



CONTRACTOR SCREENING & MANAGEMENT PROCESS

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GUIDANCE FOR CONTRACTORS



HSEC APPROACH



CONTENTS

INTRODUCTION	3
ABOUT THIS DOCUMENT	3
BACKGROUND	3
SCOPE	3
GENERAL REQUIREMENTS	4
TRAFIGURA'S HSEC COMMITMENTS AND EXPECTATIONS	4
HSEC CONTRACTUAL CLAUSES	4
SCREENING REQUIREMENTS FOR DEFINED HIGHER RISK ACTIVITIES	5-6
STEPS IN SCREENING	5
RISK MITIGATION PLANS	6
ASSURANCE	7
FREQUENTLY ASKED QUESTIONS	7
GLOSSARY OF TERMS	8

INTRODUCTION

ABOUT THIS DOCUMENT

Trafigura engages a broad spectrum of contractors, service providers and other business partners ["contractors"] who play a vital role in our day-to-day activities.

This guidance document has been developed to promote consistency in the manner in which Trafigura's Trading Division engages contractors globally with respect to Health, Safety, Environment and Community (HSEC) matters.

We appreciate the cooperation of our contractors in helping us to meet our HSEC aspirations. Should contractors have any questions about this document or Trafigura's contractor framework, they are advised to contact their partner at Trafigura or, alternatively, email HSEC@trafigura.com.

BACKGROUND

Within the Trafigura Group's existing HSEC Policy and HSEC Business Principles (see www.trafigura.com), a number of commitments have been made that are of direct relevance to our contractors.

Our vision is to be recognised as a leader on HSEC matters in the commodities trading industry. We also encourage those with whom we do business to apply comparable, comprehensive and complementary standards, principles and policies.

We will enforce our HSEC expectations through disclosure of our HSEC Business Principles to those with whom we do business. Trafigura expects all business partners to apply comparable, comprehensive and complementary standards, principles and policies.

Trafigura has made specific and public commitments to drive high standards of HSEC performance throughout its supply chain. We expect those with whom we do business to act responsibly and in accordance with this goal and to demonstrate strong HSEC performance.

SCOPE

For the purposes of this document, the term "contractor" refers to a company, agent or third party that is engaged directly or indirectly by Trafigura's Oil and Petroleum Products trading division, Metals and Minerals trading division and Shipping and Chartering desk to provide contracting, intermediary or other services to Trafigura or any Trafigura Group company (Trafigura).

The term "agent" refers to a third party that has express (oral or written) or implied authority to act for Trafigura so as to bring Trafigura into contractual relationships with other parties. The contractor screening requirements described in this document apply to contractors whether engaged directly by Trafigura or by an agent.

This guidance includes both general requirements, which apply to all contracts for services, and more specific requirements related to certain activities and services which are considered to present more significant HSEC risk exposures. These higher risk activities comprise for example:

- Ship to Ship (STS) and Ship to Barge transfer of oil and petroleum products
- Oil and petroleum product storage
- Warehousing and blending of non-ferrous concentrates, bulk commodities and refined metals
- Waste management
- Trucking.

Existing vessel screening processes as well as, for example, screening carried out by Trafigura's Compliance Department in relation to anti-bribery and corruption remain directly applicable and complementary to this process.

Trafigura's contractor management framework has been developed in a manner that is both risk based and tiered in its application. The tiered approach is intended to allow contractors appointed prior to deployment of this process to be brought through the system in a manner that does not lead to undue stress on existing processes or commercial agreements and, importantly, ensures that future screening is of maximum benefit to both contractor and Trafigura alike.

GENERAL REQUIREMENTS



TRAFIGURA'S HSEC COMMITMENTS AND EXPECTATIONS

Trafigura's HSEC commitments are articulated within, for example, the following:

- HSEC Policy
- HSEC Business Principles
- Third Party HSEC Incident Reporting and Investigation Guidelines; and
- Contractor HSEC Code of Conduct.

Trafigura encourages all contractors to apply comparable, comprehensive and complementary standards, principles and policies to our HSEC Policy, HSEC Business Principles and Third Party HSEC Incident Reporting and Investigation Guidelines.

It is mandatory for contractors to abide by Trafigura's Contractor HSEC Code of Conduct.

Trafigura's Contractor HSEC Code of Conduct is aligned with Trafigura's HSEC Policy and HSEC Business Principles. It outlines Trafigura's expectations in respect of HSEC and is applicable throughout the duration of a company's engagement with Trafigura. Please note that these documents are subject to ongoing review and periodic updates.

