

IMPALA TERMINALS
2021 RESPONSIBILITY REPORT



CONNECTING
➤ SUSTAINABLY

2021 PERFORMANCE INDICATORS¹

GOVERNANCE, CONDUCT AND COMPLIANCE

948

KNOW YOUR COUNTERPARTY CHECKS
(2020: 831)

654

TOTAL MANDATORY COMPLIANCE
TRAINING COURSES COMPLETED BY
EMPLOYEES (2020: 805)

99.8%

COMPLETION RATE OF MANDATORY
COMPLIANCE TRAINING BY EMPLOYEES
(2020: 99%)

HEALTH AND SAFETY

0

FATALITIES
(2020: 0)

1.41

LOST-TIME INCIDENT RATE
(2020: 1.59)

11%

IMPROVEMENT IN LTIR VS 2020

0

LEVEL 4/5 HEALTH AND SAFETY
INCIDENTS
(2020: 0)

ENVIRONMENT AND CLIMATE CHANGE

30%

REDUCTION TARGET IN SCOPE 1 AND
SCOPE 2 EMISSIONS FOR TERMINALS
AND OFFICES BY 2025

34,425_{TCO₂E}

SCOPE 1 AND SCOPE 2
GREENHOUSE GAS EMISSIONS
(INCLUDES A 10% COMBINED REDUCTION
ON TERMINALS AND OFFICES EMISSIONS)³

144,401_{TCO₂E}

SCOPE 3 GREENHOUSE GAS
EMISSIONS
(2020: 119,956_{TCO₂E})

0

LEVEL 4/5 ENVIRONMENTAL
INCIDENTS
(2020: 0)

COMMUNITIES AND OUR PEOPLE

819

AVERAGE TOTAL NUMBER OF
EMPLOYEES² (2020: 759)

1. All data reported as per our financial year from 1 January to 31 December 2021.
2. The total employee number is calculated as an average from 1 January to 31 December and refers to those employed at Impala Terminals. Employees included are those directly employed by, or 100 percent sub-contracted to, Impala Terminals.
3. For terminals and offices (excl. fluvial assets) our scope 1 emissions were lower by 7 percent while Scope 2 emissions were reduced by 20 percent vs. our 2020 baseline year

In this publication, the terms "Impala", "the company", "we", "us" and "our" are used for convenience to denote the Impala Terminals joint venture and/or the local entity with responsibility for management at the relevant activity. These terms are used where no useful purpose is served by identifying a specific company or entity within Impala Terminals.

➤ SUSTAINABILITY PERFORMANCE



Nicolas Konialidis
Chief Executive Officer

I am delighted to present our second annual standalone Responsibility Report for the assets and activities of Impala Terminals, a Trafigura Group and IFM Investors joint venture. The report details our continuing commitment to improving transparency, promoting good governance and delivering the highest standards of health, safety, environmental and communities (HSEC) performance across our operations.

"Our aim is to minimise our environmental impact and to meet or exceed international HSEC standards both within our own operations and across the logistics supply chain for the cargoes we handle."

Impala Terminals is dedicated to the safe, economic and reliable transfer of cargoes worldwide. We specialise in facilitating producers and consumers by connecting stranded resources with international markets. We handle critical commodities for Trafigura and numerous international mining and trading companies. Our operations provide essential logistic and distribution services at resource-rich locations. We maintain terminals at key hub ports which enable connectivity with international markets.

Impala Terminals made a formal commitment to augment our environmental, social and governance (ESG) performance back in 2013, and since then we have worked hard to improve transparency, promote good governance and strengthen and deepen our HSEC practices. In 2020, we set greenhouse gas (GHG) reduction targets, making sure new ways of operating are front of mind for all Impala Terminals personnel, to enable us to play our part in the transition to a low-carbon economy.

We seek to raise standards, improve efficiency and reduce our emissions by designing, delivering and operating high-quality infrastructure assets. Our aim is to minimise our environmental impact and to meet or exceed international HSEC standards both within our own operations and across the logistics supply chain for the cargoes we handle. We ensure our employees are properly equipped and thoroughly trained; and that our contractors are adequately monitored so that they can operate safely and effectively. This results in a more productive, committed workforce, less time lost to incidents and a more attractive workplace for new recruits.

HEALTH AND SAFETY

The continuing COVID-19 pandemic tested our resilience in 2021. Given the physical nature of our activities, remote working is impractical for many of our employees and contractors. Accordingly, the main thrust of our efforts was geared towards promoting safe, socially distanced working conditions.

Our strong focus on HSEC and best practice kept all our sites fully operational. Quick, decisive action helped to protect our employees and contractors and minimised the impact on our business operations. Among many other measures, we recruited additional supervisory personnel, modified shift patterns, and introduced more rigorous hygiene protocols.

Internationally, we have stepped up training and support to ensure all staff understand the importance of observing hygiene protocols and are kept informed about health risks. We initiated vaccination programmes to support employees and their families in Peru. Strict hygiene protocols, including self-isolation for crew members before boarding our pushboats, have helped to safeguard crew members in our fluvial fleet.

We have expanded and opened new testing laboratories in Mexico and Peru equipped with state-of-the-art ventilation systems ensuring a better working environment for personnel.

We continue to refine our approach to health and safety in line with society's evolving appreciation of risk.

We have met health and safety challenges by encouraging behavioural change and implementing operational improvements, aided by technological tools. For example, in South America, we piloted the smartphone-based ImpalApp to support operations in COVID-19 affected areas. By replacing physical paperwork with GPS-enabled image verification, this enabled safe, socially distanced documentation of cargo transportation. ImpalApp was originally designed for internal use during the COVID-19 pandemic. It swiftly became apparent that the increased transparency it allowed could also be used to improve customer service, by providing customer cargo readiness updates for example. We are now exploring the rollout of ImpalApp in other global locations.

We are improving operational efficiency across the business by putting ESG performance at the heart of business strategy. Nowhere is this more evident than in our strategy for mitigating climate change.

Our core business is the transportation of bulk commodities. The more energy intensive the transportation, the more expensive the bulk commodity becomes. Ultimately, more sustainable operations will almost always prove more cost-effective in the long term. It's one reason why we're committed to playing an active role in the transition to a low-carbon economy.

