities they supply and buy from cradle to customer gate.

Investing in low-carbon hydrogen and next-generation technologies

Our internal venture capital fund, established two years ago to invest in early-stage disruptive renewable technologies, continued to invest in hydrogen and alternative fuels, renewable energy storage technologies, carbon utilisation and pay-as-you-go solar and liquefied petroleum gas for clean cooking solutions.

Notably, during FY2021, Trafigura became a major investor in green hydrogen through our investment in H2 Energy, a Swiss pioneer in green hydrogen production, storage and distribution for refuelling stations and industrial customers. We established the H2 Energy Europe joint venture to develop green hydrogen ecosystems across Europe, with an initial project in Denmark to build Europe's largest 'Power-to-X' plant now in the planning stage. Heavy-duty trucking is an optimal sector for the introduction of low-carbon hydrogen, given the relatively low marginal cost of abatement. Together with H2 Energy, we published a whitepaper advocating the use of low-carbon hydrogen in Europe to rapidly decarbonise heavy-duty trucking, as a potential catalyst for the acceleration of the growth of the wider hydrogen economy.

Transparency, human rights and stakeholder engagement

We have over several years maintained an industry-leading approach to transparency and open engagement with our stakeholders, which we believe represents a source of competitive advantage. This underpinned our ability to increase our credit facilities and expand our banking relationships to over 140 banks globally. Following our inaugural sustainability-linked credit facility in early FY2021, we have again linked our flagship European revolving credit facility to key sustainability metrics, providing further incentives to achieve our goals.

We value and seek out ongoing dialogue with our stakeholders and in FY2021, we held and participated in a number of online multi-stakeholder forums to discuss a range of topics, from transparency in supply-chain emissions to the human rights impacts of commodities trading.

We are committed to respecting internationally recognised human rights and to preventing, mitigating and, where appropriate, remediating adverse human rights impacts in which we are involved, in line with the UN Guiding Principles on business and human rights. In FY2021, we reviewed and revised our salient human rights risk analysis and in 2022, we will publish for the first time a standalone Human Rights Report, to provide greater insight into our approach and activities. We have also reflected this focus in our targets for 2022-2024, committing to fully align our operations with the requirements of the Voluntary Principles on Security and Human Rights, subject to external verification by the end of 2024.

Trafigura plays an active role as a Board member of the Extractive Industries Transparency Initiative (EITI), and we continue to encourage financial and industry partners to join, support and advocate for EITI and its efforts to promote good governance in resource-rich countries. Details of our payments to governments are once again provided in a standalone report available from our website.

Strengthened ESG governance

During FY2021, we enhanced our governance structure by establishing a dedicated Environment, Social and Governance (ESG) Committee of the Board, which I chair. The Committee provides direction for the Group's sustainability policies and approach, and promotes Board-level engagement with and input into the Group's material ESG risks and performance.

New Commercial ESG and Operational HSEC Steering committees were also established during FY2021. They are mandated by the Board to promote best practice, oversee the management of ESG risks and health, safety, environment and community risks at the Group's operations and to ensure that Trafigura's Corporate Responsibility Policy and Business Principles are adopted, appropriately adapted and implemented across the organisation.

Conclusion

This report sets out our commitments and performance with a renewed focus on the issues that are material to our business and our stakeholders. While there is still much work ahead of us, I am proud of the significant progress Trafigura has made in improving and integrating our approach to ESG into our core business activities over the past year, responding to the changing needs of customers and stakeholders more broadly.

About this report

Our 2021 Sustainability Report highlights the policies and approaches we take to responsible and sustainable business practices and our progress in implementing them during the financial year to 30 September 2021. The report presents our overall performance measured against a set of objectives for managing our ESG impacts.

Reporting frameworks

This report has been prepared with reference to the Global Report Initiative (GRI) Standards and is accompanied by a GRI content index, which maps our disclosures against GRI framework guidelines.

For the first time, this year we report against the World Economic Forum's Stakeholder Capitalism Metrics. Drawn from existing standards, this framework provides a set of metrics that can be reported on by all companies, regardless of industry or region. The metrics offer a way for us to compare our performance with our peers, which is particularly important for informing ongoing efforts to create a systemic, globally accepted set of common standards for reporting on sustainability performance.

The report also represents our United Nations Global Compact (UNGC) Communication on Progress on the implementation of the Ten Principles of the UNGC and maps our activities against the Sustainable Development Goals (SDGs).

Our approach and reporting framework are also compliant with the principles of the Task Force on Climate-related Financial Disclosures (TCFD), which was created by the Financial Stability Board to develop consistent climate-related financial risk disclosures.

Boundaries, scope and portfolio changes

Unless stated otherwise, all data included in the report refers to our 2021 financial year, which runs from 1 October 2020 to 30 September 2021 (FY2021). The report includes information and data for divisions, subsidiaries and investments where Trafigura has a majority shareholding and/or management control or significant influence, including Nala Renewables, Nyrstar (Europe, Australia and North America), MATSA (Spain), and IPE Mineração Morro do Ipê and Porto Sudeste (Brazil) joint ventures and Mawson West mine (DRC).

We report sustainability data for assets, facilities and operations from the first full financial year of ownership.

Puma Energy was fully consolidated into the Trafigura Group from 30 September 2021 and sustainability data will be fully incorporated into Trafigura's sustainability reporting for FY2022.

For investments where the Group owns a minority shareholding and has no operational control, we report our share of the operation or business's GHG emissions (proportionate to our equity shareholding) as Scope 3 category 15 emissions, also from the first full year of ownership.

For example, our investments in H2 Energy, Vostok Oil, Prony Resources and Vista Oil & Gas were completed in FY2021 and GHG emissions data will be included in Trafigura's Scope 3 emissions, proportionate to our investment, from 1 October 2021.

The ESG performance of Nyrstar has been consolidated within Trafigura Group data for each of the past two financial years (FY2020 and FY2021). The MATSA copper operations in Spain were sold during the 2021 financial year, with the transaction expected to complete in early 2022. MATSA data is included for the full year to 30 September 2021.

Greenhouse gas emissions reporting

Our GHG emissions reporting is aligned with the GHG Protocol and defined in detail in our GHG Manual, against which ERM CVS have assured our GHG reporting and the emissions data provided.

Carbon dioxide equivalent emissions

Carbon dioxide equivalent (CO_2e) emissions are reported in metric tonnes throughout the report. This includes carbon dioxide, methane and nitrous dioxide. When actual data are not available, estimations based on data from other business units or reliable external references are incorporated. The main emission conversion factors used are those developed by the Global Logistics Emissions Council (GLEC), the International Energy Agency (IEA) and the UK Department of Environment, Food and Rural Affairs (DEFRA).

Our current Scope 3 GHG emissions reporting covers a number of categories including fuel- and energy-related activities, upstream transportation and distribution, business travel, upstream leased assets, and emissions from investments reported by equity share. We have also estimated our wider Scope 3 downstream emissions associated with the use of commodities produced by Trafigura operated or majority-owned assets.

Carbon intensity

In 2021 we tracked the GHG emissions intensity of our business activities. The diversity of activities across our global business makes tracking a single Group GHG intensity figure complex and less meaningful, so we track carbon intensity by business activity. We are also working with customers to calculate the carbon intensity and carbon footprint of the commodities we source and supply from production to the customer gate.

ESG targets and performance

Workplace safety

Pages 14–17

Zero fatalities.

6

2021 6

2020 3

We are saddened to report the loss of six lives across our operations during FY2021.

Achieve a Group lost time incident rate* of 1.22, a 20 percent improvement of the rate of 1.53 achieved in FY2020.

1.70

2021 1.70

2020 1.53

Lost-time incident rate (LTIR) increased by 11% to 1.70 compared to 1.53 in previous year.

Climate change and environmental management

Pages 18–31

Zero Level 4 and Level 5* environmental incidents.**

2

2021 2

2020 0

Two Level 4 incidents involving a total of 35,405 litres of oil spilled in FY2021.

Reduce Scope 1 and Scope 2 GHG emissions by 30% against our 2020 baseline on an absolute basis by the end of FY2023.

22% reduction in year one

2021 2.66

2020 3.39

Scope 1 and Scope 2 greenhouse gas emissions reduced by 22% to 2.66mtCO_2e within first year FY2021.

Social performance

Pages 32–37

Attain full alignment of our Responsible Sourcing Programme with applicable requirements of ISO 20400:2017 guidance by the end of FY2023, supported by annual external verification.

24% completion in year one

24% of remaining gaps in Trafigura's Responsible Procurement system closed against the applicable criteria of ISO 20400:2017 guidance in FY2021.

New target

Obtain full alignment with the Voluntary Principles on Security and Human Rights at all Group sites where security contractors are directly contracted by Trafigura entities by FY2024.

* Lost time incident rate is the number of injuries to employees and contractors which result in missing the next work day per million hours worked.

** Level 3 incidents are moderate incidents e.g. a lost time injury.

*** Level 4 and 5 environmental incidents are significant events defined by Trafigura, for instance a hydrocarbon spill over 51 barrels.

Encourage greater reporting of total recordable incidents.

26% increase in reported incidents

2021	5.05
2020	4.02

Total recordable incident rate increased by 26% to 5.05 from 4.01 in FY2020.

Reduce the average time taken to complete Level 3 incident investigations to 28 days.**

43

2021	43
2020	40

Average time taken to complete Level 3 incident investigations was 43 days.

Invest in renewable power projects with a total generation capacity of 2GW by the end of 2025.

1.7 GW secured in year one

Updated target
Target portfolio of renewable power projects increased to a cumulative capacity of 4GW by the end of 2025.

Set a Scope 3 GHG emissions target by the end of FY2023.

New target
Reduce GHG emissions intensity from our owned and chartered shipping operations (Scope 1 and Scope 3) by 25% by 2030 compared to 2019 industry benchmarked levels.

Our people

Pages 44–47

Improve gender diversity at the recruitment phase through targeted outreach initiatives aimed at under-represented groups within our business.

Achieved Failed Ongoing

Governance and approach

Trafigura's Board ESG Committee oversees sustainability performance at the highest level, supported by the Operational HSEC and Commercial ESG Steering Committees, both of which are led by members of the Management Committee. The Group is committed to responsible management and oversight of its operations and business activities, wherever we operate.

Corporate governance overview

We recognise the critical importance of conducting our business and operations responsibly, demonstrating integrity, professionalism and diligence at all times.

Trafigura is owned by its employees. This alignment of employee and shareholder interest promotes sustainable financial performance with management depth and stability, and a long-term perspective on managing risk and creating value.

Sustainability governance

The Board ESG Committee sets and oversees the strategic direction of the Group's sustainability strategy and its corporate policies and guidelines.

Board Directors with executive responsibilities are also members of the Management Committee and a number of subsidiary Corporate Committees, above, all of whom provide oversight and enforcement of our Group policies, guidelines and standards.

The Board ESG Committee receives regular updates from managers across the business to discuss HSEC performance and future targets, and their approach to managing ESG risks and opportunities. The Committee receives the minutes of the Operational HSEC and Commercial ESG Steering Committee meetings and internal HSEC management reports. The Board Committee and Operational HSEC and Commercial ESG Steering Committees also receive presentations from internal and external subject matter experts to stay abreast of emerging ESG expectations, policies and leading practice.

Strengthening our governance structure

In FY2021, in order to further strengthen our governance structure and embed ESG into our company strategy, a new board sub-committee focused on ESG risks and strategy was established to sit within the Board of Directors and the Management Committee.

The ESG Committee is focused specifically on social responsibility, environmental and operational health, safety, environment and community (HSEC) matters. It is chaired by the Group's Executive Chairman and Chief Executive Officer and comprises two executive directors and two non-executive directors. The new committee enables further Board-level engagement and input into the Group's material ESG risks and strategy.

As part of our governance enhancement, the Group's HSEC Steering Committee and Climate Change Group were dissolved and reformed into the Operational HSEC Steering Committee and the Commercial ESG Steering Committee.

These new steering committees, which separate HSEC and commercial ESG issues, enable discussions to be more targeted, efficient and directly relevant to members and attendees. Each of the new steering committees is led by a member of the Management Committee to enhance senior management oversight and engagement with key HSEC, supply chain and responsibility issues relating to the Trafigura Group.

www.trafigura.com/governance

Sustainability-Linked Loan

In March 2021, we closed our European revolving credit facility, as well as the extension and increase of our USD3.65 billion three-year facility which included our first sustainability-linked loan (SLL).

The SLL is linked to key performance metrics to improve sustainability performance, aligned with material issues for our business. Under these commitments, we aim to achieve by the end of 2023:

- A 30 percent reduction in Scope 1 and 2 GHG emissions (against a 2020 baseline);
- Full alignment of our Responsible Sourcing Programme with sustainable procurement standard ISO 20400; and
- Investment to develop a renewable energy asset portfolio, with 3-year targets aligned to our aim of generating 2GW (recently increased to 4GW) by end of 2025.

In 2022, a fourth KPI has been added - to align our operations with the Voluntary Principles on Security and Human Rights by the end of FY2024.

The SLL provides further impetus to setting and achieving sustainability targets and results in a reduced cost of financing, which we are reinvesting in ESG improvements, including switching to renewable electricity and investing in emissions reduction projects.

Our policy framework

Our policies, principles and standards define how we conduct business and set out the high standards of responsible and ethical behaviours required of every employee (individually and collectively) and our expectations of our counterparties.

Key policies, principles and standards

CODE OF BUSINESS CONDUCT

- Anti-bribery and corruption policy
- Anti-money-laundering and terrorist financing policy
- Competition and anti-trust policy
- Trading policy
- Sanctioned and high-risk jurisdictions policy
- Global grievance mechanism

CORPORATE RESPONSIBILITY POLICY

- Payments to governments policy
- Metals and minerals responsible sourcing and supply chain expectations
- Responsible sourcing management framework

HSEC BUSINESS PRINCIPLES

- Minimum HSEC expectations: STS, marine waste, oil, storage, trucks
- HSEC management system framework
- Tailings management
- Trafigura golden rules and life savers

Our ESG objectives and values

We set clear goals relating to the following six key responsibility objectives.

Compliance and conduct

- To ensure that our activities comply with all applicable laws and regulations and that employees abide by our Code of Business Conduct.

Workplace Safety

- To operate and conduct our activities safely and to protect the health and wellbeing of our people and impacted stakeholders.

Social performance

- To avoid infringing human rights, to address harms that may occur and to earn and maintain a social licence to operate.

Responsible supply chains

- To avoid causing or contributing to adverse ESG impacts through our own activities and through the activities of our suppliers.

Climate change and environmental management

- To minimise any adverse affects from our operations on the natural environment and to adapt our business to meet the risks and opportunities of climate change.

Our people

- To attract, develop and retain the best people in a working environment that promotes integrity, diversity, inclusion, equal opportunity and mutual respect.

Contributing to the Sustainable Development Goals

Our approach to the Sustainable Development Goals is to focus on the targets where we can have greatest impact, appropriate to our activities, operations and position in the global value chain.

We make a contribution to many of the Goals, but our sphere of influence is most closely aligned with Goals 3, 7, 8, 9, 12, 13, 16 and 17. Throughout this report, how our programmes, activities and partnerships are contributing to achieving the Goals is shown in the information we report and the case studies we present.

Materiality – Mapping what matters

As part of our drive to continuously improve as a business, we constantly monitor and closely manage our performance in relation to the most important sustainability issues.

In FY2021, we conducted a comprehensive materiality assessment to identify and understand the range of environmental, social and governance (ESG) risks and opportunities relevant to our business, from the perspective of our organisation and of our stakeholders. This assessment has enabled us to prioritise our most material topics and set targets and key performance indicators for improvement that shape our sustainability approach and the content of this report.

Identifying our material topics

Our evaluation process drew on a wide range of stakeholder engagement inputs, including multi-stakeholder forums, interviews, surveys, bi-lateral meetings and regular interaction throughout the financial year. Stakeholders include commercial counterparts, financial institutions, investors, governments, non-governmental organisations, industry peers, educational institutions, local communities and our employees.

To obtain a further external perspective, we conducted an analysis to identify the key topics most frequently and widely reported in the media and those that generated the most engagement on social media platforms.

We looked at topics regularly reported on by our peers within our own industry, various voluntary reporting frameworks (including GRI, SASB, WEF and TFCD), ESG-ratings organisations (such as Sustainalytics and CDP) and regulatory frameworks that outline general regulations and standards in the jurisdictions in which the Group operates.

All topics identified were subsequently analysed and discussed at length through a series of interviews with senior managers from key functions across the business.

Through our assessment, the below seven material topics were identified.

Stakeholder perception audit

During FY2021, we engaged a specialist consultancy to conduct an extensive reputation audit of key external stakeholders comprising commercial counterparts and financial investors and banks across business divisions and geographic regions.

The research was designed to understand stakeholder expectations for commodity trading companies and Trafigura's perceived performance against those expectations across key areas including products and services, operations, financial stability, transparency and ESG. In early FY2022, results from the audit will be incorporated into our materiality assessment and used to guide Trafigura's ESG strategy and communications going forward.

Materiality assessment process

STEP 1

STAKEHOLDER ENGAGEMENT
- ✓ Multi-stakeholder forums
- ✓ Stakeholder surveys
- ✓ Stakeholder interviews

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PUBLIC PERCEPTIONS
- ✓ Media analysis
- ✓ Social media analysis

STEP 2

FRAMEWORKS
- ✓ Regulatory frameworks
- ✓ Voluntary reporting frameworks
- ✓ ESG risk rating methodologies

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PEER REVIEW
- ✓ Peer materiality and reporting review

STEP 3

MANAGEMENT REVIEW
- ✓ Consultations with senior managers from key business functions

\+

SUBJECT-MATTER REVIEW
- ✓ Inputs from Corporate Responsibility and HSEC functions

OUTCOME

MATERIAL TOPICS
- Compliance and conduct
- Workplace safety
- Climate change
- Environmental management
- Social performance
- Responsible supply chains
- Our people

Material topics

Compliance and conduct

We maintain a responsible compliance culture where all staff recognise their personal and collective responsibility. The high standard of behaviour we expect from all of our people is enshrined in our Code of Business Conduct, which is based on the highest standards of international law.

Workplace safety

Protecting the safety of our employees, suppliers and contractors is of the utmost importance to the Trafigura Group, wherever we work. We aim to take a proactive approach to managing safety, identifying major risks and sharing lessons to be learnt to continuously improve performance.

Climate change

We invest in and supply critical metals and minerals required for a low-carbon economy and invest in renewable energy and emerging clean-energy technologies. We focus on reducing greenhouse gas emissions from our own operations and the shipping and logistics services we use, and we work with suppliers and customers to reduce the carbon footprint of the commodities we source and supply.

Environmental management

Minimising or mitigating the impacts of our operations and supply chains on the environment is a key focus for Trafigura and our stakeholders. We aim to minimise any adverse impacts from our business operations on the natural environment and biodiversity, including in relation to our use and disposal of water, management of waste, air emissions, noise and dust.