The Contractor HSEC Code of Conduct extends to any other third parties or subcontractors who may be engaged indirectly on behalf of Trafigura.

HSEC CONTRACTUAL CLAUSES

Trafigura has established a number of general HSEC contractual clauses which are applicable to all contractors working on behalf of and engaged by Trafigura. Subject to the outcome of Trafigura's contractor screening process, additional specific contractual requirements may be drafted and required for inclusion within specific agreements. HSEC contractual clauses can be found within standard contracts and are available on request.

SCREENING REQUIREMENTS FOR DEFINED HIGHER RISK ACTIVITIES

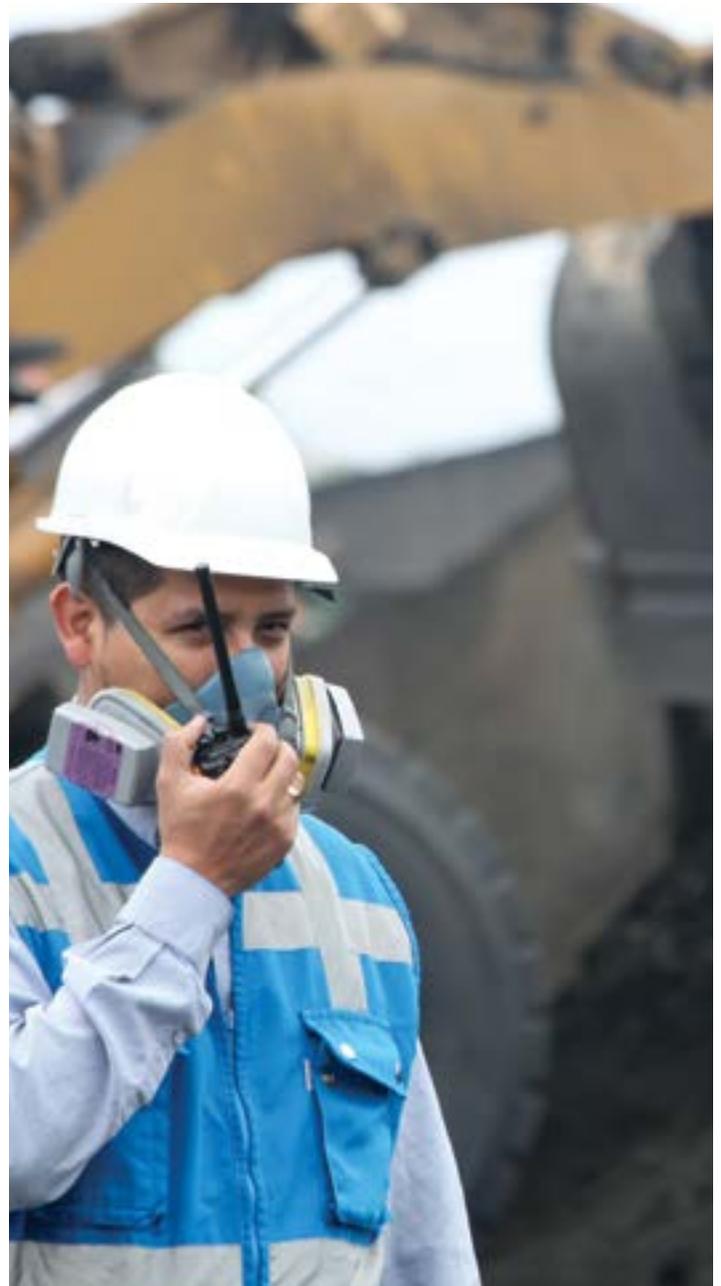
STEPS IN SCREENING

The first stage in Trafigura's HSEC screening process for a proposed new contractor for a defined higher risk activity (see page 3 "Scope") is the completion of Trafigura's "Level 1" questionnaire. The questionnaire, which is made available electronically via Trafigura's online HSEC management system "Safeguard", must be completed by the relevant contractor in collaboration with their "Trafigura Contact Point" or the Trafigura employee/representative within trading or operations who is engaging the contractor.