"We are improving operational efficiency by putting ESG performance at the heart of business strategy."



"More transparency in all our operations is helping us identify process improvements and improve service quality."

CLIMATE CHANGE MITIGATION

Accurate data is an essential pre-condition for our climate change strategy. More transparency in all our operations is helping us identify process improvements and improve service quality. We have been measuring our GHG footprint with increasing precision since 2015 and now monitor both absolute emissions and emissions intensity globally, by unit and by function.

We are reducing absolute GHG emissions at our fixed sites and lowering emissions intensity across all our operations. In 2020, we set ourselves the challenging target of reducing the Scope 1 and Scope 2 GHG emissions generated at our existing terminals and offices by 30 percent by 2025, compared with 2020 levels. I am pleased to report solid initial progress here. In the first year of this five-year programme, we have recorded a 10 percent reduction in these Scope 1 and 2 emissions. This was primarily due to behavioural change and our investments in producing and procuring green energy.

More comprehensive and granular planning has improved operational efficiency by optimising the use of existing equipment and facilities to reduce existing energy use. Wherever possible, we have switched to the procurement of green energy for our offices and warehouses. We are procuring electrically powered forklifts, replacing smaller vehicles with battery-powered equivalents and introducing LED lighting across all operations.

Our multimodal strategy combines thorough planning with high-quality infrastructure to optimise our use of environmentally efficient transport modes. We transport commodities and cargoes by river, road and rail to achieve efficiency at scale.

In South America, our fluvial transportation network takes full advantage of the 2,700-kilometre Paraguay river. In sub-Saharan Africa, we are a leading user of rail-based transportation to the DRC from the Ports of South Africa and Tanzania. And on both continents, we have attracted additional third-party logistics and freight-forwarding business to extend bi-directional traffic. By eliminating wasted journeys, these activities are reducing the emissions intensity of our operations still further.

At the same time, we are collaborating with our customers to optimise logistics across the supply chain; for example, by coordinating where, when and in what form loads are supplied to harmonise our respective operations and reduce overall transportation costs and waiting times.

We intend to achieve further radical emission and operational cost reductions at our warehouses in future by modifying our processes in line with developing technologies. One approach is to use a conveyor belt system powered by renewable energy, which offers clear sustainability benefits. There are important economies of scale and potential increases in blending capabilities. However, significant initial capital expenditure would be required. We are currently conducting a feasibility assessment to establish whether the operational benefits for customers could justify its introduction.

We seek to expand our logistics operations globally with a strategy that combines safe, sustainable operations with industry leading levels of transparency. By continually reducing our emissions intensity, we aim to lower the carbon cost of delivering the commodities needed to support the energy transition. We look forward to reporting on our progress towards the delivery of sustained profitability in 2022 and beyond.

➤ IMPALA TERMINALS AT A GLANCE

Impala Terminals' multimodal logistics and strategic infrastructure connect producers and consumers around the world, providing access to the essential commodities required to transition to a low-carbon economy.

We connect our customers to international markets. We design, implement, own and operate logistics assets, focusing on the safe, economic and reliable transfer of cargoes to and from inland sites of production and consumption through deep-sea ports for onward distribution to end-users. We work with regional counterparties to unlock competitive value.

We integrate river, rail and road transport to simplify complex journeys. We operate terminals in strategic locations that connect producers with global markets. We co-ordinate global freight-forwarding and inland logistics services.

Our inland warehouse network provides just-in-time delivery at major consumption areas. Our value-added services support international trade, including container stuffing and unstuffing, laboratory sampling, customs clearance and forwarding.

Our smart, economic, customer-focused solutions are built on years of expertise in fast-growing markets. Through our facilities around the world, we are making trade happen.

INFRASTRUCTURE

360_{KM²}

WAREHOUSE FACILITIES

3

LIQUID TERMINALS

1.7_{MT}

MULTIMODAL AND FREIGHT-FORWARDING
VOLUMES HANDLED IN 2021

170

RETAIL STATIONS

6.4_M MT

NON-FERROUS THROUGHPUT CAPACITY

0.7_M CBM

LIQUID VOLUMES TRANSPORTED
AND DISTRIBUTED

5 CONVOYS

WET AND DRY FLEET IN PARAGUAY





IMPALA TERMINALS

Impala Terminals is a joint venture formed in 2018 between parent company Trafigura and global investment management firm IFM Investors to acquire and operate: base metals terminals in Mexico, Peru and Spain; refined products storage, distribution and fluvial operations in Paraguay; a multimodal transportation service in the African Copperbelt; and a global freight-forwarding business operating from offices around the world, headquartered in Switzerland.

This report covers the environmental, social and governance (ESG) performance of the Impala Terminals owned and operated assets in 2021 and includes a number of case studies to illustrate how the joint venture is working to manage its social and environmental impacts.

This report excludes the activities of global power and renewable energy investment platform, Nala Renewables, which was formed in September 2020 and currently has over 4,000MW of projects under review.

Trafigura continues to own a number of additional assets managed by the joint venture but these do not form part of the Impala Terminals joint venture and are therefore not included in this report.



trafigura.com



ifminvestors.com

► OUR GLOBAL NETWORK

Active across four continents, we strengthen trading links everyday by offering smart, economic and customer-focused solutions that are built on our years of expertise in fast-growing markets.