Social performance

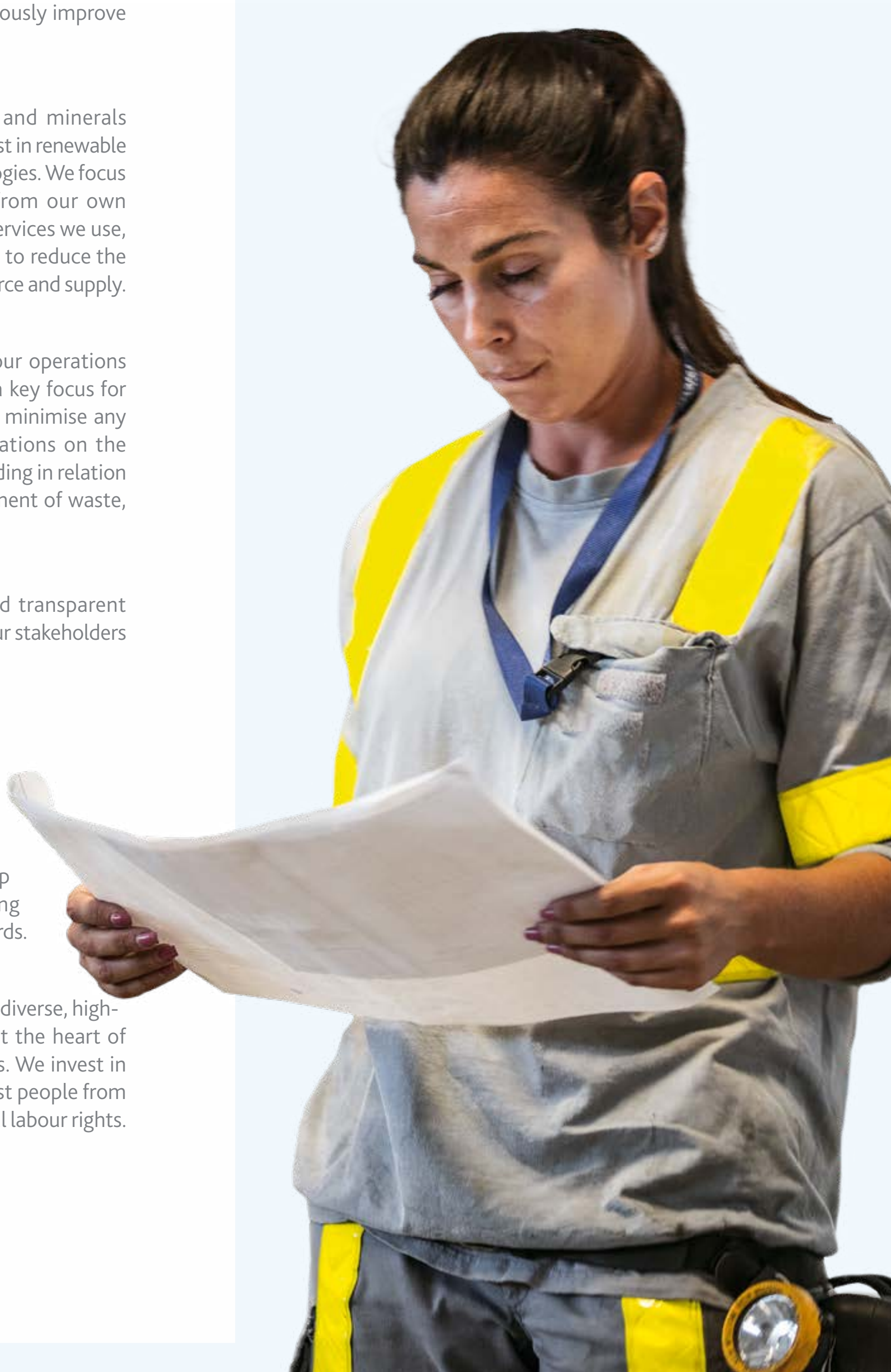
We are focused on building a trusted and transparent business. The way we act and engage with our stakeholders underpins our social licence to operate.

Responsible supply chains

Our commitment to responsible sourcing of commodities requires us to avoid causing or contributing to adverse ESG or human rights impacts through our own activities and through the activities of our suppliers. We continue to develop our industry-leading Responsible Sourcing Programme in line with international standards.

Our people

Our ability to attract, retain and motivate a diverse, high-calibre and entrepreneurial workforce is at the heart of our success and sustainability as a business. We invest in attracting, developing and retaining the best people from all backgrounds and we respect international labour rights.



Compliance and conduct

With operations, employees and commercial relationships across the globe, ensuring that we are aligned with all applicable laws and regulations is a key priority. We apply a variety of internationally recognised best practice standards across our global activities as set out in our Code of Business Conduct and we continuously seek new ways to be proactive, responsive and forward-looking in conducting our business in a socially and ethically responsible manner.

www.trafigura.com/brochure/trafigura-code-of-business-conduct

A responsible compliance culture

Our Compliance Department oversees our global activities and works in partnership with the Group's front- and back-office functions to ensure that our controls are relevant, robust and aligned with the latest international standards and that the conduct of our employees is appropriate at all times.

We promote a responsible compliance culture in which all staff take both personal and collective responsibility for maintaining the high standards of behaviour that are set out in our Code of Business Conduct and our supporting compliance policies, all of which are based on international law.

Our compliance programme is founded on the implementation and application of the core standards and principles set out in our Code of Business Conduct, which forms part of all employee contracts of employment. It encompasses guidance and expected levels of behaviour in relation to the following core compliance topics:

- Anti-bribery and corruption;
- Anti-money-laundering;
- Anti-trust and competition law;
- Sanctions and trade restrictions;
- Appropriate market behaviour;
- True and accurate record keeping;
- Conflicts of interest;
- Escalation routes for concerns and grievance procedures for both internal and external stakeholders; and
- Restrictions related to political contributions.

We continue to access both exchange-traded and over-the-counter derivative markets to manage the risks associated with our physical market activities. Consequently, there is significant ongoing investment taken to ensure that all related market rules and regulations are properly applied when undertaking all such activity.

In FY2021, as well as investing in the continued enhancement of our transaction monitoring programme, TradingHub Market Abuse Surveillance, to monitor suspicious financial market activity, we implemented the international regulatory requirements relating to the mandatory exchange of initial margin known within the industry as the "Uncleared Margin Rules". Trafigura successfully established all relevant monitoring, clearing and documentation requirements simultaneously in numerous jurisdictions by the September 2021 deadline.

Trafigura continues to refine and update its extensive mandatory compliance training programme to ensure that it remains relevant in a rapidly changing and evolving regulatory environment.

As part of our commitment to continual improvement, we undertake an annual exercise of consultation with external lawyers in more than 40 countries where we have a physical presence to ensure our global compliance programme meets specific local requirements in the various jurisdictions where we operate.

An evolving approach to counterparty due diligence

We continually seek new ways to leverage technology in order to improve our ability to robustly risk assess counterparties, whilst making the customer on-boarding process as efficient and user friendly as possible.

Our 2021 focus was to enhance the use of automated and intelligent technology to review, monitor, identify and flag high-risk counterparties more efficiently and with more accuracy. To date, these initiatives have enabled the end-to-end automation of standard counterparty due-diligence processes for more than half of all new counterparty trading relationship requests.

10,188

Total compliance courses completed[1]

99%

Completion rate of mandatory compliance training by new-starter and existing employees

7,503

Know Your Customer checks carried out in FY2021 (2020: 7,692)

22,482

Vessels screened in FY2021

1. Nyrstar run a separate compliance training programme and their training numbers are not included in the total in this report.

Compliance training carried out in 2021[1]

Including modules on:

- Code of Business Conduct
- Anti-market abuse
- Anti-bribery and corruption
- Anti-money-laundering
- Anti-trust and competition law
- Business communications
- Exchange rules in energy markets

The growing importance of vessel screening

Regulators and industry participants have been increasingly focused on the real-time assessment of vessels before they are chartered, loaded with material that we own or provided with bunkers. The purpose of this assessment is to ensure that vessels we contract do not have a history of activity that may show or indicate behaviour not aligned with applicable international regulation.

In FY2021, we screened 22,482 vessels as part of our vessel monitoring programme using PurpleTrack, a specialised market-leading vessel screening service.

In order to process such a high volume of individual vessel assessments, we have built an end-to-end automated screening system that allows for the immediate review of vessels and any associated issues to be flagged in real time.

Approximately 10 percent of vessels are flagged by the system for further review by our Compliance Department, with the remaining vessels immediately cleared for engagement.

By investing in the development of an automated and integrated system, we have reduced the incidence of human error and are able to provide a timely, efficient and accurate review of vessel risk. This is an important development as our business grows.

Compliance culture survey

In FY2021, we met our 2020 target of conducting an internal compliance culture survey to evaluate our employees' perceptions and experiences of our compliance programme. The survey was conducted anonymously and sought to give employees the opportunity to provide 360-degree feedback on their understanding, perception and experience of the practicalities and effectiveness of our compliance programme.

There was a very high level of employee engagement, with the survey recording an average positive employee experience of 98 percent across the various areas assessed.

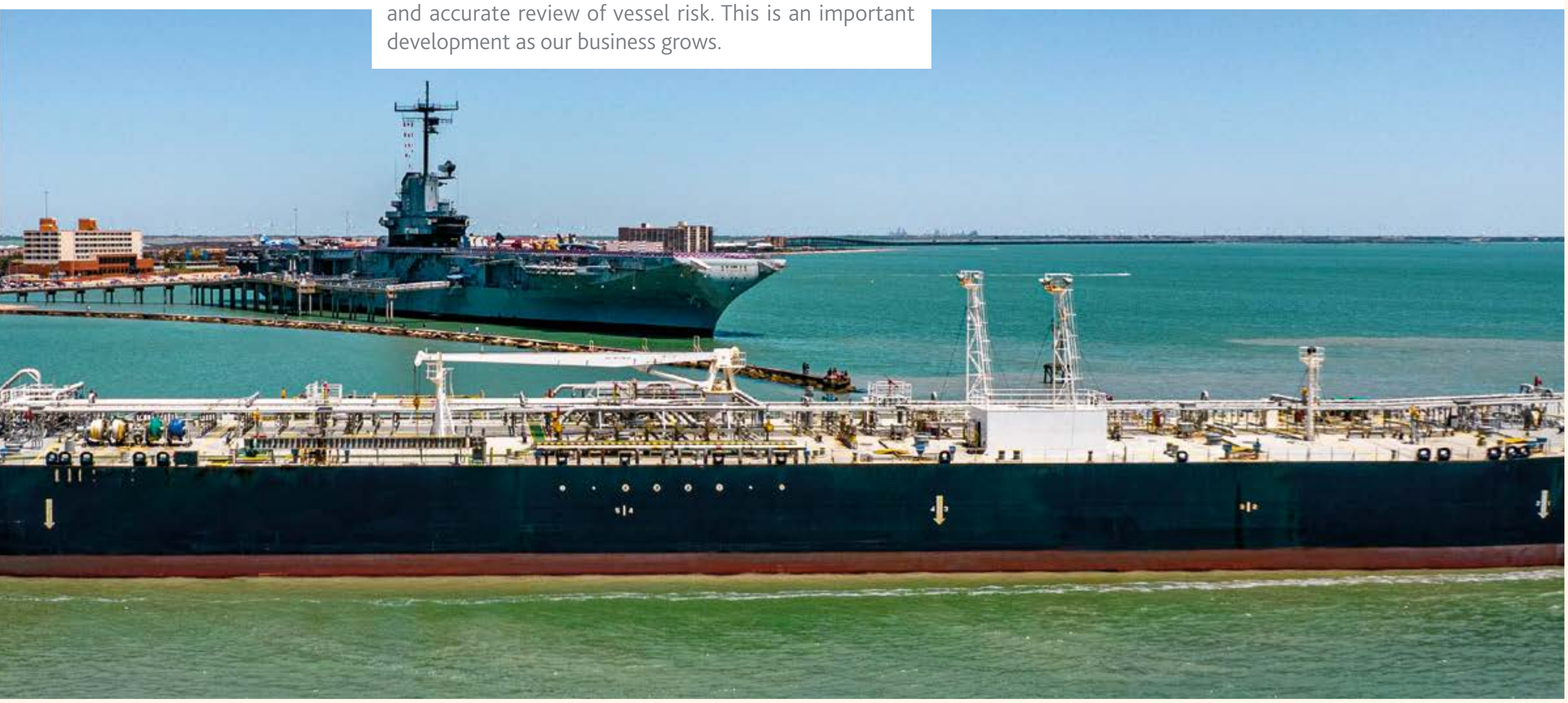
In any area where a minimum score of 97 percent was not received, regional action plans were implemented to further strengthen the programme.

Access to grievance mechanisms

We recognise that the ability of both internal and external stakeholders to access effective escalation and grievance mechanisms is critical to ensuring that we operate our business in line with the standards and principles set out in our Code of Business Conduct.

All internal and external stakeholders, including employees, suppliers and supply chain workers, can raise grievances and concerns through 'EthicsPoint', an anonymous 24/7 multilingual telephone hotline and web reporting service.

At an operational level, all major installations are required to maintain a grievance process. To this end, we conduct assurance reviews of our major installations to ensure that they have the relevant process in place.



Workplace safety

Our goal is zero harm. The health and safety of our employees, contractors, suppliers and business partners is of the utmost importance and we are committed to minimising risk wherever possible.

HSEC Management System Framework

www.trafigura.com/resource-centre

Our approach to workplace safety

We have three health and safety objectives that determine our approach to ensuring workplace safety:

1. We aim for zero work-related fatalities;
2. We seek to reduce the number and severity of incidents; and
3. We work to share lessons from incidents and near misses, so that we can continually improve our performance.

We seek to understand incidents and near misses by carrying out thorough investigations, so we can take action to prevent repeat incidents and share lessons learnt across our operations.

Our strategy stresses the importance of active reporting, developing and sharing lessons to be learnt, and investing in health and safety training and resources. Our aim is to improve the quality of health, safety, environment and community (HSEC) leadership throughout our workforce and to develop a more safety-conscious culture across the Group.

We have improved the governance, review and reporting of workplace safety over the past two years, through the implementation of a series of systems and protocols that embed effective HSEC management across the business.

Our HSEC Management System Framework

Our HSEC Management System Framework (MSF) details the roles and responsibilities for managers and employees in every department in every location with regard to supporting and advancing the management of HSEC risks across the company. The MSF collectively covers all employees and contractors working for Trafigura.

Our MSF follows the recognised systematic management methodology of plan, do, check and act to manage HSEC risks.

The MSF establishes baseline HSEC performance standards for all Trafigura divisions, operating companies and operational facilities to ensure that HSEC risks, including emergency preparedness, are managed and minimised as much as reasonably possible.

Policies and principles are mandatory and must be implemented and adhered to: they set out and define how Trafigura carries out its business in relation to HSEC. Standards are mandatory, although a dispensation process exists if divisions, operating companies and facilities can demonstrate that risks are being effectively managed in a different way. Performance against HSEC objectives is measured and the effectiveness of risk management controls is verified using benchmarks set out in the MSF and in supporting standards.

Individual facilities are also expected to develop customised local risk management systems, reflecting the inherent hazards and risk profile of their activity and location.

The MSF applies to all divisions, operating companies and operational facilities over which the Trafigura Group has control. It is a governing document for all operations where Trafigura has the majority shareholding or is the designated operator. For non-controlled joint ventures and assets, it is used to benchmark activities by the overseeing division or operating company. We encourage those we do business with, such as joint venture partners and suppliers, to adopt and implement comparable standards. When forming a joint venture this is a material issue.

HSEC Management System Framework Hierarchy

POLICIES + PRINCIPLES	**Obligatory**	Non-negotiable
STANDARDS	**Mandatory**	Dispensation process available
GUIDANCE	**Advisory**	To be followed unless an alternative acceptable outcome can be achieved

1 PLAN	2 DO	3 CHECK	4 ACT
Leadership and accountability	Mergers and acquisitions and management of change	Performance measurement and monitoring	Management review
Risk management	Facilities design and construction	Governance and assurance	
Performance improvement planning	Operations and maintenance		
Competency, training and behaviours	Incident reporting, investigation and analysis		
Sourcing and contract management			
Communication and document management			
Crisis and emergency management			

Our safety culture

Workplace culture, leadership and the creation of closer alignment between managers and workers is at the heart of successfully maintaining workplace safety at our sites and operations. We have worked to apply leadership behavioural, psychological and safety culture models to help us understand the role of supervisors and build a fair and just safety culture that addresses recognition and awards when appropriate.

In FY2021, we engaged independent sustainability consultancy ERM to carry out psychological safety culture assessments at our subsidiary Nyrstar's East and Mid Tennessee mines in the US and at our MATSA mine in Spain to investigate the cultural strengths and weaknesses of the mines following serious safety incidents at these sites. These reviews proved effective in obtaining unfiltered and unbiased insights into the attitudes of employees towards safety and safety practices, and their views on how best to manage safe working. This approach has enabled us to better understand factors which may trigger significant safety incidents and develop recommendations to achieve an improved safety culture.

While cultural surveys have enabled us to develop bespoke plans for each location, the results have also identified tendencies that will be addressed at a more strategic level. For instance, the findings highlighted the importance of ensuring adherence to procedures, in particular in recently acquired assets, and, in the context of increased staff turnover and absenteeism related to COVID-19 at a number of sites, maintaining consistent experienced supervision to ensure safety competence and performance. In all cases, recommendations, including safety leadership training and visible and felt leadership on the ground, are being implemented.

We recognise that breaking down barriers between management, supervisors and the workforce to transform working cultures takes time. Through the implementation of our MSF, we are committed to supporting our sites to embed a safety-first culture, using auditing to improve processes and maintain consistency.

In response to an increase in injuries and fatalities in FY2021, we are implementing safety improvement plans. We have further standardised our approach to workplace safety risk management by establishing a risk guidance document that has been issued to all HSEC managers. The new guidance helps to ensure all relevant risks are identified, managed and reported, and can be easily compared across our operations and contractors, with standardised definitions and risk matrices. All serious issues are elevated to the Operational HSEC Steering Committee for consideration.

Improving our safety performance

In FY2021, our safety performance was not as strong as in previous years. We are saddened to announce six fatalities across the Group, three of which occurred at Nyrstar mining operations.

Challenging operating conditions during the year as a result of COVID-19 were a significant contributory factor, including operational disruptions, increased absenteeism and travel restrictions that prevented cross-site learning and closer senior management oversight. Other factors that negatively affected safety performance included an ageing workforce incurring more musculo-skeletal injuries, increased portfolio risk with the integration of Nyrstar and, at some operations, the need for continued vigilance after several years of improving safety performance.

In order to address these related issues, we have taken several actions. In Mining, we developed safety improvement plans, tailored to the specific risks and challenges of individual assets, and held a three-day safety workshop for CEOs and HSEC managers of mining operations.

At Nyrstar, we have taken a range of steps to improve safety, including restating the priority of 'safety before production' by senior management; improving safety leadership through frontline leader development, especially at the supervisor level; reducing high levels of employee turnover at some sites; addressing plant integrity and improving mining and ground control practices; and ensuring effective resourcing of safety leadership roles.

253

Total recordable cases (2020: 202)

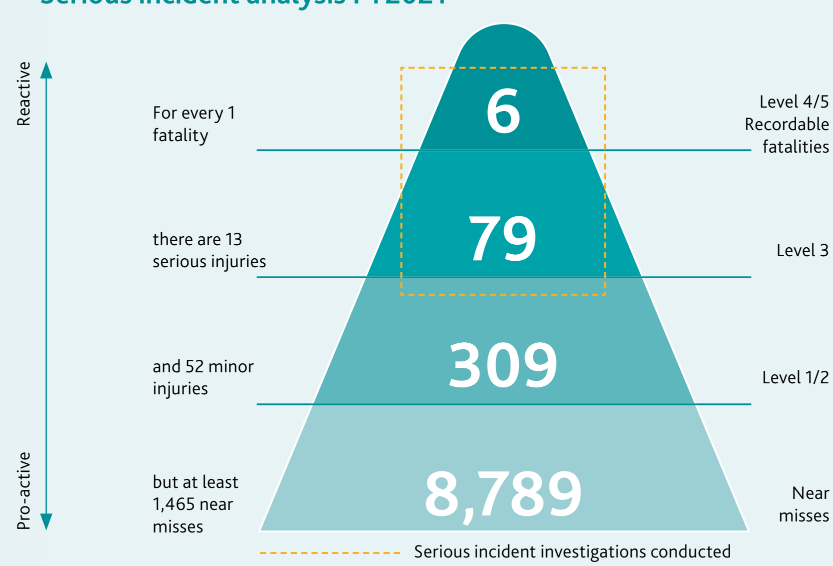
33

Locations with independently assured HSEC management systems

797

Lessons to be learnt shared in FY2021 across the Group (2020: 548)

Serious incident analysis FY2021

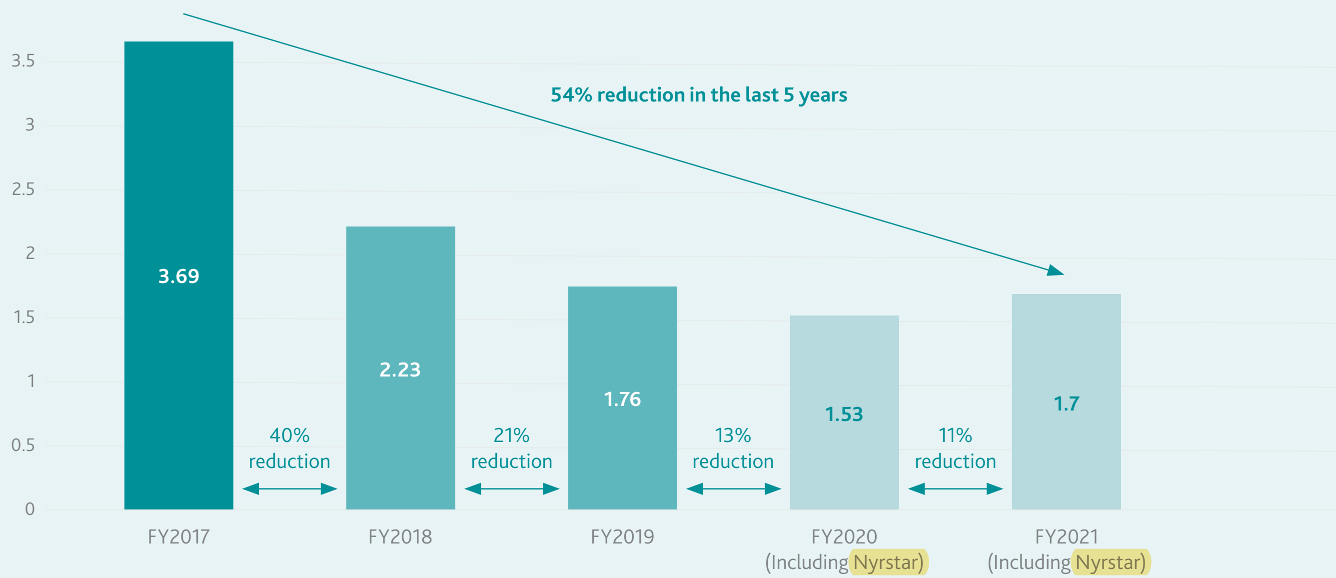


Health and safety summary report

KPI	Group		Oil and Petroleum Products		Metals and Minerals		Shipping and Chartering		Trafigura Corporate*		Impala Terminals		Mining		Nyrstar	
Year	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Number of fatalities: employees and contractors[1]	6	3	1	0	0	0	0	0	0	0	1	1	1	2	3	0
Fatality frequency rate	0.12	0.06	0.24	0	0	0	0	0	0	0	0.08	0.07	0.06	0.12	0.29	0
LTIR[2]	1.70	1.53	0.97	0.26	0	0	1.03	0	0	0	1.20	0.57	1.70	2.76	3.25	2.32

* In this table Trafigura Corporate includes health and safety performance of the Power and Renewables Division.