Based on the results of the "Level 1" screening, possible outcomes include as follows:

- + Additional screening** – It may be decided that more detailed screening – a "Level 2" assessment – is needed. This process is outlined in more detail below.
- ✓ Short-term approval (up to one year)** – This would include one-off or spot engagements.
- ✓ Long-term approval (up to two years)** – The contractor may be approved for a period of up to two years before re-assessment is required (note however, that Trafigura still retains the right to audit contractors at any time).
- ✗ Not approved** – Whilst Trafigura will strive to work with its business partners to put in place pragmatic improvement measures, HSEC performance/risks may be at a level such that the contractor is not approved for use. This would also be the case if the contractor fails to provide adequate information, or is subsequently found to have deliberately provided false information.

Based on a risk evaluation, and also as part of our broader assurance process, a more detailed "Level 2" screening, comprising a site assessment (i.e. a visit by a Trafigura representative or a third party appointed by Trafigura), may be required, either following a "Level 1" assessment or as part of the initial screening. The timeframe for completion of the "Level 2" assessment is to be formally agreed between Trafigura and the contractor.





ASSURANCE

At Trafigura, we are committed to continually improving and reporting on our HSEC performance through the annual setting and review of HSEC targets and objectives. An integral part of this process is having confidence in the HSEC performance and conduct of our contractor partners. As such, as part of the Group's HSEC assurance programme, we select and review the activities of a cross-section of contractors related to the defined higher risk activities within the scope of this document.

In the event that any significant non-compliance with applicable local regulations or other Trafigura HSEC Policy, HSEC Business Principles or the requirements of the HSEC Contractor Code of Conduct is identified, then, in order to continue the relationship with Trafigura, the contractor may be required to implement remedial measures, at their cost. Should an assurance review expose the need to amend the existing terms of engagement with a contractor, or the need for Trafigura to initiate additional due diligence, then this will be raised with the contractor.

FREQUENTLY ASKED QUESTIONS

Who do I contact in the first instance if I have any queries in relation to the screening process?

Please speak with your Trafigura contact point.

Once my company has been approved through this HSEC screening process does that mean I can go ahead and work with Trafigura?

No. You must ensure that all other relevant Trafigura requirements have been met (e.g. Trafigura's 'Know Your Customer' compliance checks) and that relevant approvals are in place. Your Trafigura contact point will advise of any additional requirements.

I've been working with Trafigura for years – do we really need to do this?

Yes, Trafigura values and encourages long-standing relationships with its contractors. The HSEC management arrangements are designed to be straight-forward and enable systematic review of all our contractors to ensure that we are managing risk effectively and consistently.

Isn't this just bureaucracy?

No, the formal screening and approval requirements specified in this document apply to specific activities and services. Our aim is to actively engage with our contractors on HSEC matters so that all parties benefit from the process.

GLOSSARY OF TERMS

Agent	A third party that has express (oral or written) or implied authority to act for Trafigura so as to bring Trafigura into contractual relationships with other parties. The contractor screening requirements described in this document apply to contractors whether engaged directly by Trafigura or by an agent.
Contact point	The Trafigura employee/representative within trading or operations who is engaging the contractor.
Contractor	A company, agent or third party that is engaged directly or indirectly by Trafigura's Oil and Petroleum Products trading division, Metals and Minerals trading division and/or Shipping and Chartering desk to provide contracting, intermediary or other services.
Defined higher risk activities	Defined activities that are subject to a screening and approval process prior to engagement, and on-going monitoring and assurance thereafter, for example: <ul style="list-style-type: none">• Ship to Ship (STS) transfer of oil and petroleum products• Oil and petroleum product storage• Warehousing and blending;• Waste management; and• Trucking.
HSEC	Health, Safety, Environment and Community.
HSEC Contractor Code of Conduct	Document that is made available to all contractors, outlining Trafigura's mandatory expectations in respect of HSEC, applicable throughout the duration of a company's engagement with Trafigura.
"Level 1" assessment	Desk-based assessment of a contractor's ability to deliver its services in accordance with Trafigura's expectations with respect to HSEC matters. This is the first stage in the screening process for contractors working in defined higher risk activities, prior to engagement.
"Level 2" assessment	More detailed assessment of a contractor's ability to deliver its services in accordance with Trafigura's expectations with respect to HSEC matters. This will typically involve site-based assessment/inspection of contractor activities/facilities.
Risk mitigation plan	A plan developed to address any weaknesses or concerns identified as a result of the screening process, or on-going monitoring/review. The plan forms a condition of engagement and its implementation should be tracked and monitored.



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Trafigura Beheer B.V. 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 those 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.