BUSINESS SERVICES



CONCENTRATE TERMINALS

- Export processing through owned facilities at strategic locations
- Value-added services, e.g. blending



LOGISTICS AND FREIGHT FORWARDING

- End-to-end logistics solutions for landlocked mineral resources
- Global value-added consulting and container freight-forwarding services
- International multimodal logistics services for transporting goods on land via road or rail



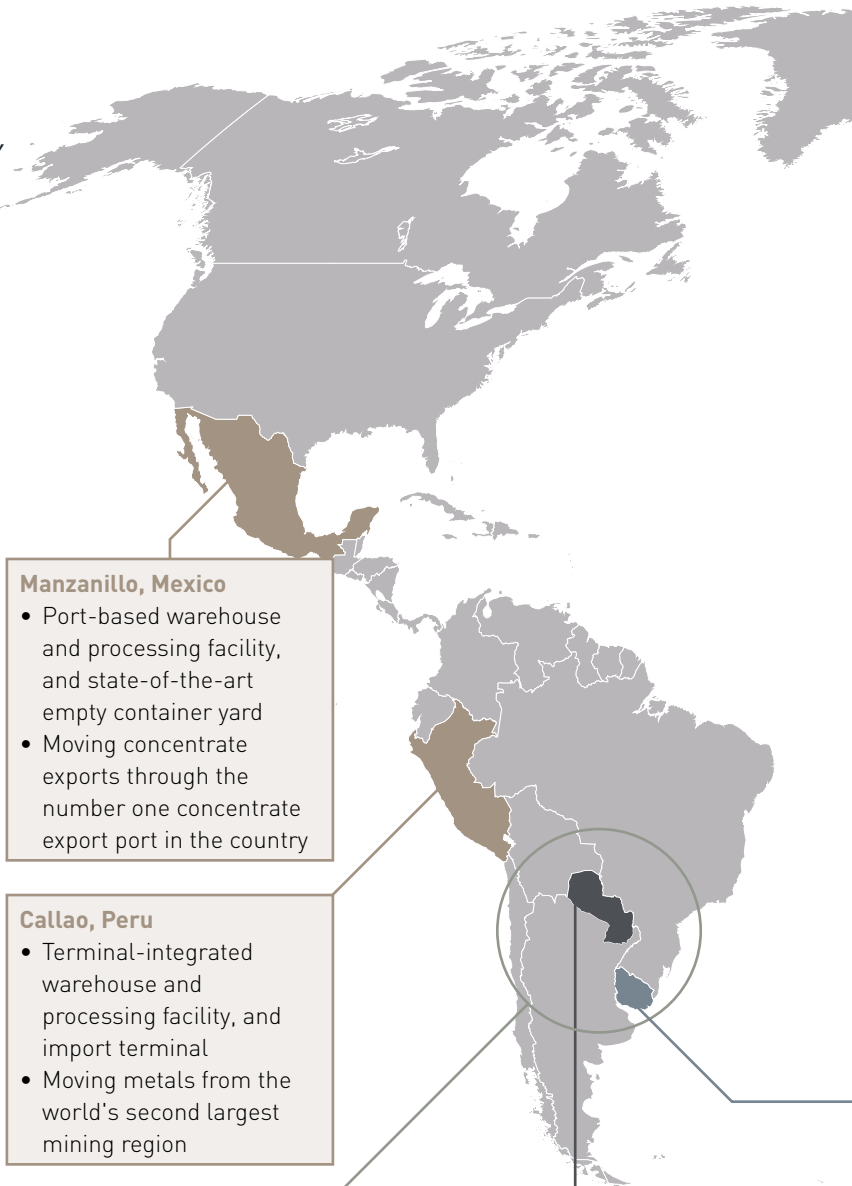
TERMINALS AND DISTRIBUTION

- Import of refined products, storage and local regional distribution



FLUVIAL INFRASTRUCTURE

- Import of refined products via barges into landlocked countries
- Transportation of mineral resources via barges to coastal terminals



Manzanillo, Mexico

- Port-based warehouse and processing facility, and state-of-the-art empty container yard
- Moving concentrate exports through the number one concentrate export port in the country

Callao, Peru

- Terminal-integrated warehouse and processing facility, and import terminal
- Moving metals from the world's second largest mining region

Paraná River Waterway, Argentina, Bolivia and Paraguay

- Fluvial barge transport through the Paraná-Paraguay Waterway
- Supplying transport services to major State-owned companies and private distributors

Asuncion, Paraguay

- Products include gasoline, diesel, jet fuel, LPG and lubricants
- Supplying, storing and distributing refined petroleum products



Montevideo, Uruguay
Johannesburg, South Africa

- Regional import/export and freight-forwarding offices

Huelva, Spain

- Import/export integrated terminal
- The only dedicated concentrates terminal in the leading export port in the country

Geneva, Switzerland

- Corporate offices
- Global freight-forwarding coordination
- Multimodal logistics services

OUR APPROACH

Impala Terminals is committed to conducting business with integrity, professionalism and diligence. We aim to grow prosperity and long-term sustainable value for our stakeholders and for society as a whole.

ABOUT THIS REPORT

Impala Terminals operates independently as a joint venture co-owned by Australian investment management company IFM Investors and Trafigura Group, a multinational commodity trading company. The company has adopted the Trafigura Group's responsibility framework and adapted relevant HSEC policies to Impala Terminals' particular circumstances. This report presents Impala Terminals' environmental, social and governance (ESG) performance in 2021, focusing on operations and people. It sets out our policies on, and our approach to, responsible and sustainable business practice – and our progress in implementing them. It also outlines future areas of focus.





KEY SUSTAINABILITY OBJECTIVES

Our commitment to responsible business is expressed in practical activities that guide our operations in five key areas.

TRANSPARENCY

Our business model underpins our licence to operate. We work to introduce best practice and extend transparency across the supply chain.

CONDUCT AND COMPLIANCE

Ensuring our activities comply with applicable laws and regulations and that employees abide by the Impala Terminals Code of Business Conduct.

HEALTH AND SAFETY

Operating safely and protecting the health and wellbeing of our own people and those affected by our activities.

ENVIRONMENT AND CLIMATE CHANGE

Minimising adverse impacts from our operations on the natural environment including by reducing our own carbon footprint. Adapting our business to meet the risks and opportunities of climate change.

COMMUNITIES AND OUR PEOPLE

Safeguarding human rights and earning our social licence to operate by engaging positively with local communities. Attracting, developing and retaining the best people in a working environment that promotes integrity, diversity, equal opportunity and mutual respect.

➤ CONDUCT AND COMPLIANCE

We aim to ensure our conduct is always in line with applicable laws and seek to apply internationally recognised standards across our global activities.

2021 PERFORMANCE

948 Know Your Counterparty (KYC) checks. ✓

654 total mandatory compliance training courses completed by employees. ✓

99.8 percent completion rate of mandatory compliance training by employees. ✓

2022 TARGETS

100 percent completion rate of mandatory compliance training.