Trafigura Group lost time incident rate



At Impala Terminals, we improved the identification and management of high-level risks and improved engagement and active safety leadership over the course of the year.

At a Group level, we supported effective safety leadership with improved data transparency and training; improved HSEC risk identification and management processes; continued the roll out of HSEC campaigns, including a road safety campaign and a safe working with COVID-19 campaign; supported safety improvement plans; launched safety culture maturity surveys and action plans; and improved target setting and performance reporting.

Senior managers and facility managers are incentivised to achieve HSEC goals within their specific areas of responsibility. Both quantitative and qualitative targets form part of performance assessments. These are tailored to their individual responsibilities but may include, for instance, reducing the LTIR below a target level, improving the quality and frequency of near-miss reporting, and delivering tangible improvements in contractor risk management.

We use an evidence-based approach to reduce the incidence of injury across the Group. Reporting is standardised on Trafigura's online HSEC data reporting system. We are continually improving data collection and analysis to strengthen the quality of our data and enhance our ability to spot patterns and trends. LTIR is a key safety metric and there was an 11 percent increase to 1.70 lost time incidents per million hours worked in FY2021 (2020: 1.53). This did not meet the Group target of reducing our LTIR by 20 percent on a year-on-year basis, primarily as a result of difficult operating conditions associated with COVID-19.

Our leading indicators of safety performance continue to improve:

- 35 percent year-on-year increase in near-miss reporting.
- 45 percent year-on-year increase in lessons to be learnt.

Safety in road transport

Road transport forms an essential part of our business and prevention of road traffic accidents is an area in which we have taken action. In FY2021, we report a further reduction in the number of road traffic accidents involving owned, hired and contracted vehicles on public highways, to 67 (FY2020: 128). We also recorded a 21 percent decline in road traffic accident frequency (accidents per million kilometres) to 0.46 in FY2021 (FY2020: 0.58).

35%

Increase in near-miss reporting in FY2021

1. Includes the death of any employee or contractor of a Trafigura division or operating company as a result of an occupational injury or disease sustained on Group-managed sites or undertaking a work-related activity on behalf of Trafigura.
2. The number of incidents that resulted in time lost from work amounting to at least one day (or shift) by employees and contractors working on Trafigura-owned or managed sites per million hours worked.

This was achieved through the installation of in-vehicle monitoring systems in Trafigura-owned vehicles, driver training and closer oversight of the transport risk management programmes used by the companies we hire to move our commodities. In FY2021, our employees and contractors travelled 142 million kilometres by road, compared to 222 million in FY2020. This reflects our continued efforts to shift transportation from road to rail and barge, which are safer methods of transport and have lower environmental and social impact.

386,388

Hours of HSEC training completed in FY2021[1] (2020: 257,696)

Maintaining vigilance through training

Ensuring we have a safe working environment at all times requires constant vigilance and oversight.

As part of our safety improvement strategy, we focus as much on leading indicators as we do on lagging indicators, such as near misses. We prioritise activities to reduce LTIR, such as hours of HSEC training undertaken, which is a key part of maintaining vigilance and preparedness.

In FY2021, we delivered 386,388 hours of HSEC training, averaging 18.3 hours per person in operational roles throughout the year (2020: 257,696). Most HSEC training is undertaken at our mining assets, where each person received an average of 42 hours of HSEC training over the year.

Managing the impact of COVID-19

For Trafigura, in addition to public health issues and the need to keep our employees and contractors safe, the COVID-19 pandemic has posed a business continuity challenge. Its effects continue to be felt in all corners of the globe, although not necessarily simultaneously.

We have provided each of our facilities with a COVID-19 risk assessment tool to examine their site-specific risks, and with a checklist of potential controls and measures they can take to help control the virus.

The risk assessment programme is designed to lead the team through a process to assess what is required to reduce the likelihood of COVID-19 infection in their facility and to reduce the impact of infection.

Richard Head, Trafigura's Head of Health, Safety, the Environment and Communities highlights our approach and HSEC performance over FY2021.

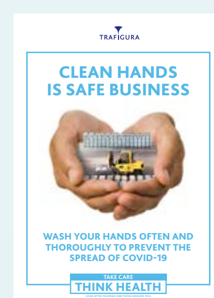
www.trafigura.com/2021SR

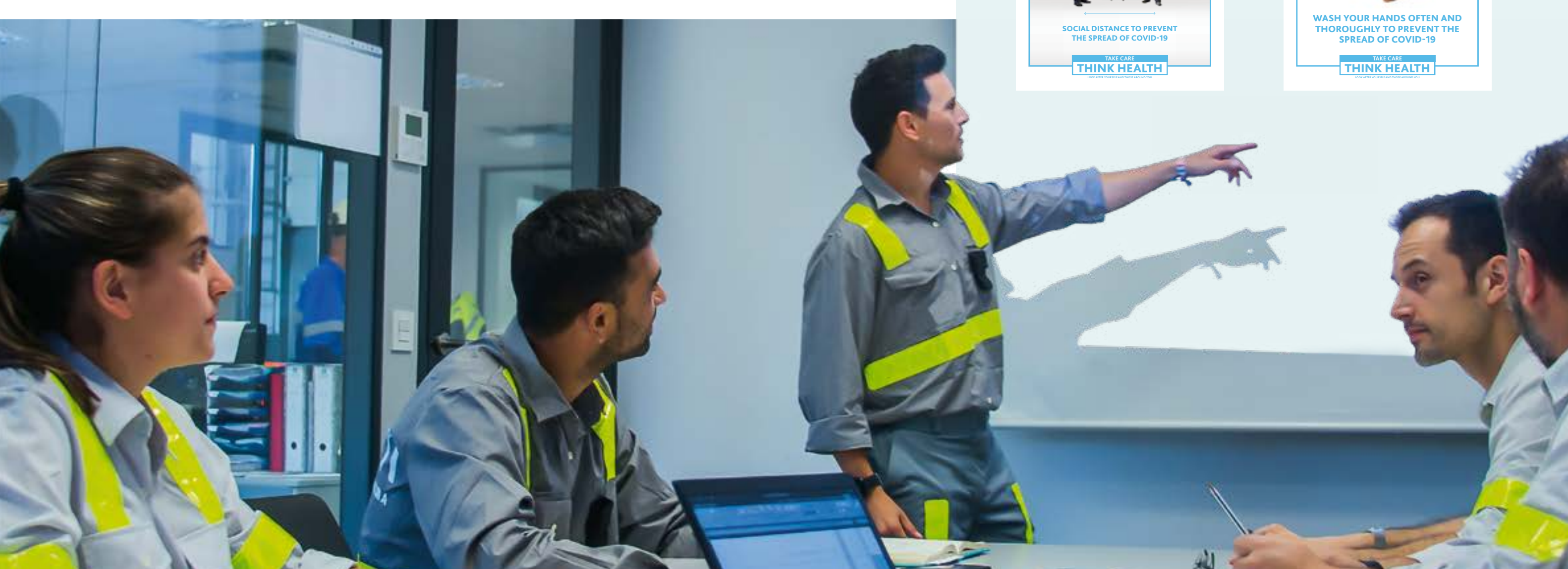
HSEC training FY2021[1]

Total HSEC training hours	386,388
Average number of workers	13,764
HSEC training hours per worker	18.3
HSEC training hours per million hours worked	11,384
Employee and contractors hours worked[1]	33,941,567

1. Employees and contractors working at Impala Terminals and Trafigura mines and oil facilities

COVID-19 prevention campaign





Climate change

Our climate change strategy and approach are aligned with the priorities set out by the Task Force on Climate-related Financial Disclosures. As one of the world's largest suppliers of commodities, we have a key role to play in providing the commodities and energy required for the transition to a low-carbon future.

Our approach

The climate crisis is the most urgent issue of our time and efforts to limit global temperature rise in line with the Paris Agreement are the responsibility of the whole of society. It is only through concerted collaboration across sectors, industries and jurisdictions that we can collectively address global warming. We recognise the latest scientific assessments as set out by the United Nations Intergovernmental Panel on Climate Change (IPCC) and support the climate change goals of the United Nations Framework Convention on Climate Change and the Paris Agreement. We believe that climate change goals should go hand in hand with efforts to improve social equality and the Sustainable Development Goals, in particular Goal 7, which is focused on access to affordable, reliable and modern energy.

As one of the largest commodity traders and logistics providers in the world, moving over 430 million metric tonnes of commodities and chartering over 4,800 vessels a year, we are committed to reducing our operational greenhouse gas (GHG) emissions contributions and those that are associated with our supply chains. We have a vital role to play in supporting society's transition to a low-carbon economy by providing the critical natural resources required for this transformation, including metals such as aluminium, copper, cobalt, nickel and zinc, as well as by ensuring access to reliable, affordable energy. We are working closely with suppliers, customers and logistics providers to help identify, verify and reduce the emissions associated with the commodities we source and supply, from our position at the heart of global supply chains.

Responding to climate change is a strategic focus for Trafigura. Our climate change strategy is aligned with the requirements of the Task Force on Climate-related Financial Disclosures (TCFD), which was created by the Financial Stability Board to ensure consistent climate-related financial risk reporting.

Our climate change strategy is to:

1. Reduce our operational GHG emissions
2. Collaborate with industry partners to decarbonise commodity supply chains
3. Responsibly source, invest in and produce commodities required for a low-carbon future
4. Invest in renewable energy, low-carbon fuels and clean-energy emerging technologies
5. Invest in and provide carbon abatement, offset and compensation solutions
6. Assess and manage climate-related risks

Reducing our operational emissions

Targets

In FY2020, we set two main GHG emission targets: to reduce the Group's Scope 1 and Scope 2 operational GHG emissions by 30 percent by the end of 2023 compared to our baseline year of 2020; and to set a Scope 3 GHG emissions target within the same timeframe. We are pleased to report strong progress against both of these objectives.

Throughout 2022, we will work to identify a longer-term pathway to reduce GHG emissions, with the objective to set new GHG reduction targets from 2024 onwards. Our goal is to maintain emissions reductions achieved to the end of FY2023, which are expected to represent one million tonnes of CO_2e, and to identify further reductions assessed against a revised marginal abatement cost-curve analysis.

We are pursuing three main strategies to reach our 30 percent GHG emissions reduction target:

1. Improving energy efficiency
2. Rolling out capital expenditure projects to sustainably reduce emissions
3. Converting to renewable energy

At our Bahía Blanca refinery in Argentina, we are investing in a co-generation project, building a natural-gas turbine and boiler and electrical-equipment module to generate electricity from waste heat. This will not only reduce emissions by 28,000 tonnes of CO_2e a year, but also help guard against the regular power cuts in the area. This project will be commissioned in 2022.

In FY2021, we increased our internal carbon levy on flights to USD50 per tonne of CO_2e emitted and used the funds generated to pay for the installation of solar panels on the roof of our Montevideo office in Uruguay. This has already cut the facility's annual emissions by eight percent.

At our mining sites, we are approaching energy efficiency in two main ways. We are transitioning our mining equipment away from diesel power to greener alternatives, which will reduce our Scope 1 emissions, although this comes with quite a few challenges. This project will be undertaken gradually over time and will depend on the financial and practical viability of the diesel alternatives available. For example, in an underground mine, there is a greater consequence of fire from batteries overheating than in an open pit. Secondly, we are transitioning to renewable energy sources. In Peru, where we operate the Catalina Huanca mine, we are moving to green electricity – something that has already been achieved at the Sotkamo mine in Finland.

GHG emissions reporting

We invest significant resources in the analysis and reporting of our GHG emissions, building the scope and extending our level of disclosure on a year-on-year basis. During FY2021, we adopted an online GHG emissions data management system across our operations. This has resulted in a slight increase in the reported amount of our Scope 1, Scope 2 and Scope 3 emissions in FY2020 compared to previously reported emissions due to the improvement of our data collection and GHG emissions calculations.

We report direct emissions from owned and controlled sources as Scope 1 emissions. Scope 1 emissions include those from combustion in owned or controlled boilers, furnaces, vehicles and vessels.

Scope 2 emissions are those associated with the electricity we purchase. Our Scope 2 emissions have been calculated using a market-based method, which applies supplier specific emissions factors and residual mixes, in line with the GHG Protocol Scope 2 Guidance.

We report indirect emissions incurred across our value chain, where contractors and other counterparties are undertaking logistics operations on our behalf, as Scope 3 emissions (read about our approach to Scope 3 emissions on page 21).

Our GHG data are reported internally on a quarterly basis and published annually in this report. All data are calculated and reported in line with the Greenhouse Gas Protocol (using both the location- and market-based approaches) and its comprehensiveness is tracked and benchmarked against the CDP disclosure system for which we received a B rating in FY2021, an improvement on the C rating awarded in FY2020.

CDP DRIVING SUSTAINABLE ECONOMIES

B

Trafigura's FY2021 CDP climate change rating (2020: C)

Carbon markets

We believe regulated and voluntary carbon markets have an important role to play in achieving a net zero world, both in sending correct price signals to unlock investment in direct decarbonisation measures and in offsetting emissions that cannot otherwise be eliminated or reduced.

The use of high-quality carbon offsets is essential to achieve net zero global emissions and we are actively investing in avoidance and removals projects that generate carbon credits for the key regulated and voluntary markets.

We believe the recently agreed rules for Article 6 of the Paris Agreement provide a solid foundation for the integrity and growth of carbon markets, which enables the flow of private capital to initiatives that sustainably remove and/or avoid GHG emissions.

GHG emissions performance (tCO_2e)

		Scope 1[1]	Scope 2[2] (Market-based)	Scope 3[3]
Group	**2021[3]**	**1,611,661**	**1,048,243**	**14,518,771**
	2020[4]	1,575,837	1,819,676	11,994,212
Oil & Petroleum Products	**2021**	**337,757**	**10,588**	**603,822**
	2020	346,337	11,713	140,824
Metals & Minerals	**2021**	**0**	**0**	**1,066,688**
	2020	0	0	716,923
Shipping & Chartering	**2021**	**591,594**	**0**	**9,991,835**
	2020	565,514	0	8,346,905
Trafigura Corporate	**2021**	**1,064**	**2,533**	**3,819**
	2020	1,158	2,462	6,444
Impala Terminals	**2021**	**79,147**	**12,149**	**160,961**
	2020	71,547	12,948	130,833
Mining	**2021**	**105,056**	**183,456**	**178,305**
	2020	101,714	195,235	157,790
Nyrstar	**2021**	**497,871**	**839,516**	**771,782**
	2020	489,568	1,597,317	620,681
Investments	**2021**			**1,744,481**
	2020			1,873,812

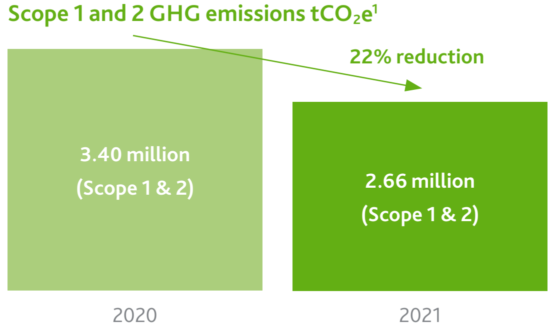
Scope 1 and 2 performance

At the end of FY2021, we achieved a 22 percent reduction in our total Scope 1 and 2 emissions, to 2.66 million tCO_2e. The reduction was primarily achieved by switching to renewable energy-generated electricity at two of Nyrstar's major European smelters – Budel in the Netherlands and Balen in Belgium. In FY2020, these two sites contributed 63 percent of Group Scope 2 emissions. From January 2020, 100 percent of Budel's and 50 percent of Balen's electricity has been generated from renewable energy. Scope 2 emissions reduced by 42 percent on a year-on-year basis.

Scope 1 emissions increased marginally in FY2021, by two percent overall, as a result of increased activity from our bareboat* shipping fleet. This was partially offset by the impact of a range of energy efficiency measures being implemented across our operations as part of our Get into the #GreenZone campaign (see case study on page 22). Shipping emissions contributed 37 percent of the Group's Scope 1 emissions in FY2021, while emissions from Nystar operations and the Bahía Blanca refinery in Argentina together comprise over 50 percent of the Group's Scope 1 emissions.

* Ships under bareboat charter are effectively controlled by the charterer even if not directly owned. The bareboat charterer is responsible for hiring the crew and master. Trafigura accounts for bareboat shipping emissions as Scope 1 emissions.

Scope 1 and 2 GHG emissions tCO_2e[1]



Scope 1, 2 and 3 GHG emissions data assured by ERM CVS

Our reported Scope 1, 2 and 3 emissions for FY2021 were assured by ERM CVS, an independent external assurance provider, to a limited level of assurance.

This assurance included a review of activity data and the calculation of emissions at corporate and selected business unit levels. Full details of the scope, activities, limitations and conclusions of ERM CVS' assurance engagement are included in their Assurance Statement on our website.

www.trafigura.com/sustainability/2021-trafigura-erm-assurance-statement

ERM CVS Informed Assured

www.ermcvs.com

1. Group 2021 Scope 1 emissions is net of 828 tonnes offset and Scope 3 emissions is net of 2,922 tonnes offset through retiring high- quality VERRA projects VCUs in FY2021 to compensate emissions. No offsets were purchased in FY2020.
2. Scope 2 emissions have been calculated using the market- based methodology using supplier specific emissions factors and residual mixes, in line with the GHG protocol Scope 2 guidance. Our market- based Scope 2 emissions were 1.05 million tCO_2e which compares to 2.33 million tCO_2e if calculated using the location based method.
3. Trafigura reported five Scope 3 categories in FY2021. These are Category 3: Fuel- and Energy-related Activities; Category 4: Upstream Transportation and Distribution; Category 6: Business Travel; Category 8: Upstream Leased Assets; and Category 15: Investments.
4. 2020 includes minor adjustments to previously reported data to reflect improved accuracy of reporting. No changes are material or require restatement.

Operational GHG intensity

In line with our commitment to continuously improving the quality and scope of our GHG data reporting, in FY2021 we tracked the GHG emissions intensity of our business divisions. The diversity of activities across our global business makes tracking a single Group GHG intensity figure complex and less meaningful, so we track carbon intensity by business activity.

Smelting is the most carbon intensive activity within the Group, followed by refining and then mining. As a result of the very large cargoes transported and the long distances that they are transported over, shipping is one of the least carbon intensive activities in the Group, despite its significant contribution to absolute emissions.

GHG intensity is a metric we will continue to monitor and report on in future years, as a basis for comparison and a measure of progress in improving the carbon efficiency of our activities in a growing business.

Scope 3 GHG emissions

In FY2020, reported Scope 3 emissions comprised five of the 15 categories in the GHG Protocol:

- Cat. 3: Fuel and energy-related activities;
- Cat. 4: Upstream transportation and distribution;
- Cat. 6: Business travel;
- Cat. 8: Upstream leased assets (primarily chartered shipping);
- Cat. 15: Investments.

On a like-for-like basis, reported Scope 3 emissions increased by 21 percent year-on-year in FY2021 to 14.5 million tCO$_2$e. This was mainly as a result of an increase in chartered shipping emissions, the most significant contributor to our GHG emissions, as trading activity increased and our business continued to grow.

