

KEY PROCESSES

HOW A TRADE IS DELIVERED

Trafigura oversees the transportation of cargos connecting suppliers and producers with points of consumption worldwide. The Shipping and Chartering Desk at Trafigura arranges freight services, both for the company and for external clients.

Its chartering specialists in our main trading offices hire vessels on a voyage charter or time charter basis to deliver on our physical commitments.

Trafigura is one of the world's leading independent commodity trading and logistics houses. Every day, around the world, we are advancing trade – reliably, efficiently and responsibly.

Find out more at www.trafigura.com

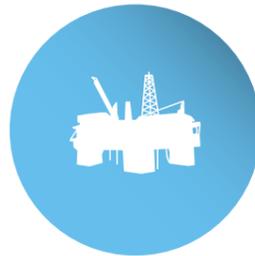
MANAGING THE PHYSICAL DELIVERY OF A COMMODITY



Trafigura Mining Group MATSA mine, Huelva Province, Spain.

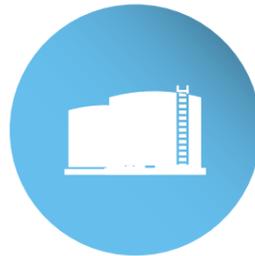


Puma Energy, Botswana.



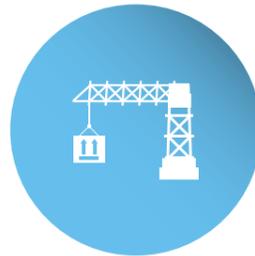
SOURCING

Trafigura has direct relationships and offtake agreements with raw material producers, including oil and mining companies, refiners, smelters and other industrial entities.



STORAGE/BLENDED

We store petroleum products at Trafigura investment Puma Energy's facilities and term-lease and spot-lease tankage around the globe. We store non-ferrous concentrates, refined metals and bulk commodities at Trafigura subsidiary Impala Terminals and third-party-owned facilities. We blend physical commodities to regional, market and customer specifications in terminals across the world.



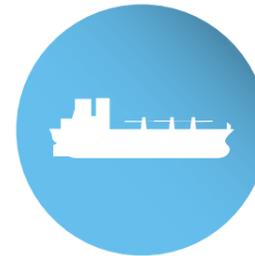
LOADING

We use our knowledge and technological resources to connect shippers, carriers, traders and markets. We load commodities in port from our worldwide network of terminals and bulk logistics facilities. We conduct ship-to-ship transfers in carefully controlled conditions.



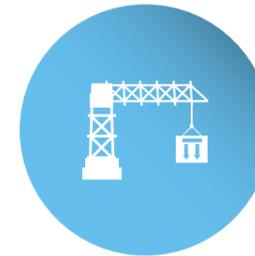
CONTRACTS

Most deals are done on a Cost and Freight (CFR) or Cost, Insurance and Freight (CIF) basis. With CFR sales, the seller takes on the cost of transferring the goods to a named destination port and unloading them onto the buyer's vessel. With CIF sales the seller also insures the commodity and underwrites the cost of any unforeseen events during the voyage.



CHARTERING

We fix both wet and dry spot charters in all vessel sizes, from 2,000 to 300,000 deadweight tonne (DWT) tankers. Where required, we charter special-purpose vessels to store and transport LPG, butane and propane in pressurised or refrigerated containers. We fix vessels on spot voyage, buy contracts of affreightment (COAs) and take ships on time charter, for anything from 30 days to five years.



UNLOADING

On receipt of a delivery, storage facilities conduct product analysis and quality checks. Additional blending procedures may also be applied to the raw material prior to dispatch to meet the buyer's specifications.



LOGISTICS

Trafigura meets the needs of a diverse range of customers worldwide. Through the use of railcars, trucks, barges, pipelines and the charter of tankers and dry-bulk carriers we ensure the safe, secure and prompt delivery of products, regardless of geographic location.

CONTROLLING QUALITY DURING DELIVERY

VESSEL SCREENING

We regularly trade with oil majors and therefore ensure we always meet their rigorous standards for shipping and freight.

We require every vessel we charter to have earned at least two approvals from oil majors following SIRE inspections within the previous six-month period. We also make sure that all our vessels are classified by a member of the International Association of Classification Societies.

And we go further. We are one of very few trading companies to insist on double-hulled tankers across our fleet. Our age-limitation policy restricts chartering to ships that are less than 25 years old.



Impala Terminals Burnside in Louisiana, USA.

STORAGE SCREENING

Safe and efficient storage of commodities is as important as timely delivery. We only work with reliable partners whose expertise can help underpin our service offering to customers around the world. Our rigorous vetting procedure gives us confidence in their ability to meet our storage requirements. We assess operating licences. We check that storage facilities are systematically and expertly maintained and, where relevant, independently audited by expert third parties.

From an operational perspective, our screening assesses stock management procedures and the processes followed for goods inward and outward. We also analyse the methods by which product is segregated from or commingled with goods owned by third parties. We evaluate training for both permanent employees and contractors. We scrutinise security arrangements, fire prevention measures and emergency response plans.



Impala Terminals metals warehousing unit, Dubai, UAE.