✓ Achieved

◐ In progress

✗ Not achieved





OUR APPROACH

We maintain a responsible compliance culture where all staff recognise personal and collective responsibility. We require consistently high standards of behaviour from all our people founded on honesty, integrity and respect. These values are enshrined in our Code of Business Conduct (the Code) which is based on applicable laws and international standards.

Management teams are expected to act as role models and instil responsible behaviour in those they lead. Every member of staff must affirm their receipt, understanding and compliance with the Code. Both existing and new employees complete mandatory online compliance training modules.

OUR COMPLIANCE

Trafigura provides services to Impala Terminals under a services agreement. The Compliance department works to ensure that all employees apply the standards of the Code, specifically in the following areas:

- Anti-money laundering
- Anti-trust and competition law
- Sanctions and trade restrictions
- Anti-bribery and corruption
- Reporting violations and grievance procedures

Our Know Your Counterparty programme

Our KYC methodology is continually reviewed to ensure it remains up to date with developing international standards. We continually update our technology to allow us to identify, monitor, review and flag high-risk counterparties and activities faster and more accurately.

Anti-money laundering

Our KYC and screening procedures aim to identify prospective counterparties that might pose a risk to our business. We use a range of measures to raise awareness internally. Mandatory online training ensures employees have a detailed understanding of anti-money laundering and associated control processes.

Sanctions and trade restrictions

The sanctions landscape is constantly shifting; we ensure that we remain compliant by paying close attention to developing policy. We review and revise our policies accordingly.

Monitoring developing issues

We aim not just to keep pace with but to anticipate changing regulatory conditions. We regularly engage with regulatory experts and advisors in various jurisdictions to monitor developments that may impact our business.



www.impalaterminals.com/media/1506/code_of_business_conduct_en.pdf



POLICIES AND GOVERNANCE

Our policies and guidelines define how we conduct business and set out the high standards of responsible behaviour required of our employees, individually and collectively, as well as our expectations of our counterparties. The joint venture partners, IFM Investors and Trafigura, have together appointed an independent Board of Directors with extensive industry expertise and commercial experience. The Board acts in a fiduciary and advisory capacity, providing guidance and oversight of Impala Terminals activities and operations. Impala Terminals Management based in Geneva, led by the CEO and CFO, is responsible for day-to-day management. The Management Team is charged with implementing adopted policies across the company.

Our policies and guidelines are approved by and aligned with our shareholders' principles. Impala Terminals regularly engages with them on sustainability strategy and policy. It also participates in best practice group forums chaired by independent environmental consultancy ERM. Governance and oversight of our policies and guidelines are set and enforced by senior management and informed by these interactions.



www.impalaterminals.com/media/1292/impala-hsec-business-principles.pdf



www.impalaterminals.com/media/1291/impala-hsec-policy.pdf



➤ HEALTH AND SAFETY

Protecting the wellbeing of our employees, suppliers, contractors and collaborators, and of the communities within which we operate, is of the utmost importance to Impala Terminals. We are committed to minimising risk wherever it occurs.

2021 PERFORMANCE

To achieve zero fatalities.	✓
To achieve a 20 percent improvement in the lost-time incident rate ¹ compared to 2020. 11 percent improvement achieved.	🕒
To encourage greater reporting of total recordable incidents.	✓
To reduce the average time taken to complete incident investigations to within 28 days. ³	🕒

2022 TARGETS

To achieve zero fatalities.
To achieve a 20 percent improvement in the lost-time incident rate compared to 2020.
To encourage greater reporting of total recordable incidents.
To ensure that the average time taken to complete incident investigations is within 28 days.

✓ Achieved 🕒 In progress ✗ Not achieved

1.41

LOST-TIME INCIDENT RATE (LTIR)
(2020: 1.59)

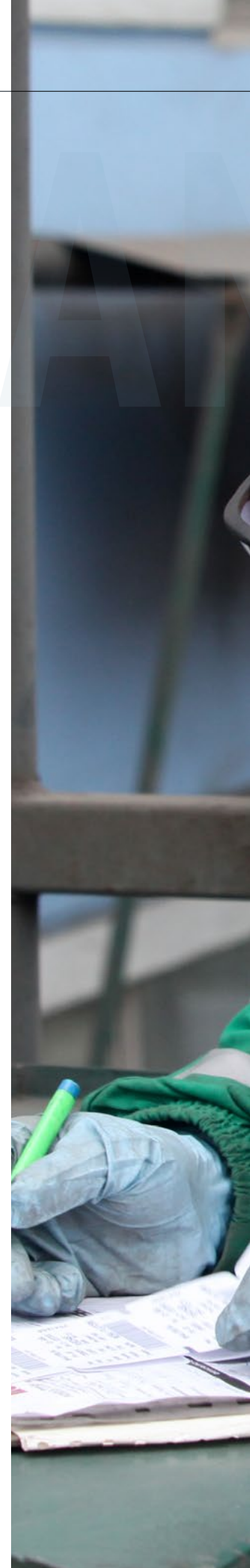
89

LESSONS TO BE LEARNT SHARED
(2020: 120)

275

NEAR-MISS REPORTING FREQUENCY RATE²
PER MILLION HOURS (2020: 333)

1. Lost-time incident rate: The number of incidents that resulted in at least one day (or shift) being lost from work, divided by actual total hours worked over one year, multiplied by one million.
2. Near-miss reporting frequency rate: The number of near misses reported divided by the actual total hours worked in one year, multiplied by one million.
3. A number of investigations were not completed within the 28-day target as these were reliant on external factors, all investigations for FY2021 are now closed.



OUR APPROACH

We seek to embed strong health and safety awareness at every level of the business and to promote a culture where all colleagues recognise that health and safety objectives are inseparable from commercial objectives.

We have three core health and safety objectives. First, we aim to achieve zero work-related fatalities; second, we seek to reduce the number and severity of incidents; and third, we work to share lessons from incidents and near misses, with a view to continually improving our performance.

Key performance indicators

	2021	2020
Number of fatalities (employees and contractors) ¹	0	0
Value of HSEC-related fines and penalties (USD)	0	0
Lost-time incidents ²	6	6
Lost-time incident rate ³	1.41	1.59

1. Includes the death of any employee of Impala Terminals as a result of an occupational injury or disease sustained on site or undertaking a work-related activity on behalf of Impala Terminals.