In FY2021, we also estimated downstream Scope 3 emissions from the use of the commodities we produce at owned and operated facilities, including from our mines, Nyrstar smelters and refinery in Argentina. Downstream emissions (categories 10, 11 and 12) comprised an additional 32.2 million tCO$_2$e in FY2021.

Target: Reducing shipping emissions intensity

We have set a target to reduce the GHG emissions intensity from our owned and chartered vessels or vessel operations (Scope 1 and Scope 3) by 25 percent by 2030 compared to 2019 IMO industry-benchmarked levels. This target encompasses 69 percent of our reported Scope 3 emissions in FY2020. This is a 48 percent reduction compared to the 2008 IMO benchmark and ahead of the IMO's own target of a 40 percent reduction in intensity by 2030.

Trafigura Scope 1 and 2 operational emission intensities[1]

1 Extraction
tCO$_2$e[1]/tonne product
0.027
MINING[2]

2 Processing
tCO$_2$e/tonne product
1.075
SMELTING[3]

2
tCO$_2$e/tonne product
0.231
REFINING[4]

3 Storage
tCO$_2$e/tonne throughput
0.001
WAREHOUSE/TERMINALS[5]

4 Transportation
gCO$_2$e/tonne per nautical mile
8.74
SHIPPING[6]

1. Operational emissions intensities calculated using an average intensity across similar operational assets. tCO$_2$e refers to the metric tonnes of Carbon Dioxide Equivalent. The universal unit of measurement to indicate the global warming potential (GWP) of each of the six greenhouse gases, expressed in terms of the GWP of one unit of carbon dioxide. The Greenhouse Gas Protocol. A Corporate Accounting and Reporting Standard. www.ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf
2. Mining includes all operated mines within the Trafigura Group.
3. Smelting refers to primary metal production at all Nyrstar smelting operations.
4. Refining refers to the Bahía Blanca refinery.
5. Warehousing/Terminals is an average intensity across the majority of Impala Terminals owned/operated oil terminals and dry storage warehouses.
6. Shipping has been calculated in grammes CO$_2$e per tonne nautical mile using IMO emissions factors, in line with the Sea Cargo Charter reporting.

Get into the #GreenZone

Our internal energy efficiency campaign, Get into the #GreenZone, is aimed at achieving five percent out of our targeted 30 percent reduction in operational GHG emissions by the end of 2023 through little-to-no-cost initiatives. This requires the support of every employee to make a difference through thousands of daily small actions, such as turning off lights, equipment and machines when not in use and working as efficiently as possible. Posters, banners and green stickers were installed across the business to act as a constant reminder to help employees think differently about work, and understand that by making energy efficiency part of their role and daily actions they are having a positive effect on the organisation and of the environment.

For example, at Impala Terminals, we have launched the Impala app, which allows documents to be signed digitally, minimising the need for printed papers. Impala Terminals is also installing solar panels on the roof of our warehouse in Manzanillo, Mexico (this project is expected to be completed in early 2022).

In addition, at our Impala Terminals facility in Dubai, United Arab Emirates, we have installed a wind-powered roof turbine ventilation system to replace 80 existing ventilation fans on the warehouse ceiling. The new exhaust ventilation fans do not require any electrical power. Electrical power consumption at the site has been reduced by 79,000kWh a year, which equates to a 10 percent reduction in the site's total Scope 1 and 2 emissions, with significant cost savings and a two-year payback period.

At Impala Terminals' facility at Burnside, US, we have reduced annual electricity use by 511,500kWh, 7.5 percent of total use, by replacing all high-mast light fixtures with LED lights, realising significant cost savings and reducing ongoing maintenance costs.

At Nyrstar's Auby operation in France, we are improving efficiency and reliability through the installation of new air compressors that power various equipment throughout the facility. The new compressors are significantly more energy efficient than their predecessors, with four having been replaced to date.

These projects were initiated by employees considering energy efficiency and challenging themselves to improve it in their area of influence.

Nyrstar Europe offers low-carbon zinc

As a modern and responsible industrial company, Nyrstar continuously strives to improve the efficiency of its zinc production and logistics processes, to further reduce its environmental impact.

These include investing in greener forms of transport such as rail to bring raw materials from the Port of Antwerp to its sites, and increasing its use of barge transport.

In order to further reduce its operational carbon footprint, Nyrstar has increased the amount of electricity it purchases from renewable sources. Guarantees of origin verifying the electricity purchased is from renewable sources are held by Nyrstar.

Since the beginning of 2021, Nyrstar has been purchasing electricity from renewable sources to power its facilities in Budel and Balen/Pelt, bringing these operations in line with its site in Auby, which already had low GHG emission levels.

Scope 2 GHG emissions can be calculated either by a market-based or a location-based approach. The location-based approach uses average emissions intensity of grids on which energy consumption occurs.

Whereas a market-based approach reflects actual emissions from electricity that a company has purposefully chosen, such as renewable power with Guarantees of origin and supplier-specific emissions factors.

Nyrstar applies a market-based approach rather than a location-based approach to calculate its Scope 2 emissions across its sites.

This ensures an accurate calculation of the actual emissions associated with energy consumption and therefore an accurate calculation of emissions intensities.

These initiatives allow Nyrstar to produce low-carbon zinc and have put it on track to reduce its Scope 1 and Scope 2 GHG emissions by 65 percent by the end of 2021, compared to 2020 levels.

Trafigura multi-stakeholder forum: improving transparency of supply chain emissions

In order to benchmark performance and to manage and reduce supply chain emissions, there is an urgent need for stakeholders in the supply chain to use the same principles and methods for the accounting and reporting of emissions.

We recognise we cannot act alone and have much to learn from our customers, counterparties and other stakeholders. During FY2021, we held a multi-stakeholder forum on supply chain emissions with the goal of working towards aligning how supply chain emissions are calculated and carbon footprints are benchmarked. This will enable the transparency and consistency of reporting necessary for suppliers, traders and customers to collaborate on reporting, managing and reducing supply carbon emissions and the carbon footprint of products. All stakeholders in supply chains require confidence that absolute emissions, emissions intensity and the carbon footprint of commodities are being calculated in a similar way and that benchmarking comparisons are valid.

The forum brought together stakeholders, including non- governmental organisations, downstream customers, suppliers and financing banks, to discuss reporting of supply chain emissions and to consider questions such as:

- What are the most effective approaches to improving the accuracy and consistency of emissions reporting from upstream supply chains?
- When cradle-to-gate emissions must be estimated as opposed to based on primary data, which datasets and tools are available and how much uncertainty is acceptable?
- What is the most appropriate way to address the challenges of back-to-back trades, where the same cargo might be traded multiple times on its journey from supplier to customer?

We continue to work with our counterparties to evolve the way commodity traders determine and report supply chain emissions, so that we are providing meaningful and accurate data to support our customers' carbon intensity-based decision making.

Collaborating to decarbonise supply chains

We are working collaboratively with a growing range of downstream customers to bring carbon transparency to commercial discussions by measuring and verifying the carbon footprint of the commodities we supply. In addition to supplying low-carbon zinc from our Nyrstar operations and low-carbon aluminium, leveraging lower-cost financing to pay a premium to low-carbon producers, we are also developing an innovative blockchain solution for battery metals used in electric vehicles.

Electric vehicles are significantly more metals-intensive than the internal combustion engine vehicles they are replacing, and the traceability, carbon footprint and broader environmental and social risks associated with battery metals such as nickel, cobalt and lithium are a growing concern for manufacturers and consumers.

In partnership with Circulor, Trafigura is developing a blockchain solution to respond to these concerns. The solution will enable us to provide certainty to our customers that the metals we supply have been responsibly produced, processed and transported to the point of delivery. It will also enable us to track dynamically and attribute CO_2 emissions throughout our nickel and cobalt supply chains, enabling us to offer customers low-carbon, responsibly sourced battery metals.

Richard Head, Trafigura's Head of Health, Safety, the Environment and Communities explains Trafigura's climate change strategy and performance in FY2021. *www.trafigura.com/2021SR*

Calculating carbon

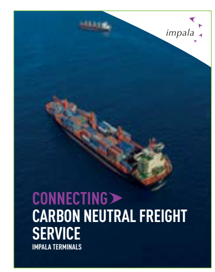
In FY2021, Trafigura's data science and engineering team developed a carbon calculator platform that uses a variety of data inputs to estimate the carbon footprint of a commodity, including the carbon emitted in production, transport and processing.

The carbon footprint of commodities has become an important new specification that allows supply chain participants to map and manage their Scope 3 supply chain emissions and identify the carbon emissions associated with every step of the value chain.

Carbon transparency is transforming client interaction, with customers now seeking to source commodities with lower carbon intensity, over speed or cheapest delivery, so that they can reduce their supply chain emissions. This creates additional considerations and opportunities for traders in choosing where to blend or refine a concentrate.

The carbon calculator is a useful application for Trafigura's trading teams and our new Carbon Trading Desk, which trades emission allowances and looks for ways to help clients reduce their supply chain emissions, such as by investing in GHG avoidance or removals projects.

The calculator will be used to quantify and manage emissions from the Trafigura Group supply chain. Reducing these cradle-to-gate emissions means continually seeking lower-carbon products and shipping options.



Read about Impala Terminals' carbon offset freight service:

www.impalaterminals.com/integrated-operations/freight-forwarding

Decarbonising shipping

The global shipping sector accounts for around three percent of global GHG emissions but without significant action this could rise to almost 18 percent by 2050, according to some studies.

To align international shipping with the Paris Agreement temperature goals to be on track to achieve full decarbonisation by 2050, zero-emission fuels need to make up five percent of international shipping fuels by 2030[1].

As one of the world's largest charterers, responsible for over 4,800 voyages every year, we are committed to reducing the environmental impact of shipping.

In FY2021, we set a target to reduce the GHG emissions intensity from our owned and chartered shipping operations (Scope 1 and Scope 3) by 25 percent by 2030 compared to IMO 2019 industry-benchmarked levels. This is equivalent to a 48 percent reduction against 2008 levels used as the IMO industry benchmark, which goes beyond the IMO target of a 40 percent reduction in carbon intensity of the international shipping industry by 2030.

We will achieve our target by:

- Prioritising energy efficient, modern eco-vessels for our long-term time charter fleet;
- Minimising the ballast leg of voyages;
- Promoting just-in-time arrival clauses in charter party contracts to enable slow steaming where possible;
- Using lower-carbon fuels including biofuels and LPG;
- Employing energy saving devices on our owned.

Operational efficiency

Achieving operational efficiency continues to be an area of focus for us given that it has an important and immediate impact on shipping emissions intensity. Our initiatives in this area include investigating new energy saving devices and other technologies for our bareboat and long-term time chartered fleet, as well as continued efforts to maximise the impact of routing, speed management, hull and propellor cleaning and ballast leg optimisation for our chartered fleet. In FY2021, we added technical experts to our shipping team in Athens, which enables us to leverage the full potential of the data that we have been building in this area.

While we are making good progress through our own initiatives, if we are to achieve large-scale reductions in maritime emissions, the entire industry worldwide must work together to make substantial investments in infrastructure and new technologies.

Zero-emissions shipping

We are co-sponsoring the development of MAN Energy Solutions' ammonia two-stroke marine engine. The fuel-flexible, two-stroke ammonia engine is expected to be commercially available for large-scale ocean-going ships by 2024, followed by a retrofit package to make existing maritime vessels capable of running on ammonia by 2025. The project is making good progress, with the recent completion of the safety system and fuel gas supply system, and remains on track for first engine tests to take place in early 2022. This would enable the first commercial engine to be delivered in 2024.

Collaboration initiatives

We are collaborating with industry through the Sea Cargo Charter, which establishes a common baseline to quantitatively assess and disclose whether shipping activities are aligned with the IMO climate goals. Trafigura's Global Head of Fuel Decarbonisation is Vice Chair of the organisation's steering committee. Through the initiative, we are improving our internal structures to standardise our data collection and improve visibility of our GHG impacts, and what we can do to reduce them.

Trafigura is a founding member of the First Movers Coalition, a joint initiative from the US Government and the World Economic Forum, and we have committed to convert six of our owned vessels to zero-emissions fuels by 2030, subject to the availability of technology. By making purchasing commitments, along with other members, we aim to accelerate the adoption of technologies needed for emissions reduction in shipping.

Andrea Olivi, Head of Wet Freight discusses Trafigura's commitment to reducing the environmental impact of shipping.

www.trafigura.com/2021SR

Our participation in the Global Maritime Forum Getting to Zero Coalition means Trafigura is one of over 200 companies calling for a commitment from the IMO to decarbonise shipping by 2050 and for regulators to deliver the policies needed to make zero-emissions shipping the default choice by 2030.

Carbon levy

We have called for the introduction of a carbon levy, which we believe will speed-up the introduction of low-carbon fuels across the shipping sector. Putting a price on carbon for global marine fuels would neutralise the cost differential between low- and zero-emissions fuels and conventional fuel oils. Our whitepaper, based on research by Texas A&M University, suggested a global carbon levy on marine fuels of USD250-300 per tonne of carbon. In 2022, we will extend the use of our shadow carbon tax, which informs our investment decisions, to cover our chartering activities.

www.trafigura.com/media/2752/a-proposal-for-an-imo-led-global-shipping-industry-decarbonisation-programme.pdf

Biofuels

In FY2021, TFG Marine, our joint venture bunker company with Frontline Ltd and Golden Ocean Holdings, started offering customers in the ports of Amsterdam, Rotterdam and Flushing in the Netherlands a range of advanced marine biofuels. The second-generation fatty acid methyl ester (FAME) B20 and B30 biofuel blends, both of which are compliant with the EU Renewable Energy Directive (RED I/II) and International Sustainability and Carbon Certification certified, and are derived from waste oil feedstock. They provide vessel owners and charterers with a sustainably sourced, lower-carbon alternative to the current industry standard marine fuels. Using either of these blends can help reduce a vessel's carbon life-cycle carbon footprint by up to 30 percent.

1. www.globalmaritimeforum.org/content/2021/03/Getting-to-Zero-Coalition_Five-percent-zero-emission-fuels-by-2030.pdf

Investing in renewables, low-carbon fuels and clean energy technologies

Nala Renewables

In FY2020, we established Nala Renewables, a joint venture with IFM Investors, to invest in a series of solar, onshore wind and power storage projects around the world.

By the end of FY2021, Nala Renewables had developed a pipeline of 1.7GW of projects. This included an investment in Swift Current Energy, an experienced developer with a renewable pipeline of solar, wind and energy projects in the US.

This strong progress enabled Nala Renewables to substantially increase its targeted portfolio by the end of 2025 from 2GW to 4GW.

Most of the renewable power generated by Nala Renewables projects will be sold externally, either direct to power customers or via national grids, helping to reduce the GHG footprint of energy users everywhere.

Trafigura's investments in hydrogen and clean-energy technologies

H2 Energy

December 2020

- One of the first companies to deliver fuel cell trucks to commercial users and to create an ecosystem based on green hydrogen, while operating with a strong commercial focus.
- In partnership with Hyundai, Linde and Alpiq, H2 Energy lease hydrogen fuel-cell trucks in Switzerland to retailers such as Coop and Migros, and provide the necessary refuelling infrastructure.

July 2021

- H2 Energy and Trafigura sign Memorandum of Understanding to develop a study that quantifies the infrastructure and production demands for green ammonia to decarbonise the shipping industry.

November 2021

- Trafigura and H2 Energy create H2 Energy Europe, a joint venture to invest in green hydrogen ecosystems across Europe, including the world's largest hydrogen production plant in Denmark.

Hy2gen AG

December 2019

- Builds green hydrogen production facilities and aspires to become a leader in the hydrogen and e-fuels market for mobility and industry.
- Hy2gen AG has a project pipeline with over 500 megawatts of electrolyser capacity.
- The first plants operated by Hy2gen AG will be built in Canada, France and Norway, with plans to also build production projects in Latin America, Mexico and South Africa.

July 2021

- Trafigura works with Hy2gen on a study to quantify the needs of the shipping industry for green ammonia.

OneH2

February 2020

- Provides scalable hydrogen fuel production systems and hydrogen fuel for use in transportation markets across North America.
- OneH2 currently serves the forklift market and hydrogen industrial users.

Quidnet

June 2020

- Has developed a novel form of hydroelectric energy storage that uses geomechanical pumped storage technology.
- Investors include Breakthrough Energy Ventures (founded by Bill Gates in 2015).

Bboxx

February 2021

- An innovative Internet of things (IoT) technology and pay-as-you-go solar home system to help deliver clean cooking in a scalable and distributed model.

Daphne Technology

October 2021

- Develops emission capture on ships for SO_x, NO_x and methane slip and provides accurate emission reduction measurement.
- Plans to further develop technology to capture ammonia slip carbon dioxide and N_2O.
- Other investors include Shell, AET Tankers and Saudi Aramco Ventures.

Investing in low-carbon technologies

In FY2021, we continued to support and invest in new technologies that are set to play an important role in decarbonising shipping and trucking.

We invested in Daphne Technology, a company with a solution that removes and captures toxic and GHG emissions, such as nitrogen oxides, methane and carbon dioxide, from maritime fuels. The plug-and-play solution breaks down the pollutants, converting them into non-hazardous by-products, which are either released into the environment or transformed into valuable products. As a result, Daphne Technology contributes to a circular economy and a significant reduction in GHG emissions.

We also worked with Hy2gen on a study to quantify the needs of the shipping industry for green ammonia, and collaborated with 22 companies to examine how green and blue ammonia can safely be handled, stored, transported and used at scale.

Low-carbon ammonia

In June 2021, we signed a memorandum of understanding with leading ammonia producer, Yara International, to collaborate on the development and promotion of the use of green and blue ammonia as a clean alternative marine fuel.

The collaboration will involve the supply of low-carbon ammonia by Yara International to Trafigura Group companies and the development of new low-carbon ammonia fuel infrastructure and market opportunities.

Also in June 2021, Trafigura joined a cross-industry study led by Japanese trading company ITOCHU into the adoption of green ammonia as an alternative marine fuel.

The joint study framework has attracted over 20 companies representing the bunkering, chemical, energy, power and utilities, mining, manufacturing, shipping and shipbuilding, and terminal industries.

The study will include a safety assessment of green ammonia as a marine fuel, including during bunkering operations, the specifications of green ammonia and the production of ammonia with net zero CO_2 emissions.

www.trafigura.com/brochure/decarbonising-heavy-duty-trucking-and-accelerating-the-european-hydrogen-economy

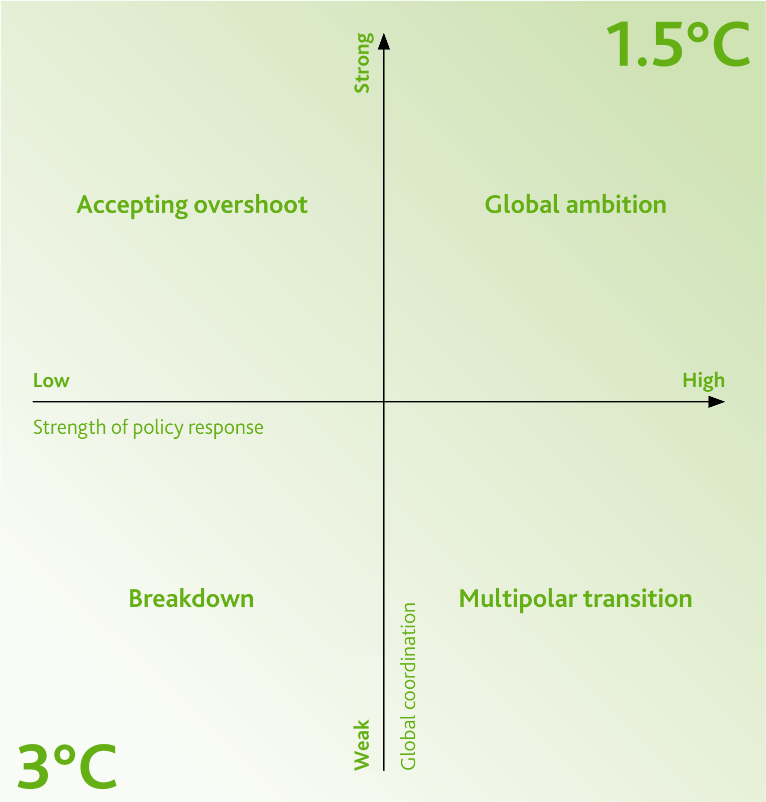
Assessing and managing climate risks

A number of our sites face long-term risks of a changing climate, with increased extreme heat, flooding, hurricanes, storms and wildfires posing a real threat to operations, as indicated by scenario assessments carried out by ERM. The physical climate change assessments we have conducted on mines and smelters in Tennessee, our coal terminal in Mississippi, our bulk export terminal in Manzanillo, Mexico and our southern Africa transport corridors enable us to better understand how the changing climate will impact these locations. This enables us to take action so that we are better prepared, including ensuring that for example, facilities are more resilient to high-intensity storm events, and can recover quicker.