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 Impala Terminals-owned or managed sites.

3. Lost-time incidents per million hours worked. The lost-time incident rate in 2021 showed an 11 percent improvement over 2020.

Certifications at base metals terminals

	ISO 9001 Quality	ISO 14001 Environment	ISO 45001 Safety
Callao	✓	✓	✓
Huelva	✓	✓	✓
Manzanillo	✓	✓	—
Puma San Antonio	✓	✓	✓
Ultrapar (Encarnación)	✓	✓	✓
Puma Aviacion	✓	✓	✓

FORMALISING HEALTH AND SAFETY GOVERNANCE

Impala Terminals has implemented a suite of policies, systems and protocols that embed effective health, safety, environment and community (HSEC) management across the company. In 2021, we continued to embed the HSEC Management System Framework in all entities within the Impala Terminals Group. The Framework sets out expectations for all Impala Terminals operating facilities. It describes in detail how we manage HSEC risks across the company, the expectations we have of the people who work for us and how we assure ourselves that these expectations are being met. During 2020, we carried out a gap analysis to identify where we were not fully aligned with the HSEC Management System Framework and through 2021 we have been closing those gaps and carrying out reviews to ensure our operations are meeting the expectations set out in the Framework.

Everyone at Impala Terminals is expected to have a clear understanding of their roles and responsibilities in relation to supporting and advancing international HSEC best practice. As such, all employees are required to be familiar with the Framework. We conduct regular training sessions at all levels of the organisation in all operational areas and with our contractors to ensure that everyone has the knowledge and skills they need to operate in a safe and responsible manner. These interactions provide us with a strong platform to review our operations continuously and to ensure a safe work environment for all involved parties. We also use the Framework to share our approach to managing HSEC risks with counterparties and customers.



The Framework establishes the baseline HSEC performance standards needed for HSEC risks to be managed and minimised as far as reasonably practicable at all Impala operational facilities. These are mandatory standards for Impala Terminals. We encourage everyone we do business with, suppliers and sub-contractors, to adopt and implement at least comparable standards whenever they are working on the company's behalf.

The Framework sets out a systematic programme of HSEC risk management, which follows a recognised four-part methodology (plan, do, check and act). Within these four categories are 14 subcategories that define detailed expectations.

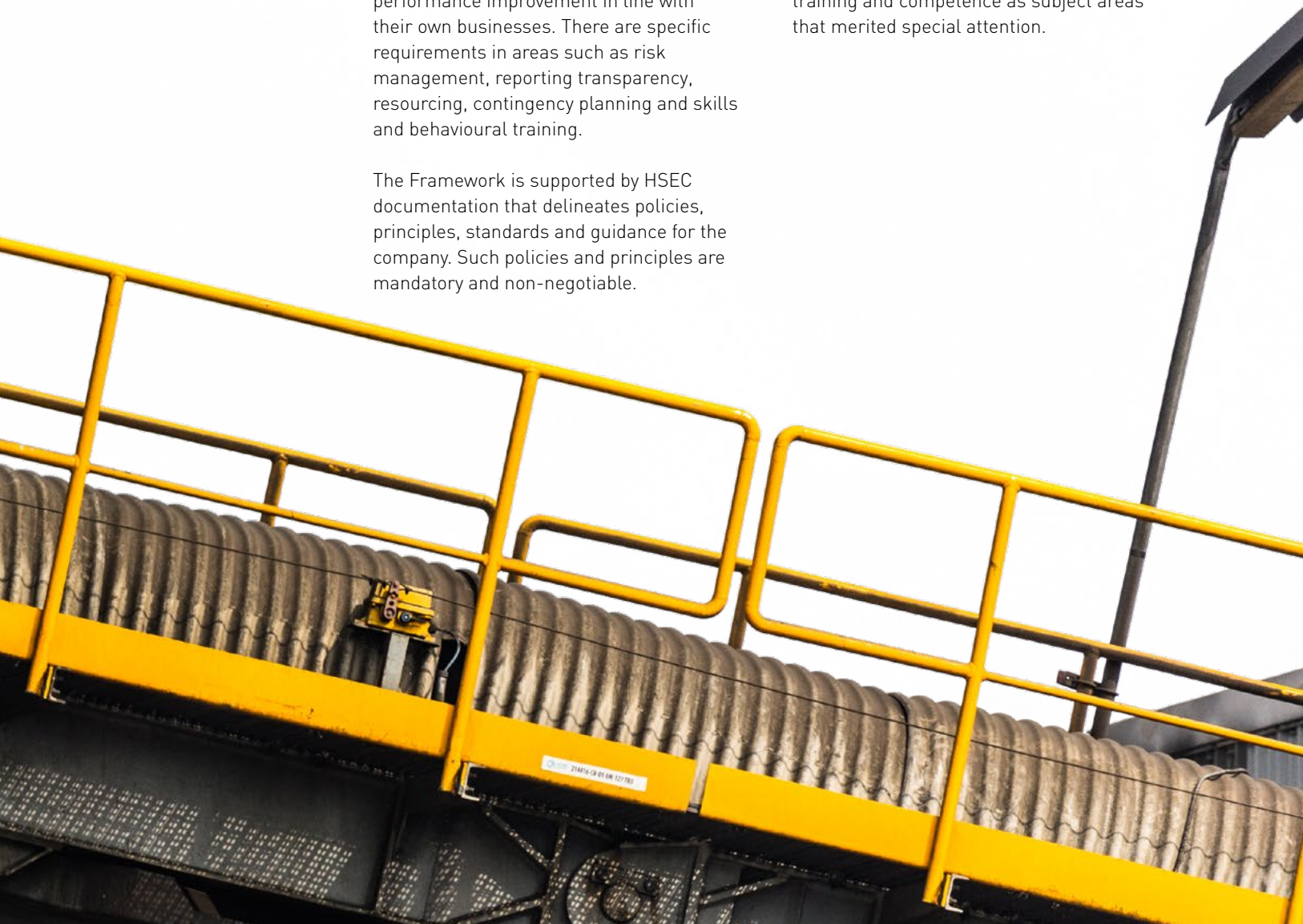
Operational facilities manage risks, implement systems and identify HSEC performance improvement in line with their own businesses. There are specific requirements in areas such as risk management, reporting transparency, resourcing, contingency planning and skills and behavioural training.