Climate scenario analysis workshops

In FY2021, we held a number of climate scenario analysis workshops, in line with TCFD recommendations. From these, we developed four scenarios for how the transition to a low-carbon economy could develop, assessing the risks and opportunities linked to each. We considered three scenarios in more detail. First, an orderly transition where the Paris Agreement is implemented smoothly and consistently to keep global warming to within 1.5 degrees centigrade, which we called 'global ambition'. Second, a scenario where the world moves at different speeds creating potential barriers to trade, which we called 'multipolar transition'. And finally, a scenario where the speed of the energy transition and GHG reduction is slower than desired, which we called 'accepting overshoot' (see the matrix adjacent). At this stage, all three scenarios are plausible and scenario analysis is helping us develop appropriate strategies to assess the risks and opportunities related to our business activities and asset portfolio.

Climate scenarios considered



Installing the last of the 1,500 solar panels on the roof of the Impala Terminals building in Manzanillo, Mexico.

Environmental management

We are committed to protecting the natural environment. We do this by setting ambitious targets and monitoring our performance, including protecting biodiversity, using water and handling waste responsibly, preventing spills and minimising our impact on air quality and emissions.

Our approach

As part of our robust approach to managing environmental impacts, we regularly engage with our suppliers, customers and trading partners to understand, manage and mitigate our risks and impacts more effectively.

Many of our industrial assets and operational activities are certified under local, national or industry-specific management systems, with external assurance schemes used including ISO 14001, to ensure that we are following best practice.

Our reporting on environmental impacts is extensive, giving us granular data to inform decisions and prioritise activities. For example, we continue to collate data centrally on our water usage and discharge, and how much waste we generate.

Evaluating environmental risks

We have created a new assessment programme to consistently calculate and manage environmental risks within our business. It uses up-to-date data across a range of environmental categories to help us assess our level of exposure and risk based on the locations of our assets. These categories include:

- Physical risks, such as earthquakes and cyclones;
- Water stress, making use of the World Resources Institute 'Aqueduct' water risk tool and the World Wildlife Fund risk filter to assess vulnerability to various water-related challenges, such as water stress and flood risk;
- Water resources, including proximity to water courses from an environmental impact perspective to assess sensitivity related to our operations;
- Biodiversity, to assess proximity and the threat that could be posed by our operations to sensitive environmental receptors;
- Cultural heritage, to assess the proximity and vulnerability of sites of cultural significance to our operations;
- Built environment and populations, to assess the proximity of communities to our operations and mining.

For each category, we are able to access up to 10 specific datasets to help us understand the different types of risk that may exist. The data is generated through geospatial analysis of our operations using publicly available information. The proximity analysis is reviewed and risk scores are generated based on how significant each dataset is to our operational setting, either in terms of the risk presented to Trafigura or in terms of the risk our business presents to the factor in question.

The tool, which we built with the support of environmental experts and is accessible across the organisation, will allow us to dynamically re-assess our asset risk profile in light of environmental incidents caused by the company or the industry and changes in public perception over time. For example, we will be able to re-weight our exposure to risks if perceptions change and pre-emptively manage internal and external communication more effectively.

Protected areas, key biodiversity areas and natural heritage sites

Protected areas

Protecting the natural environment is important to Trafigura and we are particularly careful when operating in or near protected areas. Our environmental risk assessment pulls data from the World Database on Protected Areas, the most comprehensive global database on terrestrial and marine protected areas, which is a joint project between the United Nations Environment Programme (UNEP) and the International Union for Conservation of Nature, and is managed by the UNEP World Conservation Monitoring Centre.

1. British Columbia Parks and Protected Areas System Provincial Parks are significant protected Crown Lands. Class B parks permit a broader range of activities and uses provided such uses are not detrimental to the recreational values of the parks. Class B parks are established by order in council. www.bcparks.ca/about/park-designations.html#ClassB

Whilst none of our sites operate within a protected area, one of our mines, Myra Falls, is situated within the Strathcona-Westmin Provincial Park, a Class B park surrounded by a protected area on Vancouver Island, Canada. The mine's Habitat Loss Mitigation Plan and Reclamation Plans are reviewed and approved by British Columbia Parks, the British Columbia Ministry of Environment and the British Columbia Ministry of Energy Mines.[1] In addition, low-carbon initiatives are reviewed annually internally, with a formal public review every five years. The mine is located within the traditional territories of four indigenous nations: the Wei Wai Kum, We Wai Kai, K'ómoks and Mowachaht/Muchalaht First Nations. The local government and the mine consult with these nations on sustainability projects. The ship loading terminal is located on Wei Wai Kum reserve land and is leased directly from the indigenous nation.

We also have five facilities that are less than one kilometre from protected areas:

- Nyrstar Auby, within 500 metres of the Pelouses métallicoles de la plaine de la Scarpe, listed as a site of community importance under the EU Habitats Directive;
- Nyrstar Budel, within 500 metres of the Weerter-en Budelerbergen and Ringselven, listed as a site of community importance under the EU Habitats Directive;
- Nyrstar Hobart, within one kilometre of East Risdon State Reserve;
- Port of Huelva, within 500 metres of Estuario Del Rio Tinto, a Natura 2,000 site;
- Porto Sudeste, within 500 metres of Área De Proteção Ambiental Do Saco De Coroa Grande, an Environmental Protection Area.

In addition, we have a further 11 operations that operate within five kilometres of protected areas as outlined in the World Database of Protected Areas.

Key biodiversity areas

Key biodiversity areas are nationally identified sites that contribute significantly to the global persistence of biodiversity in terrestrial, freshwater and marine ecosystems. We operate one site within a key biodiversity area: the Bahía Blanca refinery, which is within the Reserva de Uso Múltiple de Bahía Blanca, Bahía Falsa y Bahía Verde, Argentina an important area for migratory birds.

We have 10 operations situated within five kilometres of other key biodiversity areas, each of which are also important areas for migratory birds. Four of these sites are within one kilometre or less:

- Impala Terminals facility in Tanzania, within one kilometre of Dar es Salaam;
- Port of Huelva, within 200 metres of the Marismas del Tinto y del Odiel y Lagunas Costeras de Huelva;
- Nyrstar Port Pirie, within 500 metres of the nearest Spencer Gulf aquatic reserves and marine parks;
- Nyrstar Hobart, within one kilometre of the southeast Tasmania Important Bird Area.

World Heritage sites

We are committed not to explore or operate in World Heritage sites and to respect legally designated areas of cultural or natural heritage. The nearest of our operations to a listed World Heritage site is Impala Terminals' Callao Terminal in Peru, which is located approximately 10 kilometres to the west of the historic centre of Lima.

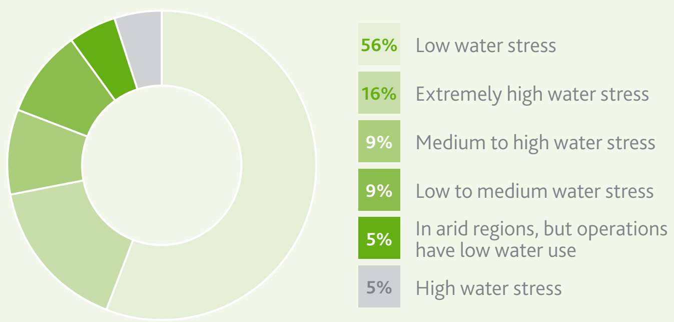
Water

Our environmental risk assessment tool draws on the content and mechanics of the World Resources Institute 'Aqueduct' platform to evaluate our sites that are situated in water-stressed areas. Water stress is defined by the Aqueduct tool using the baseline water stress indicator and, where relevant, takes into consideration the default weighting factors for site-level operations, such as mining. Using the assessment, we have identified seven operated or owned sites that are situated in high-risk areas:

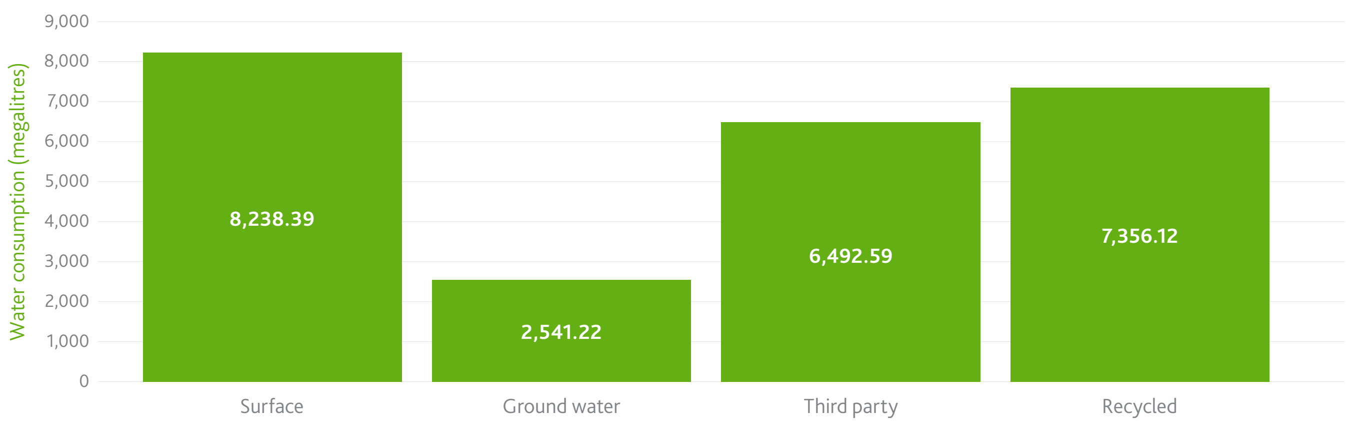
- Trafigura Atlacomulco Terminal, Mexico;
- Impala Terminals, Dubai, UAE;
- Impala Terminals, Huelva, Spain;
- Minas De Aguas Tenidas (MATSA) mine, Andalusia, Spain;
- Nyrstar Auby smelter, Hauts-de-France, France;
- Nyrstar Balen Overpelt smelter, Vlaanderen, Belgium;
- Nyrstar Budel smelter, Noord-Brabant, Netherlands.

Impala Terminals' Huelva, Dubai and Trafigura's Atlacomulco facilities, although situated in water stressed areas, have low water-extraction and consumption levels. The MATSA mine and Nyrstar smelters have implemented water efficiency initiatives such as harvesting rainwater and recycling water used in operations.

Distribution of Trafigura Group sites based on water stress



Trafigura Group water consumption (FY2021)[1]



Key performance indicators

KPI	Group		Oil and Petroleum Products		Metals and Minerals		Shipping and Chartering		Trafigura Corporate[2]		Impala Terminals		Mining		Nyrstar	
Year	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020
Number of environmental incidents reported	**195**	193	**3**	9	**0**	0	**4**	1	**0**	0	**113**	81	**47**	48	**28**	54
Number of oil spills above 51 barrels	**2**	0	**0**	0	**0**	0	**0**	0	**0**	0	**2**	0	**0**	0	**0**	0
Associated spill volumes in litres	**35,405**	0	**0**	0	**0**	0	**0**	0	**0**	0	**35,405**	0	**0**	0	**0**	0
Value of HSE-related fines and penalties (USD)	**920,133**[3]	1,667,105	**0**	0	**0**	0	**0**	17,452	**0**	0	**0**	0	**798,783**	760,467	**121,350**	889,186

1. Water consumption includes data from Trafigura's mining and oil and petroleum assets, Impala Terminals and Nyrstar sites.
2. In this table Trafigura Corporate includes environmental performance of the Power and Renewables Division.
3. Despite our compliance with applicable national and international laws and regulatory frameworks, unfortunately incidents sometimes occur that incur legal penalties. The total amount of fines incurred in FY2021. The total HSE-related fines and penalties reported in FY2021 includes USD290,550 of fines for incidents that occurred at Nyrstar operations, prior to consolidation within the Trafigura Group (in 2016 and 2017).

Dealing with waste, storage and potential spills

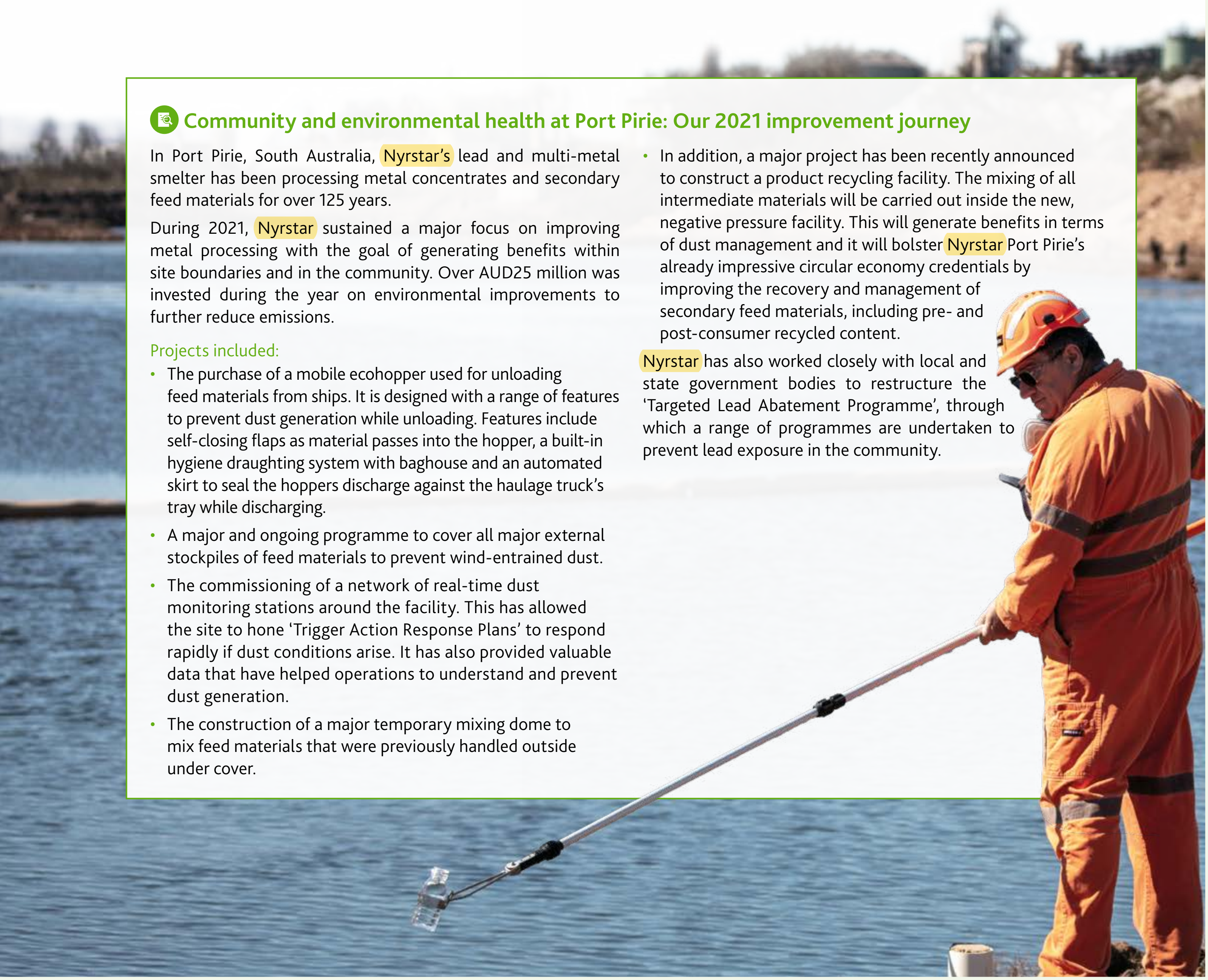
The commodities we trade can pose significant social and environmental risks if not handled correctly. Any pollution is unacceptable, wherever it occurs. Preventing and minimising such risks is a key priority. We collate data on waste generation and disposal across all Trafigura operations. All hazardous waste generated at our operations, including oily sludge from our operations, is treated and disposed of safely and responsibly.

Waste (tonnes)	Nyrstar	Impala Terminals	Mining	Oil and Petroleum Products
Non-hazardous	655,539	3,636	3,700	498
Hazardous	155,290	766	492	1,776

We continue to regularly review our approach to tailing storage facilities management to ensure that it is aligned with best practice. We carry out periodic inspections and regular, formal integrity and safety audits at all sites.

In FY2021, these site checks were complemented by third-party audits and inspections. At our most sensitive locations, we use piezometers and slope monitoring equipment to monitor activity in real time and assess our tailing storage facilities for risks relating to climate change and changes in the frequency and intensity of extreme weather events.

We remain vigilant in minimising spills, which remain a risk in our industry. All our locations that handle oil products have oil spill response plans. We continue to apply best practice and lessons learned to reduce spillages. Unfortunately, we had two Level 4 spills in FY2021. The incidents occurred in Colombia and were the result of road traffic accidents involving oil delivery trucks. Our oil spill contingency plans were activated and oil containment and recovery teams were sent to the sites.



Community and environmental health at Port Pirie: Our 2021 improvement journey

In Port Pirie, South Australia, Nyrstar's lead and multi-metal smelter has been processing metal concentrates and secondary feed materials for over 125 years.

During 2021, Nyrstar sustained a major focus on improving metal processing with the goal of generating benefits within site boundaries and in the community. Over AUD25 million was invested during the year on environmental improvements to further reduce emissions.

Projects included:

- The purchase of a mobile ecohopper used for unloading feed materials from ships. It is designed with a range of features to prevent dust generation while unloading. Features include self-closing flaps as material passes into the hopper, a built-in hygiene draughting system with baghouse and an automated skirt to seal the hoppers discharge against the haulage truck's tray while discharging.
- A major and ongoing programme to cover all major external stockpiles of feed materials to prevent wind-entrained dust.
- The commissioning of a network of real-time dust monitoring stations around the facility. This has allowed the site to hone 'Trigger Action Response Plans' to respond rapidly if dust conditions arise. It has also provided valuable data that have helped operations to understand and prevent dust generation.
- The construction of a major temporary mixing dome to mix feed materials that were previously handled outside under cover.
- In addition, a major project has been recently announced to construct a product recycling facility. The mixing of all intermediate materials will be carried out inside the new, negative pressure facility. This will generate benefits in terms of dust management and it will bolster Nyrstar Port Pirie's already impressive circular economy credentials by improving the recovery and management of secondary feed materials, including pre- and post-consumer recycled content.

Nyrstar has also worked closely with local and state government bodies to restructure the 'Targeted Lead Abatement Programme', through which a range of programmes are undertaken to prevent lead exposure in the community.

Transparency and engagement

We are focused on building a trusted and transparent business. The way we act and engage with our stakeholders underpins our social licence to operate. By being open and seeking to collaborate with those around us, we can understand and respond to the issues that matter most. This helps us to manage risk better, while driving improvements and identifying commercial opportunities.

Enhancing our engagement

Ongoing engagement with our stakeholders is a vital part of our commitment to responsible business practices. We seek to build trust and facilitate constructive, open dialogue with the many stakeholders associated with our activities and impacts.

For example, we engage with key stakeholder groups, including financiers, customers, suppliers, governments, non-governmental organisations (NGOs), industry peers, educational institutions, communities and our employees. One element of our engagement is through hosting and actively participating in multi-stakeholder forums to seek feedback on our approach.

As a result of COVID-19, in 2020 our multi-stakeholder forum programme was largely suspended due to restrictions on travel and face-to-face meetings. In 2021 we re-instituted the programme via webinars and set ourselves the goal of enhancing dialogue around the issues that matter most.

Key stakeholders

Host governments
Our activities can have a big impact on economic and industrial development: we connect resource producers to the global economy, invest in infrastructure, feed power generation and fuel industry.

National and supernational regulators
Regulatory oversight covers a range of issues, including safety, emissions, financial operations, compliance with sanctions and anti-corruption controls.

Civil society organisations and NGOs
Civil society and NGOs examine the commodities sector at local and international levels through a critical lens and play an important role in encouraging debate and action.

Existing and potential customers and counterparties
As an international trading firm, we prosper by building enduring relationships with producers, processors, manufacturers and end-users, among others.

International and regional media
In an age of social media and 24-hour rolling news, swift and accurate information is vital. There are numerous media outlets focussed on our sector and business that act as conduits of news and information to the general public and stakeholder groups.

Existing and potential suppliers
We work with numerous suppliers to deliver our goods and services globally. We operate robust HSEC systems and processes and require assurance from our suppliers that they take a similar approach.

Local communities
Trafigura undertakes large-scale, long-term investments globally. We often operate in remote and challenging locations where our activities can have a significant impact on local communities.

Employees, contractors and trade unions
A commitment to value respect, fairness, non-discrimination, equal opportunity, training and development, and diversity within the workplace is included in our HSEC Business Principles.

Financial institutions
Trafigura's business could not function without the liquidity that financial institutions provide. Their policies are subject to intense scrutiny and increased regulation.

Academic institutions
We take the view that improving theoretical understanding will have a positive impact on our sector and will help us to recruit and retain talent.

https://www.trafigura.com/brochure/trafigura-hsec-business-principles

We also took this opportunity to hold more varied forums, where we sought to engage with specific interest groups, including the following:

Global Business Initiative on Human Rights

The Global Business Initiative on Human Rights (GBI) is a not-for-profit organisation led by a group of leading international corporations from different industries. The organisation, which Trafigura joined in 2017, provides support and a peer-learning platform for companies seeking to fulfil their responsibility to respect human rights. Held in June 2021 and facilitated by John Morrison of the Institute for Human Rights and Business, this multi-stakeholder forum sought stakeholder input on our strategy for advancing the transition to a green economy with respect for human rights. Stakeholders highlighted that we have taken a strong leadership role in relation to responsible sourcing in the Democratic Republic of the Congo and challenged us to deploy this approach globally, engage with stakeholders including artisanal miners and local communities, continue to be transparent about our sourcing practices, and engage with other companies to share our knowledge relating to responsible sourcing.

Global Maritime Forum

Throughout 2021, Trafigura continued its work as a key part of the Global Maritime Forum Sea Cargo Charter coalition, where we hold a vice-chair position. The aim of the coalition is to establish a shared methodology to collect, assess and report shipping emissions in order to help build the platform needed to create industry transparency and drive change (see page 24). In early 2022, Trafigura and the other Sea Cargo Charter members will collectively and voluntarily report their standardised GHG emissions data for the 2021 calendar year.

Trafigura also remained an active participant in the Global Maritime Forum's Getting to Zero Coalition, which provides an industry platform for engagement on all of the key challenges associated with shipping decarbonisation. In addition, Trafigura is heavily involved in the Global Maritime Forum-led Call to Action and the Closing the Competitiveness Gap workstream, where we are represented on the steering committee.

Furthermore, in FY2021, Trafigura was the initiator and co-sponsor, with the Royal Belgium Shipowners Association and Global Maritime Forum, of a Brussels roundtable event with EU MEPs. The purpose of the roundtable was to lobby for a better and fairer regime on future carbon levies collected at the IMO and EU levels and to call for these levies to be focused on the faster transition to decarbonised shipping.

World Business Council for Sustainable Development and GBI

In September 2021, we took part in a virtual workshop hosted by the World Business Council for Sustainable Development (WBCSD) and the GBI that was designed to support practical peer learning and sharing in relation to human rights risk management among business practitioners in India. Highlighting the planned publication of Trafigura's first Human Rights Report, our Head of Corporate Responsibility shared our approach to human rights and invited explicit and candid feedback. A further WBCSD/GBI workshop was held in October, bringing together delegates from all over South-East Asia.

World Economic Forum

Trafigura is a member of the World Economic Forum (WEF) and an active member of the WEF Oil and Gas and Mining and Metals Governors communities, attending and participating in roundtable discussions held throughout the year. These roundtable discussions provide informal and efficient platforms for an exchange of opinion on global strategic issues of common concern.

First Movers Coalition

We are also one of 34 founding members of the First Movers Coalition. The Coalition was launched in November 2021 at COP26 and is a joint initiative between the US State Department and WEF, and is led by John Kerry, the US Special Presidential Envoy for Climate.

The coalition is focused on reducing emissions in eight key sectors, seven of which account for more than a third of global carbon emissions.

As part of our pledge to the Coalition, we have committed to convert six vessels in our fleet to use low-carbon ammonia as their primary fuel source by 2030, subject to the availability of technology.

University engagement

We continued to engage with a number of universities and business schools over the course of the year, most notably in Switzerland, on the topic of commodities trading and corporate responsibility.

In FY2021, we entered into an agreement with the Geneva Centre for Business and Human Rights (GCBHR) as a co-founding company to support the world's first Business and Human Rights Clinic at a business school. Starting from September 2021, students enrolled at the Clinic will work alongside the GCBHR team to address a concrete human rights case that a co-founding company is currently facing.

Global Battery Alliance

In FY2021, Trafigura was appointed to the Executive Board of the Global Battery Alliance (GBA). GBA represents a partnership of more than 70 businesses, governments, academics, international and NGOs that are committed to ensuring that battery production not only supports green energy, but also safeguards human rights and promotes health and environmental sustainability. Trafigura's participation in GBA centres largely on the Cobalt Action Partnership, which is aimed at ending child labour in the cobalt supply chain and contributing to the sustainable development of mining communities.

Payments to governments

Trafigura has a longstanding commitment to report transparently and to engage openly in relation to our business and the issues that matter most to our stakeholders. From our first disclosure of payments to governments, published in our 2015 Responsibility Report, we have progressively brought transparency to the payments we make to producing nations for commodities.

In January 2021, we published our first standalone report on payments to governments and state-owned entities. This complemented our 2020 Responsibility Report by providing greater detail and a broader scope of data across both our oil and petroleum products and our metals and minerals purchasing activities in 2019.

In 2021, we created an animated video to explain to stakeholders why we make disclosures and the value of doing so.

www.trafigura.com/video/trafiguras-2020-payments-to-governments-report

The granularity of data we report exceeds that relating to our prior disclosures. For instance, we have included data on metals, minerals and bulk commodities trading, whereas previously we had only included data on oil, petroleum products and natural gas. Volumes traded have also been provided on a disaggregated, cargo-by-cargo basis. Our 2021 Payments to Governments Report will be published in early 2022.

www.trafigura.com/brochure/2021-payments-to-governments-report

Our efforts to improve our disclosures are guided by two critical goals:

1. To build confidence among existing and prospective state-owned entities that we currently or hope to transact with.
2. To ensure that these state-owned entities are able to maintain a trustful relationship with the citizens and the wider civil society that they serve.

Bringing others with us on our transparency journey

As we look to the future, we know that one of the most significant contributions we can make to driving transparency is by encouraging greater participation by countries, companies and relevant industry sectors.

During 2021, we maintained active support for the Extractives Industries Transparency Initiative (EITI) as a Board member and a contributor to various projects and committees overseen by the EITI International Secretariat. In August, our Chief Financial Officer, Christophe Salmon wrote to 20 of Trafigura's top financing banks to encourage them to support the EITI movement. He also hosted a roundtable with the EITI Secretariat's Executive Director to encourage financing partners to support and contribute to our approach to transparency.

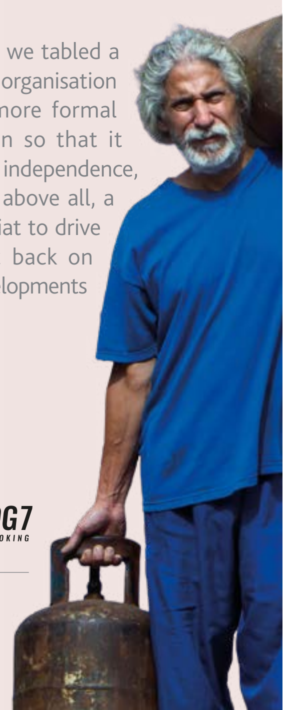
Our commitment to SDG7: Improving access to affordable and sustainable energy for all

Today there are almost 800 million people who do not have access to electricity and 2.6 billion people who do not have access to clean cooking options[1]. Liquefied petroleum gas (LPG) is a clean burning, portable fuel, which is created primarily as a by-product of oil and natural gas production and oil refining. LPG has an important role to play in a fair energy transition. Between now and 2030, it is the fastest scalable solution to achieving universal access to clean cooking.

In FY2021, Trafigura joined forces with a number of major companies, banks and development actors to launch the LPG4SDG7 Coalition to help achieve Sustainable Development Goal 7. The role of the Coalition is to work with governments and other stakeholders to advocate for and to mobilise resources to implement at scale LPG value chain projects that are focused on supplying LPG for clean cooking.

As Chair of the Coalition, we tabled a recommendation that the organisation should transition to a more formal membership organisation so that it could benefit from greater independence, strategic autonomy and, above all, a dedicated expert secretariat to drive delivery. We will report back on Coalition progress and developments in the year ahead.

www.lpg4sdg7.org



1. iea.blob.core.windows.net/assets/6756ccd2-0772-4ffd-85e4-b73428ff9c72/FinancingCleanEnergyTransitionsinEMDEs_WorldEnergyInvestment2021SpecialReport.pdf

www.eiti.org

"Not only would the involvement of your institution send a strong message to others in the financial sector, but it would also serve as a catalyst to other traders to become actively involved in the transparency movement and help safeguard the reputation of the sector as a whole."

Extract from a letter from Christophe Salmon to Trafigura's key financing banks in support of EITI

Community engagement

Our business activities generate a range of economic and social benefits that stimulate development in local communities. We seek to operate in a safe, inclusive and transparent way and engage openly with communities associated with our operations and activities.

All around the world, we are committed to finding ways to continuously engage with the people that are directly affected by our work and to build trust and facilitate constructive, open and honest dialogue with communities. This enables us to monitor and mitigate risks to our business and to help build resilience within our global supply chain.

Supporting local projects to create positive social impact

We often engage with those around us, such as members of the community and community groups, through Corporate Social Investment (CSI) projects.

We define our CSI project contributions as those that:

- Bring direct benefits to communities, over and above an operation's core activities;
- Are not investments that are a compulsory part of a facility's operating permits or that are made by Trafigura's philanthropic arm, the Trafigura Foundation;

In FY2021, we made contributions of more than USD1 million to support over 60 CSI projects that sought to improve the quality of life for people local to our operations. A further USD9.2 million was provided to a range of projects through the Trafigura Foundation (see page 44).

These contributions have been particularly important to our stakeholders during the pandemic, which has had a major impact on health and wellbeing and incomes, with some facilities forced to suspend operations for periods of time.

Recruiting Community Liaison Officers

We regularly recruit and support Community Liaison Officers at our operations in rural areas. Officers are community leaders and representatives through which we can share information and learn more about their communities' concerns and play an important role in building constructive and lasting dialogue.

60+	870,000	>$10m
Number of CSI projects supported	Estimated number of beneficiaries	Total donations in FY2021

COVID-19: Support for the Mutoshi community

We have been supporting the Mutoshi community in the DRC since 2018, working with the NGO Pact to develop a collaborative model of semi-mechanised, small-scale cobalt mining that delivers higher safety standards and improved economic conditions for local miners.

Within a fortnight of recording its first case of COVID-19, a state of emergency was declared in the DRC, with border crossings closed and a ban on gatherings of 20 people or more. The rate of transmission in confined working conditions put small-scale miners at particular risk and it became increasingly hard to maintain a safe working environment. By the end of March 2020, the project concession holder Chemaf, a supplier to Trafigura, halted the Mutoshi Pilot Project.

With operations suspended, the community lost an important source of income. Together with Pact, we were determined to support the Mutoshi community during this challenging period.

A few months later, we launched a three-month COVID-19 action project to build-up public health defences and mitigate the economic consequences of the pandemic for the 64,000-strong community. Trafigura's USD300,000 capital injection sponsored a Pact-led initiative that invested in local resources to deliver education, sanitisation and personal protective equipment.

Within a relatively short period, our COVID-19 action project delivered tangible economic, social and public health benefits and, in the process, helped save lives.

Raising awareness was an early priority. COVID-19 was initially perceived by local people as a disease only affecting rich countries – a belief that had to be dispelled. It was vital that the people were given practical guidance on how to protect themselves and others.

Training was a particular focus. A Pact-coordinated programme was launched to teach local people how to make protective face masks and soap.

The action project leveraged existing Trafigura Foundation-supported Pact initiatives, which had been building up community skills and resilience for several years.

Overall, the project achieved all its main objectives, with 36,340 face masks and 13,355 bars of soap distributed locally, 15 handwashing stations installed and 100 local people trained and supported in producing personal protective equipment (PPE). The project also included public health advertising, which reached over 700,000 people.

www.trafigura.com/sustainability/responsible-sourcing/mutoshi-pilot-project

Respecting human rights

Respect for human rights is an integral part of our approach to business. The way we operate and engage with our stakeholders underpins our social licence to operate.

We recognise that our activities can have an impact, both positive and negative, on people and the environment. We also recognise the importance of acting responsibly.

Our policies are in line with and support the UN Guiding Principles on Business and Human Rights (UNGPs) and are oriented to respecting internationally recognised human rights.

We assess the actual and potential human rights impacts of our activities and business relationships. We seek to avoid causing or contributing to adverse human rights impacts through our own activities and address such impacts when they occur. We also seek to prevent or mitigate adverse human rights impacts that are directly linked to our activities through our products, services or operations by our business relationships. In addition, we are committed to establishing and participating in effective operational-level grievance mechanisms for individuals and communities that may be adversely impacted by our activities.

This year, to provide more in-depth information about our approach to human rights, we have published a standalone Human Rights Report.

June 2021 marked 10 years since the unanimous endorsement of the UNGPs. The UNGPs represent the global standard for states and business enterprises with regard to the protection of, respect for and corresponding remediation of, human rights impacts.

As a key foundational step for making improvements, we refreshed our salient human rights risk analysis to identify the human rights at risk of the most severe impact through our activities and business relationships. We have used these risks to outline our approach in this report.

In FY2021, we also published our 2020 Modern Slavery Statement – our first under the Australian Modern Slavery Act and fourth under the UK Modern Slavery Act.

The Statement details the concrete steps we have taken to identify and address modern slavery risks throughout our global business and supply chains.

By reporting exclusively on our human rights performance we have taken another important step towards meaningfully implementing international business and human rights standards, including the UNGPs.

Access to grievance mechanisms

We are committed to establishing or participating in effective operational-level grievance mechanisms for individuals and communities that may be adversely affected by our activities.

We recognise that the ability for stakeholders, including those whose human rights have been adversely affected, to access effective grievance mechanisms is critical to ensuring respect for human rights.

Internationally, we have deployed 'EthicsPoint', an anonymous 24/7 multilingual telephone hotline and web reporting service provided by NAVEX Global to facilitate the reporting of grievances. We accept a wide range of grievances, including those relating to human rights, and the service is available to all internal and external stakeholders. In FY2021, we instituted a global assessment of the effectiveness of EthicsPoint with a view to ensuring that all channels of communication were functioning fully.

Our review assessed the effectiveness of the system across 34 countries when calling from a landline, using the internet (Voiceover Internet Protocol) or from a mobile phone. The results of the assessment were almost without exception positive, in so much as callers were able to connect with a service operator.

However, the review identified two potential flaws in the system that could not be overcome. Firstly, EthicsPoint utilises an international toll-free platform that is open and available to domestic carriers. In the event that a domestic carrier chooses not to participate in or cooperate with the platform, stakeholders will not be able to raise a grievance. Secondly, if a government places a restriction on services of this nature then, again, stakeholders will not be able to raise a grievance.

On the basis of these two constraints, both of which are beyond the scope of control and influence of the provider, Trafigura amended its EthicsPoint website instructions to provide an additional way in which stakeholders can raise a grievance: they can now do so by email on grievance@trafigura.com.

We will continue to assess the effectiveness and accessibility of grievance channels available to our stakeholders on an ongoing basis.

Cultural heritage

We recognise that our operations can have a negative impact on the local environments in which we operate, including regions of significant cultural heritage.

We are using a holistic environmental risk evaluation tool to help us assess our level of exposure and risk based on the locations of our operations. This includes a mechanism that allows us to assess the proximity and vulnerability of cultural heritage sites to our operations, to improve our site cultural heritage protection plans in consultation with local stakeholders, and to reassess our risk profile accordingly (see page 29).

www.trafigura.com/brochure/2021-human-rights-report

www.trafigura.com/brochure/2020-modern-slavery-statement

Upholding human rights in the artisanal cobalt value chain in the DRC

Human rights and security

In the DRC, we are working in partnership with state entity Entreprise Générale du Cobalt (EGC), which buys, processes and sells cobalt produced by artisanal or small-scale miners, to improve the socioeconomic sustainability and traceability of cobalt production in the country.

The EGC 'Responsible Sourcing Standard' is at the heart of this work. It is aligned with national law, national mining regulations and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

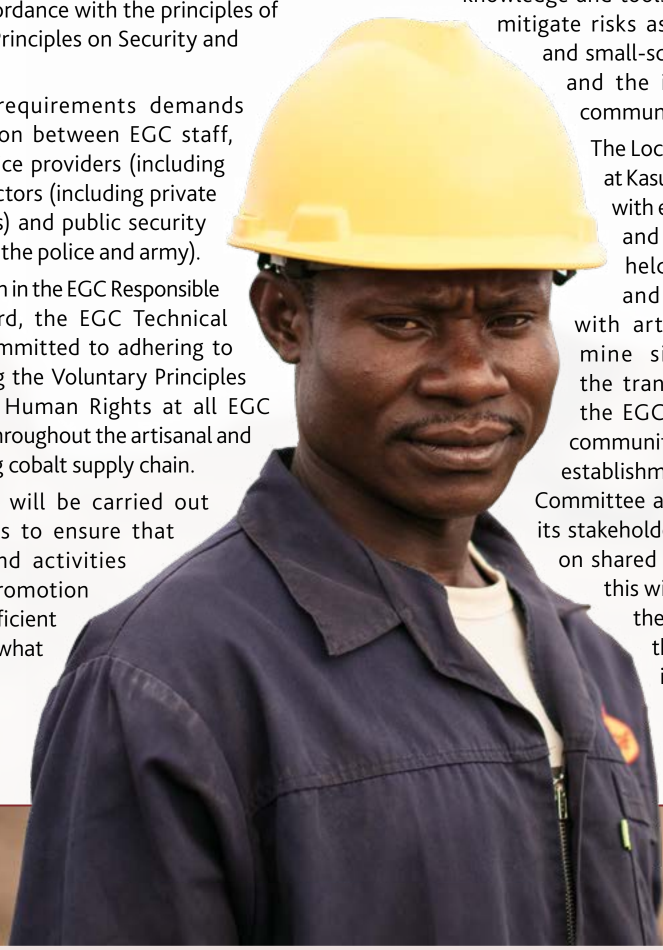
Also, it includes specific commitments related to the provision of security at EGC mine and processing sites. It requires EGC to ensure that:

- No direct or indirect support is provided to security forces implicated in human rights abuses;
- No public or private security forces that illegally control mine sites or mineral trade or that have been credibly implicated in human rights abuses are contracted to provide security for any artisanal and small-scale mining cobalt sites;
- All directly contracted security forces are engaged in accordance with the principles of the Voluntary Principles on Security and Human Rights.

Meeting these requirements demands close collaboration between EGC staff, its technical service providers (including Trafigura), contractors (including private security providers) and public security providers (such as the police and army).

Beyond its inclusion in the EGC Responsible Sourcing Standard, the EGC Technical Committee is committed to adhering to and implementing the Voluntary Principles on Security and Human Rights at all EGC project sites and throughout the artisanal and small-scale mining cobalt supply chain.

A formal review will be carried out every six months to ensure that commitments and activities relating to the promotion of security are sufficient and responsive to what is required.



Ongoing community monitoring

In Kasulo, where EGC hopes to launch its first formalised cobalt mining project, a Local Monitoring Committee has been established, comprising multiple stakeholders all with a stake in ensuring safe and responsible operations inside and outside of the mine site.

The role of the Committee is to identify, analyse, manage and mitigate risks in relation to the responsibly sourced artisanal cobalt value chain and its impact on the surrounding community. The Committee must promote strict adherence to the artisanal miners' code of conduct, national law and the EGC Standard, and monitor and report on situations when the Standard is not being adhered to, including in relation to human rights abuses, corruption, tax non-compliance and occupational health and safety.

Depending on future site locations, each new concession that undergoes transformation to align it with the EGC Standard will either join an existing Committee or have its own dedicated Committee.

The success of the Committee in Kasulo relies on giving people extensive training, so that together with EGC and the NGO Pact, committee members have the knowledge and tools needed to identify and mitigate risks associated with artisanal and small-scale mining formalisation and the impact on surrounding communities.