The Framework is supported by HSEC documentation that delineates policies, principles, standards and guidance for the company. Such policies and principles are mandatory and non-negotiable.

Standards are also mandatory for the company, but a dispensation process exists where facilities can demonstrate their risks are being effectively managed in a different way. Guidance documents provide guidelines and advisory material to assist operations in achieving best-practice outcomes.

Having adopted the Framework, Impala Terminals now conducts comprehensive gap analyses, covering 14 HSEC-related subjects, to identify and address any areas of sub-optimal HSEC performance. This analysis is conducted annually, allowing us to continuously review and monitor our performance and to implement improvements when gaps are identified.

The COVID-19 pandemic continued to pose challenges in 2021. In response to this, we singled out leadership, accountability, training and competence as subject areas that merited special attention.



HEALTH AND SAFETY PERFORMANCE

In accordance with the structure and expectations set out in the HSEC Management System Framework, our operations develop and maintain management systems appropriate to the nature and scale of their activities. These are designed to:

- Identify and evaluate health and safety risks
- Implement controls that eliminate or minimise risks as much as reasonably practicable
- Take action to prevent repeat incidents
- Report all incidents and near misses
- Investigate serious incidents and high-potential near misses
- Plan for emergencies
- Set improvement targets and track performance
- Ensure that the workforce has the appropriate level of competency and adequate resources
- Undertake periodic checks and audits to verify the effectiveness of these measures

Senior managers, facility managers and operational staff 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 lost-time incident rate (LTIR) below a target level, improving the quality and frequency of near-miss reporting and delivering tangible improvements in contractor risk management.

GOLDEN RULES

Seven golden rules apply to all Impala Terminals operations. These are non-negotiable and central to our strategy to embed safe working practices throughout the organisation. The rules are prominently displayed at all operational facilities. Every employee and contractor operating at an Impala Terminals-controlled site undertakes regular training that highlights and reinforces the golden rules.

 FOLLOW SAFETY PROCEDURES	OBEY LAWS AND REGULATIONS COMPLY WITH OUR STANDARDS AND PROCEDURES
 LOOK OUT FOR EACH OTHER	HELP EACH OTHER STAY PROTECTED
 EQUIP YOURSELF CORRECTLY	WEAR PROTECTIVE GEAR ENSURE EQUIPMENT AND TOOLS ARE FIT FOR PURPOSE
 CHALLENGE UNSAFE ACTS	SPEAK OUT IF SAFETY PROCEDURES ARE NOT BEING FOLLOWED INTERVENE WHERE SITUATIONS MAY CAUSE HARM
 STOP WORK IF UNSAFE	IF IN DOUBT, STOP YOUR WORK OR THE WORK OF OTHERS
 SHARE GOOD PRACTICES	MAKE SURE SAFETY IS A PRIORITY FOR THOSE AROUND YOU SHARE SAFE PRACTICES AMONGST YOUR PEERS
 REPORT ALL INCIDENTS	ALERT YOUR TEAM LEADER OR HSEC MANAGER IMMEDIATELY REPORT ALL INCIDENTS

BE VIGILANT
THINK SAFETY
OUR EMPLOYEES AND PARTNERS DESERVE THE BEST IN SAFETY STANDARDS



11%

IMPROVEMENT IN LTIR IN 2021

VIGILANCE AND PREPAREDNESS

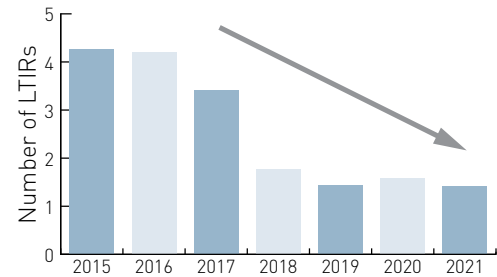
As a responsible company, we go to great lengths to prevent incidents occurring and to mitigate their potential impact. We develop emergency plans to manage impacts from high-consequence activities. We rehearse our responses to worst-case outcomes by conducting simulations. We investigate incidents and near misses to identify their causes to learn lessons that can prevent their recurrence.

28,204

HOURS OF HSEC TRAINING COMPLETED
IN 2021 (2020 11,335)

In 2021, six lost-time incidents were recorded (2020: 6). There was an 11 percent improvement in LTIR to 1.41 (2020: 1.59). All the workers who suffered lost-time injuries during 2021 have since returned to work.

Safety levels at Impala Terminals remain high by international standards, but we regard LTIR as a key metric. This was therefore a disappointing result as it fell short of the 20 percent improvement in safety performance we had targeted for 2021. There were some short-term mitigating factors during the year. The continuing disruption caused by the COVID-19 pandemic meant managers and other personnel were often operating in unfamiliar environments. Although we recruited staff to support them, these too required extra training as they got used to their new positions. Having said that, we acknowledge that to be a resilient organisation we must maintain high safety standards in the most challenging conditions. It is a salutary reminder that safety requires constant vigilance.

HSEC improvement and LTIR reduction*

* Figures from 2015 – 2018 are from pre-joint venture period and for reference only.

We are therefore redoubling our efforts. We have already allocated extra resources, hired more supervisory staff and provided additional support to all site managers. We are recommitting the organisation to our LTIR improvement target for 2022.

We also recognise that LTIR is only a partial measure of safety performance and there is no room for complacency. Even where existing arrangements appear satisfactory, we continue to invest in technical, organisational and behavioural safety. At Huelva in Spain, for example, there have been no lost-time incidents in the past two years, but there has been no let-up in the focus on safety improvements.

Continued emphasis on leading indicators of safety performance such as HSEC training is integral to maintaining vigilance and preparedness. We delivered 28,204 hours of HSEC training during 2021, averaging 13.83 hours per person per year in operational roles.



LEARNING LESSONS

Accurate and timely incident reporting provides valuable data that allows us to develop our safety performance. We focus primarily on incidents and near misses with significant actual or potential consequences. We apply a five-level scale to assess these incidents and near misses. Relatively minor incidents are recorded as Level 1 incidents, while Level 4 and 5 incidents are reserved for serious injuries or events with significant financial, environmental or social implications.