The Local Monitoring Committee at Kasulo meets at least monthly, with extended training sessions and more ad-hoc meetings held as required. The risks and challenges associated with artisanal and small-scale mine site development and the transition towards meeting the EGC Standard will vary per community and operation, but the establishment of a Local Monitoring Committee at Kasulo allows EGC and its stakeholders to continuously build on shared experiences. Ultimately, this will improve the efficacy of the Committee and optimise the positive socioeconomic impact that formalising artisanal and small-scale mining can have on communities.

www.trafigura.com/responsibility/responsible-sourcing/our-agreement-with-entreprise-generale-du-cobalt

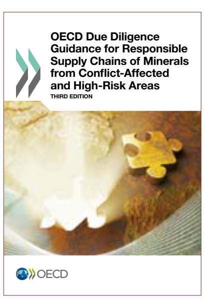
ENTREPRISE GÉNÉRALE DU COBALT

www.trafigura.com/sustainability/responsible-sourcing/egc-responsible-sourcing-standard

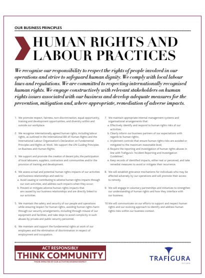
Responsible supply chains

The commodities that we trade must be sourced responsibly to ensure that they facilitate sustainable development. We take a robust approach to responsible sourcing by seeking to identify, understand and mitigate ESG risks in our supply chain and engage with our suppliers.

www.trafigura.com/brochure/responsible-sourcing-and-supply-chain-expectations



mneguidelines.oecd.org/mining.htm



www.trafigura.com/brochure/trafigura-hsec-business-principles

Our Responsible Sourcing Programme

We recognise that the extraction, handling, processing, transportation and trade of commodities has the potential to generate income, growth and prosperity, sustain livelihoods and foster development, but that these activities may also contribute to, or result in adverse impacts.

Our commitment to responsible sourcing requires us to avoid causing or contributing to adverse impacts through our own activities and to promote a similar approach with our suppliers. It requires us to address such impacts when they occur and to seek to prevent or mitigate such impacts.

Our Responsible Sourcing Programme[1] follows our own policies and principles, and is developed with reference to the Organisation for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains, the UN Guiding Principles on Business and Human Rights and requirements established by the London Metal Exchange, among other international standards. Our Programme has three main goals:

1. To identify and mitigate risks to people and the environment.
2. To engage with those impacted and promote positive outcomes.
3. To report transparently and provide assurances where required. To become and remain a supplier to Trafigura, suppliers must:

- Respond fully, accurately and promptly to requests for information;
- Conform with the requirements as laid out in the Trafigura Responsible Sourcing and Supply Chain Expectations;
- Cooperate with Trafigura throughout our diligence process, making operational premises and senior staff available where necessary;
- Address issues raised and implement actions as agreed over the course of the process; and
- Share any questions, comments or feedback as the process develops.

The programme uses desk-based research (Level 0) and supplier self-assessment questionnaires (Level 1) to assess certain new and existing suppliers operating from specific countries or looking to sell certain commodities to Trafigura. Suppliers identified as high-risk based on these steps may be subject to a site-based assessment (Level 2), which includes comprehensive interviews with workers, contractors and members of the local community. Following a site-based assessment, we monitor and follow-up with suppliers and, where appropriate, help support any mitigation activities (Level 3).

On completion of a due diligence assessment, Trafigura's responsible sourcing team files a formal report that is signed by both the Group's Head of Corporate Responsibility and the Head of the relevant trading desk. These reports are subsequently shared 'upstream' with the relevant supplier under review and 'downstream' with the receiver of material.

According to our management system, where a due diligence assessment indicates risks that are deemed unacceptable, the supplier relationship may be terminated or suspended until the identified risks are suitably mitigated. In all such instances, suppliers are required to put in place time-bound risk mitigation efforts. Trafigura's Global Head of Corporate Responsibility, who has oversight over the Responsible Sourcing Programme then presents findings and risk mitigation strategies to relevant management for consideration.

In FY2021, 145 counterparty diligence reviews were initiated by our responsible sourcing team. Of these, 95 counterparties were active in conflict affected and high-risk areas (CAHRAs), as determined by the European Commission's CAHRA list[2].

1. Valid primarily for minerals.
2. The CAHRA list is drafted by RAND Europe and commissioned by the European Commission Directorate General for Trade.

Supply chain due-diligence steps

LEVEL 0 DESK-BASED REVIEW	
• Review of publicly available information on social, human rights and environmental risks/impacts (media reports, NGO reports, etc.). • Trafigura responsible sourcing expectations issued to the supplier.	• Initial risk evaluation. • Tailoring of Level 1 assessment questionnaire to address specific identified risks, as appropriate.
LEVEL 1 ASSESSMENT	
• Level 1 questionnaire issued to the supplier and required to be completed and returned, with supporting evidence as appropriate. • This includes specific questions in relation to mineral origin and management of health and safety, labour practices, environmental management, logistics, security provision and community relations.	• Risk rating and identification of priority high-risk suppliers. • Information gained informs the Level 2 assessment of prioritised suppliers.
LEVEL 2 SITE-BASED ASSESSMENT	
• Level 2 assessment protocol guides the scope and consistency of the assessment process. • Level 2 site-based assessment of prioritised suppliers: typically two days in duration and encompassing a visual inspection of mineral production and processing areas, interviews with management and workers, and reviews of relevant documentation.	• Supplier risk categorisation. • Report on findings and recommendations for actions to address identified risks provided to both Trafigura management, the supplier and the ultimate receiver. • Provides basis for ongoing risk mitigation and monitoring.
LEVEL 3 RISK MITIGATION AND MONITORING	
• Follow-up engagement with suppliers to understand progress made in addressing identified risks. • Where appropriate, assistance is provided to suppliers to support risk-mitigation activities.	• Informs the nature and scope of continued supplier engagement including, where appropriate, follow-up site visits. • Supplier risk management recommendations made and performance improvements monitored.

Development and launch of online training and familiarisation for suppliers and receivers of metals and minerals

In 2020, Trafigura made a commitment that its Metals and Minerals trading division would progressively implement ISO 20400:2017 guidance as part of its responsible sourcing of metals and mineral ores and concentrates. Part of this alignment required us to enhance training and awareness around responsible sourcing.

In August 2021, we launched a page on our website specifically devoted to setting out our expectations on responsible sourcing for our suppliers. This included an animation video and explanatory booklet. These resources, available in multiple languages, provide a step-by-step guide on how our Responsible Sourcing Programme works so our suppliers have a clear understanding of our on-boarding and ongoing requirements.

In participating in our Responsible Sourcing Programme, our suppliers are expected to:

- Respond to requests for information;
- Cooperate throughout the process, making premises and staff available where necessary;
- Address issues raised and implement agreed actions; and
- Share questions, comments or feedback.

The video and booklet are already being used by our commercial teams when engaging with new as well as existing suppliers.

In September 2021, we also launched a further suite of tools designed to explain our Responsible Sourcing Programme to downstream receivers of metals and minerals which also included an animation video and explanatory booklet.

www.trafigura.com/responsibility/responsible-sourcing/training-and-familiarisation

www.trafigura.com/video/supplier-training-and-familiarisation-how-our-diligence-programme-works

ERMCVS
Informed Assured

Alignment with the ISO 20400:2017 Sustainable Procurement guidance

We are committed to continually improving the way we approach responsible sourcing. At the end of 2021, we had closed 24 percent of the remaining gaps identified between our current practices and applicable elements of ISO 20400:2017 Sustainable Procurement guidance. The guidance supports organisations when integrating sustainability within their procurement practices. Our performance for 2021 has been externally assured by ERM CVS, an independent certification and verification body.

Over the course of 2021, we further aligned our responsible sourcing management system with ISO 20400:2017 to ensure it is more robust, targeted and extensive.

Initiatives carried out during the year included:

- Clarifying roles and responsibilities for sustainable procurement throughout the organisation;
- Identifying and responding to the learning and development needs of those involved;
- Defining metrics and indicators, and establishing baseline monitoring, benchmarking and assessment criteria, as well as processes for continual improvement and reporting;
- Setting expectations, considering, for example, a combination of minimum levels of acceptable performance, as well as optional requirements for those engaged in the programme; and
- Evaluating performance and communicating results, ensuring processes for review and, if necessary, for escalation where fit for purpose.

By the end of 2023, our aim is for our responsible sourcing system to be 100 percent aligned with the applicable elements of ISO 20400:2017, with our performance externally verified. In the year ahead, we will focus on:

- Formalising our approach to improve the identification, prioritisation and management of internal and external opportunities for the Responsible Sourcing Programme. Such opportunities may include better aligning with the needs of industry associations and their due-diligence frameworks, and developing new markets and traceability systems through emerging technologies, such as blockchain;
- Aligning responsible sourcing goals with the objectives of the wider business and wider corporate ESG targets. This will involve developing objectives and targets for trading desks and operators to drive greater ownership of the Responsible Sourcing Programme;
- Developing contract management plans and working with existing or potential suppliers to improve the flow of information, for instance, in relation to feedback following diligence reviews, with a view to integrating improvement plans within contracts;
- Improving lessons learnt by periodically reviewing supplier performance against our Responsible Sourcing Programme and highlighting areas for future improvement, either at a micro or macro level.

Understanding human rights risks associated with Bolivian zinc and lead sourcing

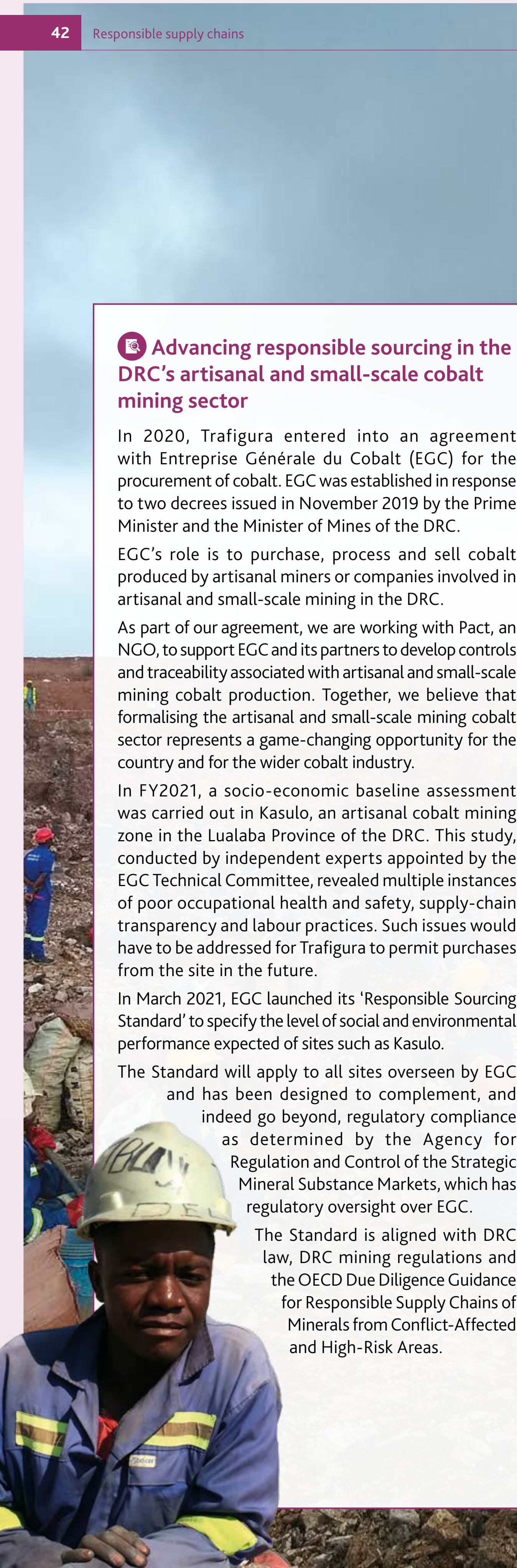
Bolivia has a long history of small-scale mining for zinc, lead, silver, tin and gold, dating back to pre-Inca times. Mining cooperatives were formed as a means for mineworkers to support their livelihoods in the face of closures of industrial mining operations, particularly following the collapse of metal prices during the 1980s. Today, there are approximately 2,000 cooperatives, accounting for almost 80 percent of Bolivia's total zinc production and 90 percent of its lead production.

While small-scale mining is undoubtedly a major employment source within the country, there has been little investment from Bolivia's mining cooperatives in new technologies or more efficient mining processes.

We source zinc and lead concentrates from Bolivian exporters, these exporters purchase material from a range of sources domestically including, for example, from refiners who in turn have purchased from mining cooperatives. As business constraints imposed by the COVID-19 pandemic started to ease, we initiated a due diligence programme to better understand the Bolivian zinc and lead supply chain and its corresponding social and environmental risks.

Working with external responsible sourcing specialists, we reviewed research publications and media reports on the risks and impacts associated with small-scale mining in Bolivia. This review was supported by stakeholder interviews with a number of our suppliers, as well international organisations and researchers working with Bolivian mining cooperatives. We then carried out field visits to 14 zinc and lead suppliers in Bolivia.

We are now further developing our responsible sourcing due diligence programme for our Bolivian supply chain by building the capacity of the exporters that we purchase from who, in turn, can leverage the tools we provide to understand and implement responsible sourcing practices elsewhere in the chain.



Advancing responsible sourcing in the DRC's artisanal and small-scale cobalt mining sector

In 2020, Trafigura entered into an agreement with Entreprise Générale du Cobalt (EGC) for the procurement of cobalt. EGC was established in response to two decrees issued in November 2019 by the Prime Minister and the Minister of Mines of the DRC.

EGC's role is to purchase, process and sell cobalt produced by artisanal miners or companies involved in artisanal and small-scale mining in the DRC.

As part of our agreement, we are working with Pact, an NGO, to support EGC and its partners to develop controls and traceability associated with artisanal and small-scale mining cobalt production. Together, we believe that formalising the artisanal and small-scale mining cobalt sector represents a game-changing opportunity for the country and for the wider cobalt industry.

In FY2021, a socio-economic baseline assessment was carried out in Kasulo, an artisanal cobalt mining zone in the Lualaba Province of the DRC. This study, conducted by independent experts appointed by the EGC Technical Committee, revealed multiple instances of poor occupational health and safety, supply-chain transparency and labour practices. Such issues would have to be addressed for Trafigura to permit purchases from the site in the future.

In March 2021, EGC launched its 'Responsible Sourcing Standard' to specify the level of social and environmental performance expected of sites such as Kasulo.

The Standard will apply to all sites overseen by EGC and has been designed to complement, and indeed go beyond, regulatory compliance as determined by the Agency for Regulation and Control of the Strategic Mineral Substance Markets, which has regulatory oversight over EGC.

The Standard is aligned with DRC law, DRC mining regulations and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Work to transform the Kasulo site has to be conducted safely given that heavy, earth-moving equipment needs to be deployed, requiring the full or partial removal of artisanal and small-scale mining workers from the site for a relatively short period of time. It must also be economically responsible, as workers might be denied a critical source of revenue during this period.

Securing stakeholder buy-in for new site management protocols is crucial in ensuring a smooth implementation of the EGC Standard. Multiple stakeholders, including the EGC Technical Committee, relevant government agencies and cooperatives and impacted communities, must be involved in the planning process to ensure that social and environmental improvements are delivered and the mines perform efficiently and at scale to the high standards required.

Preparing a safe site

Informal artisanal mine sites often incorporate pits in excess of 30 metres in depth. Legally, pits of up to 30 metres are acceptable under DRC law, however, the EGC Standard restricts pit depth to 10 metres and forbids tunnelling of any kind.

At Kasulo, tunnelling has been permitted for many years. Excavations are complex and extend well beyond legal depth limits. Some tunnels are no longer immediately accessible owing to partial collapse, presenting a clear safety threat to the operators of heavy earth-moving equipment on-site. Some tunnels have even been found to reach beyond the perimeter of Kasulo's walls, presenting a wider risk to the surrounding community. All such tunnels will be closed and the site will be made safe prior to semi-mechanised operations commencing.

Paid training

While a total site shutdown at Kasulo is the safest option from a technical perspective, any halt in production will negatively impact miners' livelihoods. Therefore, the EGC Technical Committee has sanctioned a series of training courses for the miners to introduce and embed the rationale for the new standards and working practices. The training covers subjects including occupational health and safety, environmental management and regulations, the EGC Standard and why it matters, use of security, human rights and site access protocols.

Securing a safe and responsible transition at Kasulo will not only safeguard lives and livelihoods in the immediate community, but it will also create a model to be replicated at other sites in the future.

www.trafigura.com/responsibility/responsible-sourcing/our-agreement-with-entreprise-generale-du-cobalt

www.pactworld.org/library/socio-economic-baseline-study-kasulo-kolwezi-democratic-republic-congo

pact building local promise.

Contractor due diligence and assurance

Contractors who undertake activities for us that are considered high risk from a HSEC perspective, including ship-to-ship oil transfers, the trucking of commodities, bulk oil storage and the disposal of liquid waste from vessels, are assessed through a two-phase due-diligence process.

The first phase involves desk-based due diligence that seeks to confirm the contractor's ability to meet minimum HSEC expectations, including whether it has competent staff, sound maintenance procedures and the necessary equipment to perform its work safely. Contractors that pass this assessment may then be subject to an on-site inspection.

Contractors that fail the due-diligence assessment but are willing and able to work to upgrade their processes can gain temporary approval for an interim period. Those that are unable or unwilling to improve are rejected.

998

Contractor HSEC assessments undertaken in FY2021 (2020: 1,268)

72

Contractors rejected in FY2021 (2020: 547)

848

Contractors approved in FY2021 (2020: 702)

78

New contractors being actively assessed at the end of FY2021 (2020: 517)

Improving trucking safety and performance

Impala Terminals is a 50:50 joint venture between Trafigura and global investment management firm IFM Investors that owns and operates a network of base metals terminals infrastructure in Mexico, Spain and Peru. The joint venture also includes refined products storage, distribution and fluvial operations in Paraguay and a Swiss-based operation, which provides global freight forwarding and multimodal transportation services in the African Copperbelt.

Impala Terminals engages a number of trucking providers to transport commodities between different locations in Africa. Impala Terminals' specific focus on safety and other working conditions in its African trucking supply chain began in 2016. Road transportation is the biggest cause of injuries and incidents in Impala Terminals' operations and a significant cause of business interruption. The objective of applying enhanced due diligence in the selection of transport contractors was to ensure they work with haulier companies with effective transport risk management processes in order to reduce the likelihood of road traffic accidents, injuries and business interruption events during the transportation of commodities from mine to port.

Impala Terminals introduced a process to screen and audit trucking providers. The screening involves a multifaceted approach, commencing with a self-assessment questionnaire. This is then followed by a site visit where evidence is reviewed which includes company policies and procedures, driver and fleet management.

Audits provide physical verification of the trucks and fleet providers to confirm the condition of the trucks, their capacity and efficiency and how they manage their drivers to ensure compliance to Group minimum expectations. Impala Terminals took a collaborative approach, supporting our providers to understand our expectations and working with them to enable them to meet our minimum requirements.

One major contractor in Tanzania had an accident which resulted in the death of a member of a security escort provided by Impala Terminals. Following the incident investigation, we were not satisfied that the trucking provider was consistently meeting Group expectations. The contractor was immediately suspended, despite the challenges this presented for their capacity to meet transportation requirements. Impala Terminals continued to engage with the suspended supplier to improve their approach, including through sharing expertise, documents and processes.

After 18 months, the trucking provider indicated that they have improved their processes and were able to consistently meet Group standards. Impala Terminals conducted another audit which confirmed this, and subsequently lifted the suspension. The provider has grown from four trucks to around 35 trucks with trained and vetted drivers. The provider also found that making the improvements required to work with the Trafigura Group resulted in financial and operational efficiencies. This approach is followed for all current and prospective trucking providers.

Trafigura Foundation

The Trafigura Foundation was founded by Trafigura in 2007 as an independently-managed, company funded charitable foundation to provide long-term funding and expertise to improve the socio-economic conditions of vulnerable communities around the world, advancing positive and lasting changes.

The Foundation pursues this mission by supporting programmes in the following areas of strategic focus:

Fair and Sustainable Employment

Programmes that promote the creation of quality jobs and income-generating opportunities for the most marginalised groups, with the ultimate aim of helping them live worthy, autonomous lives. The Foundation defines 'fair and sustainable' as those job opportunities that are in line with international ethical principles of employment and provide adequate remuneration for workers to afford a respectable standard of living.

Clean and Safe Supply Chains

Programmes that aim to mitigate the social and environmental issues related to the sourcing of commodities, transportation and waste disposal. By 'clean and safe' the Foundation refers to activities that eliminate environmental as well as health and safety risks along the supply chains, improving the resilience and living conditions of workers and communities impacted.

Community Care

Programmes spanning from occasional post-disaster relief operations to non-profit associations selected and supported by Trafigura Group's staff. The Foundation offers 'matching funds' and special grants to charities elected by employees as 'Charities of the Year', with the aim of helping local offices maximise the positive advancement of local communities.

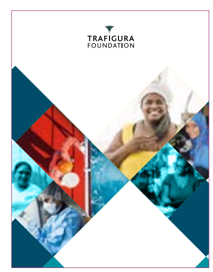
Response to COVID-19

For the second consecutive year, the Trafigura Foundation has allocated a substantial portion of its resources to help its partners and their beneficiaries navigate through the COVID-19 crisis which has exacerbated existing social and economics inequalities and threatened the survival of the most vulnerable.

Trafigura Group increased its funding to the Foundation throughout this period in recognition of the need for increased and expedited funding to a number of Foundation grantees.

In 2021, Trafigura Foundation donated USD1.6 million to a number of special COVID-19 programmes and charities whose operations have been significantly challenged by the pandemic. An overview of each of the Foundation's activities and COVID-19 partnerships can be found on its website and in its Annual Report.

www.trafigurafoundation.org/covid-19-action



trafigurafoundation.org/brochure/2020-trafigura-foundation-annual-report

Building people's employability and strengthening access to sustainable and dignified jobs.	**Supporting social enterprises in becoming levers of development and creating jobs for surrounding communities.**	**Addressing environmental issues caused by transportation and infrastructure at land and at sea.**	**Tackling the social and health problems affecting populations impacted by logistics and supply chains.**

TARGET BENEFICIARIES:	
Disenfranchised young people, smallholder farmers, micro-entrepreneurs, people living with disabilities, women in vulnerable situations, groups facing discrimination, exclusion and poverty.	People working all along the supply chains, communities living along main logistics roads and hubs, hard-to-reach communities lacking access to basic services.

$9.2m

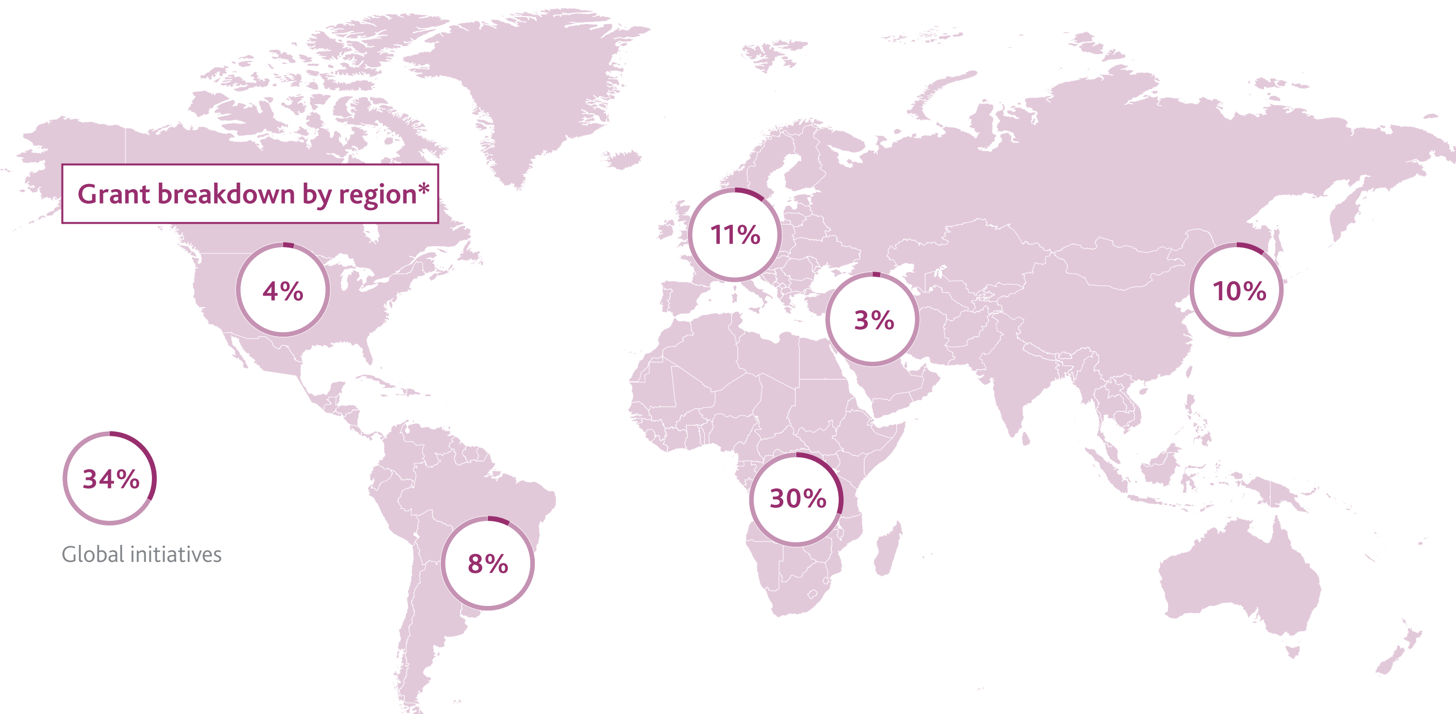
Donated to philanthropic activities

37

Countries of operation

49

Programmes



* As at 1 October 2021

Two of Trafigura Foundation's partners

Driving down freight emissions

The Smart Freight Centre (SFC) is a global non-profit organisation dedicated to building a more sustainable global freight sector. The challenge faced by the industry is the lack of reliable disclosure of greenhouse gas emissions. The SFC developed the Global Logistics Emissions Council (GLEC) Framework in 2021, which is the only globally accepted methodology for calculating logistics emissions across multi-modal supply chains. Adoption of the GLEC framework has grown over the years, with more than 120 multinational companies calculating and reporting their emissions, including the Trafigura Group.

As an important next step, the Trafigura Foundation is supporting SFC in developing an ISO-recognised international standard based on the GLEC Framework. This will aim to drive even wider recognition and adoption of the standard, and carbon disclosure, to serve as a basis for effective emissions-cutting strategies.

www.trafigurafoundation.org/programmes/smart-freight-centre-worldwide

A lifeline for seafarers

The International Seafarers' Welfare and Assistance Network (ISWAN) is an organisation promoting and supporting the welfare of seafarers worldwide.

Throughout the COVID-19 pandemic, ISWAN provided exceptional support to seafarers and their families, playing a key role in repatriating seafarers stranded abroad due to travel restrictions, an effort which was honoured by the Nautical Institute.

In India, ISWAN also organised a COVID-19 vaccination drive, benefitting 1,500 seafarers, as well as supporting seafarers in the most remote areas of the country to access vaccination centres. In the Philippines, ISWAN provided crucial financial and mental health support to seafarers in times of financial difficulties, and in Nigeria, the organisation is making steady progress in developing new partnerships to build and promote seafarer welfare.

ISWAN has remained a constant reference on information and support for seafarers globally, with its regional hubs providing direct assistance to more than 4,000 seafarers this year.

The Trafigura Foundation is one of ISWAN's key partners, and this year has provided financial support to ISWAN at a critical juncture, as it refines and builds on its strategy and operations.

www.trafigurafoundation.org/programmes/iswan-worldwide

Our people

Our success and sustainability as a business relies on our ability to attract, retain and motivate a highly skilled, diverse and productive workforce. To do this, we invest in attracting and developing the very best talent for our operations around the world.

A responsible, high-performance culture

Our commitment to meritocratic, collaborative and responsible working practices means that our working environment is one defined by integrity, ethical conduct, equal opportunity and mutual respect. We promote a culture of high performance, entrepreneurialism and collaboration to encourage our people to thrive and to maximise their potential, while prioritising the business goals and objectives of the company. Our culture requires all our employees to consider the wider consequences of their actions and to be ready to question practices that may expose the business to social, environmental, reputational or commercial risk.

1,000+

Employee shareholders

Global workforce

In this section, we report performance data on average employee numbers over the financial year, including staff at assets where Trafigura retains joint or sole management control. In FY2021, this total was 11,627 employees*. Figures in this section of the report regarding recruitment, retention, attrition, training and diversity are attributable only to the Trafigura Group's average employee headcount.

Our global workforce is comprised of 47 percent professional and commercial staff, and 53 percent operational and industrial staff, all of whom bring different skills to the company and play an individual and critical role in our success.

In FY2021, 47 percent of our employees were based in the Americas, 32 percent in Europe, the Middle East and Africa, and 21 percent in Asia-Pacific. We offer a flexible relocation policy for staff, to make it as easy as possible to take up new opportunities across our global business. As a part of our global mobility programme 170 colleagues relocated to different countries in FY2021.

Trafigura is owned by over 1,000 of its employees and as shareholders, our people are incentivised to grow and protect the long-term value of the organisation, including by acting responsibly and ethically.

The Way We Work

Our employee handbook, The Way We Work, sets out the defining characteristics of Trafigura's culture and what we expect of our employees. It is provided to all members of staff and for new recruits, it is accompanied by a video in which senior managers recount their own experiences and convey their sense of what makes Trafigura's people effective.

Faye Frangedis, Manager of Trafigura's Athens office shares her views on Trafigura's workplace culture.

www.trafigura.com/video/the-way-we-work-videos

www.trafigura.com/brochure/the-way-we-work

* Total employee numbers are calculated as an average over the financial year and include assets where Trafigura retains joint or sole management control, including MATSA (Spain), Porto Sudeste and IPE (Brazil), Mawson West (DRC) and the Impala Terminals joint venture, as well as where Trafigura has a majority shareholding, such as Nyrstar. FY2021 data excludes Puma Energy.

Attracting, recruiting and retaining a diverse workforce

Trafigura is an equal opportunities employer and we aim to attract, recruit, develop and promote our people based on merit and irrespective of age, gender, sexual orientation, social background or ethnicity. We do not tolerate any form of discrimination as set out in the mandatory requirements of our Code of Business Conduct and our Employee Handbook.

Our main source of recruitment for commercial positions was from three key programmes:

www.trafigura.com/trader

1. Our International Trader Opportunity initiative is aimed at recruiting experienced external traders as well as identifying promising internal candidates for trading desk roles.

www.trafigura.com/graduate

2. The Global Graduate Programme provides a pathway into the industry. The main pathway for new talent is our two-year graduate programme. This is built around structured placements in different parts of the business.

www.trafigura.com/careers/apprenticeship-programme

3. Our Global Commodity Trading Apprenticeship Programme recruits candidates who have chosen not to pursue a university degree. This one-year programme culminates in a place on our graduate programme for successful participants.

1,989

New employees hired globally (2020: 1,220)

In FY2021**, we hired 1,989 new employees globally across all roles, excluding Nyrstar, (2020: 1,220) and we received over 10,000 applications for our Global Graduate Programme.

Our global business enables us to recruit a truly international workforce, in which 81 nationalities are represented. This helps to make Trafigura a culturally diverse company, reflecting the diversity of our global activities. The average age for a Trafigura Group employee is 34.

www.trafigura.com/brochure/trafigura-code-of-business-conduct

Our employees have different perspectives and ways of working. We aim to foster this diversity, creating a culture where employees feel comfortable to bring their unique experiences and diverse backgrounds to work.

Our targeted diversity strategy aims to improve the gender diversity of our business, particularly in leadership roles. Globally, we have improved the gender diversity of our workforce in the past two years with women representing 32 percent of our Trafigura office-based employees, and more than 50 percent of the workforce in our offices in China, Greece and Uruguay.

Today, 31 percent of our office-based management roles in Trafigura are held by women and four of our main offices are led by women.

** The data in the following pages regarding recruitment, training, diversity and inclusion exclude Nyrstar which maintains its own established set of human resource policies and principles.

We recognise the need to continue to redress ongoing imbalances in gender diversity, especially by doing more to attract women to a career in commodities trading. To support this, in FY2020, we set a goal for at least 50 percent of first-round interviewees for our International Graduate Programme to be female. We are proud to report that we have successfully achieved this goal and that this has resulted in a better gender balance in the latest generation of employees.

Trafigura's fast-paced culture, open communication and teamwork help employees gain experience and provide the opportunity to develop within the Group. Committed employees will not miss out on opportunities to progress and be successful.

In FY2021, 1,065 employees left the Trafigura Group (2020: 964), 39 percent of whom left on a voluntary basis. Of this figure, 84 percent of staff were commercial/professional workers, while 16 percent were operational/industrial workers. A competitive industry and a young, internationally mobile workforce are key contributors to our level of attrition, which is circa 14 percent (2020: 16 percent) of the average headcount. This is broadly in line with expectations.

Using technology to promote diversity

In an effort to ensure that we are presenting the Group and all of its career opportunities in the fairest way and to the widest possible pool of potential candidates, we have recently introduced a language analytics application to identify gender tone and eliminate unconscious bias. This tool will be fully integrated in to the existing human resources and communication system framework to make everyday impartiality an efficient and instinctive reality.

We have noticeably simplified our application process to optimise the experience for candidates, augmenting the volume and diversity of the company's available talent pool. Compliance with WCAG 2.5.3 web recommendations ensures that the job application site remains accessible and intuitive.

All CVs are automatically modified at submission to remove applicants' names. This process of anonymising CVs minimises the possibility of implicit and/or unconscious bias and ensures that people from all backgrounds are equally considered for opportunities.

Using a highly focused approach, we are actively engaged across social media in targeting underrepresented candidates in order to increase awareness of career opportunities across the Group.

KPI	Group (aggregate)		Oil and Petroleum Products Trading		Metals and Minerals Trading		Shipping and Chartering Desk		Trafigura Corporate		Impala Terminals		Mining assets		Power and Renewables		Nyrstar	
Year	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Average number of full-time employees	11,627	10,802	1,581	1,506	1,202	756	95	125	1,061	1,041	1,611	1,963	2,247	1,480	45	10	3,785	3,921
Male (%)	83	83	76	78	69	65	80	73	57	58	87	87	88	86	84	86	92	93
Female (%)	17	17	24	22	31	35	20	27	43	42	13	13	12	14	16	14	8	7
Under 30 years (%)	19	20	23	24	28	35	19	32	23	25	24	25	10	10	29	23	17	16
30-50 years (%)	61	60	64	64	67	62	79	66	69	67	67	66	70	73	67	75	46	47
Over 50 years (%)	20	20	13	12	5	3	2	2	8	8	9	9	20	17	4	2	37	37
Commercial/ Professional (%)	47	48	65	63	73	96	100	100	98	97	33	30	30	35	100	100	30	30
Operational/ industrial (%)	53	52	35	37	27	4	0*	0	2	3	67	70	70	65	0	0	70	70
Full time (%)	98	98	100	100	97	100	100	100	99	98	100	99	100	100	100	100	94	95
Part time (%)	2	2	0	0	3	0	0	0	1	2	0	1	0	0	0	0	6	5
Permanent contract (%)	92	92	99	98	90	90	100	99	94	95	82	82	91	87	98	100	94	96
Temporary contract (%)	8	8	1	2	10	10	0	1	6	5	18	18	9	13	2	0	6	4
Covered by collective bargaining agreements	4,092	3,677	529	550	0	0	0	0	0	0	996	574	528	256	0	0	2,039	2,297

* As at 30 September 2021, Trafigura's Shipping and Chartering Division's total average number of subcontracted seafarers was approximately 700. Subcontractors are not included in the above table for any business units.

Training, learning and development

We are focused on ensuring that all Trafigura employees are motivated to fulfil their potential and contribute to our business goals. We also build resilience in our workforce by encouraging people to maintain a healthy lifestyle both at work and at home. Being successful is not just about doing a good job but also achieving a good work-life balance and staying healthy, both physically and mentally.

A key part of our commitment to personal development is providing training to every employee wherever they are in the world. Our Learning and Development function provides a platform for continuous growth for our employees, all of whom are encouraged to invest time in enhancing their knowledge of the business and in improving communication, leadership and resilience skills in their current roles.

We continue to improve the quality and the availability of our training globally by investing in state-of-the-art technology, including virtual reality systems and mobile phone apps. In FY2021, 2,234 employees took part in optional training workshops, either online or on a face-to-face basis.

- Our 'Resilient Inner Leadership' programme consists of a series of monthly workshops on topics in support of our leaders around the world. These workshops, together with Leadership Workshops for our managers, provide leaders with the opportunity to develop in their roles and with the tools to support their teams.
- The company offers coaching and mentoring sessions. In FY2021, 275 individual coaching sessions were delivered to more than 60 attendees.
- It is mandatory for all our employees to undergo Functional and Compliance training modules in accordance with their roles and responsibilities.

2,234

Employees took part in optional training workshops in FY2021, either online or on a face-to-face basis.

Resilience webinar

The 'Audience With webinar' on resilience, adaptability and stress management that we organised in April 2021 is an example of how we proactively help employees to maintain a healthy balance between work and mental and physical wellness. The webinar was led by leading coach and author Richard Sutton and was made available online to all staff. It highlighted the fundamental importance of healthy nutrition and exercise in managing neurochemistry, a key component of the body's ability to cope with stress.

As part of the session, insights were provided into how to psychologically reframe stress and to adapt and improve self-awareness, and into the importance of cultivating other passions and creating a life outside work to help reduce the emotional impact of the ups and downs of the day-to-day working environment. Critically, the importance of maintaining and developing connections with other people was emphasized – this kind of support is fundamental to the ability to deal with challenges.

Providing support during COVID-19

Throughout 2021, COVID-19 had a significant impact on our operations, including relating to restrictions on movement, enforced homeworking and employee physical and mental health. We responded by running wellbeing and resilience workshops to support employees and by encouraging people to play sports and undertake physical activity during the working day. Our local human resources teams and management were closely involved with our employees and their families, taking care of their special needs during challenging periods.

In parts of the world where our people needed more support, we took further actions, as described in the case study below.

Maintaining strong relationships with labour unions

In locations where our people are members of labour unions, we maintain good communication and dialogue with local representatives. We regularly renegotiate collective agreements with union representatives and commit to enter into all negotiations in a cooperative spirit, focused on arriving at sustainable agreements that promote workforce stability and productive working relationships, not just for our company but for workers in general. As such, we have very low conflict rates with unions.

We deliver workshops on negotiation skills in which we train not only company employees but also members from unions so that they can become better negotiators. This is aimed at facilitating meaningful and productive discussions between the company and unions.

Union negotiations workshops

In Peru, to ensure that the negotiation process between our company and the local unions is beneficial to all parties, Trafigura-owned Catalina Huanca mine has been organising collective bargaining workshops since 2019 to train negotiators. This has resulted in negotiations that are not confrontational, with the person separated from the problem.

The workshops are focused on improving relationships and communication, agreeing alternative arrangements, making commitments and generating proposals that add value.

In FY2021, workshop participants included 14 union member employees, 18 professional employees and five operational employees from the specifically created local Safety and Security Committee.

Enhanced COVID-19 support

In some regions, our people and the communities they live and work in have experienced particular difficulties associated with the global pandemic, and we have worked with local health authorities, NGOs and others to help where possible. In addition, the Group has increased its funding to the Trafigura Foundation with the aim of supporting the communities hardest hit by COVID-19.

In Manzanillo, Mexico, where Impala Terminals operates its logistics and materials handling facility, hospitals quickly hit full capacity with COVID-19 cases, increasing waiting times and infection rates of local people. Trafigura helped to alleviate the pressure and protect our teams by ensuring that employees and their family members could be treated at the local private hospital in Manzanillo. We also donated sanitary supplies, food and water to local hospitals, nursing homes and local vaccination centres, and gave all staff sanitary kits, with masks, antibacterial gel and sanitising wipes.

As a result of the uncertainty, frustration and lockdown conditions experienced by our employees, we established a hotline in partnership with the Centro de Integracion Juvenil de Manzanillo to give employees access to support and advice from a mental health professional.

In Callao, Peru, we developed a programme of psychological support presentations for Impala Terminals employees designed to give them the tools to control stress, anxiety and other conditions caused by the pandemic.

We arranged for a doctor to give a talk on preventing and managing COVID-19, and the importance of being vaccinated.

Employees were incentivised to make their own way to work, as opposed to taking public transport, in order to reduce the risk of catching COVID-19, and more than 1,200 employees and families considered to be at most risk were provided with cleaning and first-aid supplies as part of a donation supported by the Trafigura Foundation.

Recognising the limited capacity of local medical centres across Peru, we purchased five oxygen cylinders and two oxygen concentrators to loan to employees requiring support in the event of contracting COVID-19.

In Mumbai, India, with vaccinations in short supply and people reluctant to visit hospitals, Trafigura partnered with hospitals to administer vaccinations to all employees and their immediate family members at our office building. A total of 800 vaccines were administered in the two vaccination drives held in FY2021. Testing was made easily accessible to our employees and their family members.

Additionally, we leveraged our existing relationships with health and wellness partners to provide 24-hour access to a panel of doctors for consultations relating to physical and mental wellbeing.

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