We conduct investigations for the following kinds of incidents:

- Incidents with a Level 3, 4 or 5 actual consequence
- Incidents and near misses with a Level 4 or 5 potential consequence
- Level 1 and 2 incidents that occur frequently

Timely reporting is critical. We need to react quickly when incidents or near misses occur to learn lessons and implement remedial action. We therefore made it a priority that rigorous incident investigations should be conducted within a reasonable timeframe. In 2020, the average time taken to complete an investigation was 39 days and we set a target of 28 days for this in 2021. Unfortunately, we were unable to achieve this during the year, with travel restrictions caused by COVID-19 imposing delays. Incident investigations in fact took 54 days on average to complete during 2021.

NEAR-MISS REPORTING

Near-miss reporting is enshrined in our HSEC golden rules, with all employees and contractors strongly encouraged to report any such events. These are then logged according to their potential severity. Recurring and more serious incidents are singled out for further investigation.

Safety performance is directly linked with transparency. More frequent, detailed and accurate near-miss reporting enhances safety performance and delivers operational benefits for the company. Therefore, we recognise and champion high-quality near-miss reporting.

We have instilled a no-blame culture that helps to reinforce safety consciousness across the organisation. This encourages people to stay alert and to improve working conditions for themselves and their colleagues.

The near-miss frequency rate remained relatively stable in 2021, with 275 near misses reported per million hours worked (2020: 333).



LESSONS TO BE LEARNT

Near misses and incidents reported are fed into our lessons to be learnt (L2BL) programme. This shares useful knowledge gained from near misses as well as insights that present environmental improvement opportunities across our affiliated businesses.

The L2BL programme focuses on root causes and identifies actions taken to allow useful lessons to be shared with other similar operations.

A large number of L2BLs are now being shared each month and we are working to improve the quality of those shared. Our aim is to ensure that each L2BL is a quality product that clearly communicates the actions that should be taken by the recipient to avoid repeat incidents across the company.

We have now sharpened our procedures so that the most relevant lessons are shared in a timely way with the right people across the business. This ensures that lessons are adopted and implemented effectively. We have also developed formal follow-up procedures to check that lessons are being adopted effectively and consistently on the ground.

CONTRACTOR HSEC MANAGEMENT

Impala Terminals conducts a formal, two-phase due-diligence process that includes specified HSEC expectations for contractors undertaking high-risk activities.

Impala Terminals works with a wide range of contractors globally. Road haulage contractors are a particular area of focus.

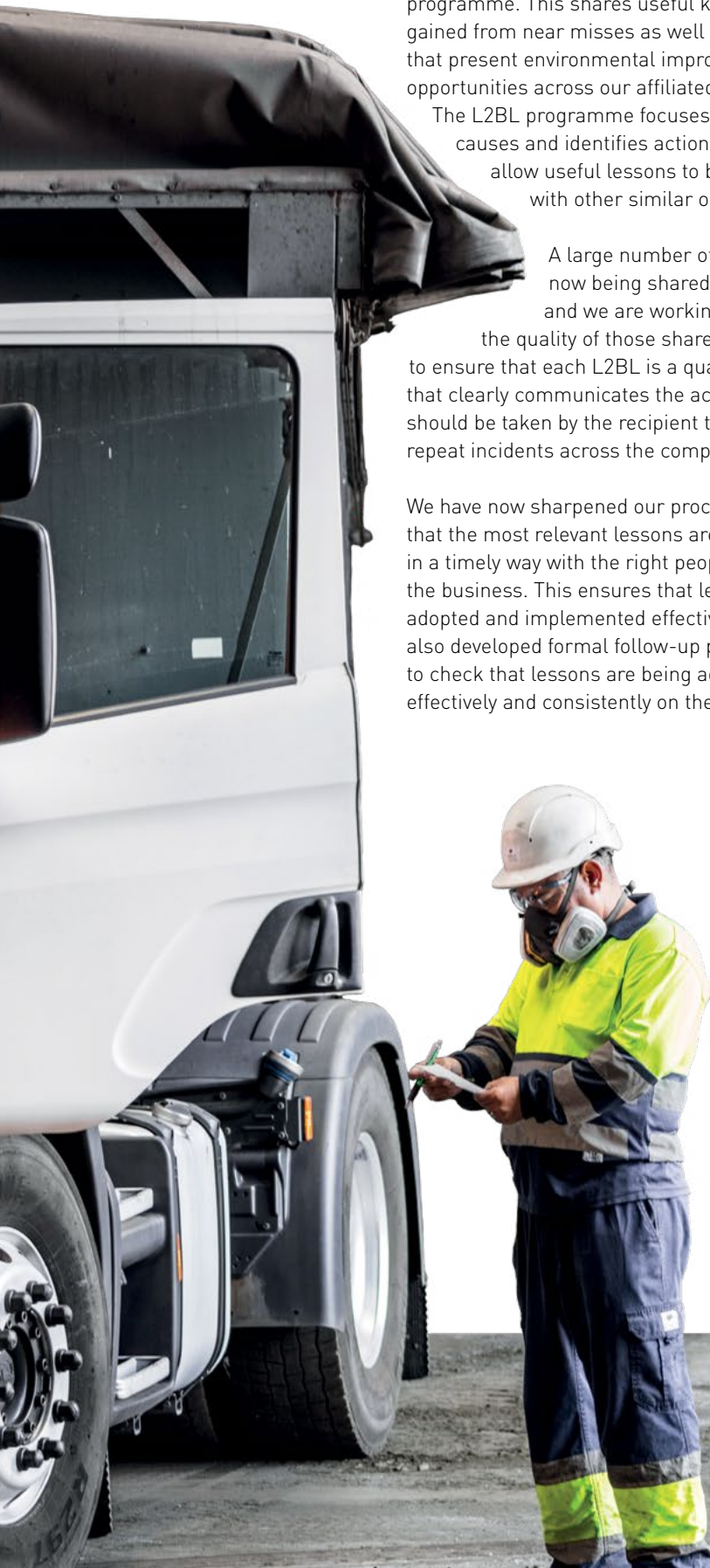
We reward positive behaviour and penalise negative behaviour indirectly through our procurement and sourcing policies.

Our due-diligence requirements are designed to identify and avoid contractors that cannot meet our HSEC expectations. For qualifying contractors, our terms of business incentivise safe working practices.

In phase one of the due-diligence process, prospective contractors undergo a know-your-counterparty check and a desk-based HSEC assessment. Those that pass these checks then proceed to the phase two review, where they receive an on-site inspection within a set timeframe.

Contractors that fail these checks and are unable or unwilling to improve their processes are rejected. This approach allows us both to ensure high HSEC standards among our own contractors and to encourage improved HSEC performance in the sectors where we are active.


Contractors are re-audited annually and we hold regular meetings to review their performance. If problem areas are identified, we expect these to be dealt with promptly. If not, we may elect to end our relationship with them. In practice, we have found that contractors usually respond very positively to our recommendations, which aim to bring long-term benefits to organisations through higher operational and safety standards.





➤ ENVIRONMENT AND CLIMATE CHANGE


We seek to minimise any adverse impacts from our business operations on the natural environment and we play our part in supporting the worldwide transition to low-carbon energy sources.

2021 PERFORMANCE

To maintain zero Level 4 and Level 5 environmental incidents. 

To reduce Scope 1 and 2 greenhouse gas emissions from existing warehouses and offices by 30 percent against our 2020 baseline by 2025. 

To expand environmental performance reporting. 

To expand our carbon-neutral logistics offer. 

2022 TARGETS

To maintain zero Level 4 and Level 5 environmental incidents.

To reduce Scope 1 and 2 greenhouse gas emissions from existing warehouses and offices by 30 percent against our 2020 baseline by 2025.

To expand environmental performance reporting.

To expand our carbon-neutral logistics offer.

 Achieved

 In progress

 Not achieved

30%

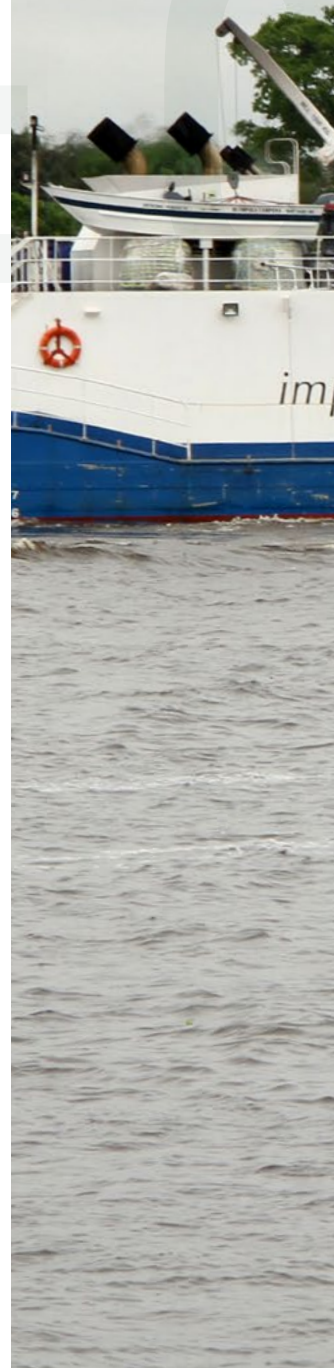
REDUCTION IN SCOPE 1 AND SCOPE 2 GREENHOUSE GAS EMISSIONS FROM WAREHOUSE OPERATIONS AND OFFICES BY THE END OF 2025

34,425_{TCO₂E}

SCOPE 1 AND SCOPE 2 GREENHOUSE GAS EMISSIONS (7% REDUCTION IN SCOPE 1 AND 20% REDUCTION IN SCOPE 2 GHG EMISSIONS. 10% OVERALL REDUCTION IN 2021)

146,401_{TCO₂E}

SCOPE 3 GREENHOUSE GAS EMISSIONS



ENVIRONMENT AND



OUR APPROACH

We are committed to protecting the environment and to playing our part in the transition to low-carbon energy sources. We set challenging targets and monitor performance indicators that strengthen our ability to manage our environmental impacts.

We engage with our suppliers, customers, trading counterparts and the many stakeholders in our business to understand, manage and mitigate our risks and impacts more effectively.

Key performance indicators

	Impala Terminals	
	2021	2020
Number of environmental incidents reported	50 ¹	43
Number of product spills	11 ²	4
Value of HSEC-related fines (USD 000s)	0	0.75

GHG emissions (in tCO₂e)

	Impala Terminals	
	2021	2020
Scope 1	31,844	28,026
Scope 2	2,581	3,229
Scope 3	146,401	119,956
Total	180,826	151,211

1. Environmental incidents are classified incrementally in terms of their severity from Level 1 to Level 5. Of the 50 incidents reported in 2021, 48 were Level 1 (minor) and Level 2 (limited). There were no Level 4 or Level 5 incidents.
2. The 11 minor product spills reported comprise a total of 6,290 litres of spillage, of which 2,020 litres were immediately recovered. The remainder was fully remediated within days of the incidents.

ENVIRONMENTAL MANAGEMENT

OUR APPROACH

Our overall approach to managing environmental impacts reflects our status as a leading logistics specialist with a portfolio of interests in industrial assets, storage and handling facilities, logistics and downstream operations. We aim to adopt, develop and promote best practice across our business. If current practice falls short of this standard, we address the areas we can affect directly. Where we don't have operational control, we exert our influence to encourage our counterparties to make improvements in accordance with our standards..

Effective management of our environmental impacts is critical. Sound environmental performance is a prerequisite for financial and community support and business relationships.

We work continuously to reduce the risk of environmental incidents and mitigate any negative impacts. We categorise the significance of incidents according to a five-level scale for both actual and potential consequence.

Relatively minor incidents are recorded as Level 1 incidents, while Level 4 and Level 5 incidents are reserved for serious environmental incidents, injuries or death. During 2021, no serious (Level 4 and Level 5) environmental incidents occurred. Impala Terminals personnel and on-site contractors worked more than 4.2 million hours in 2021. Our environmental monitoring system logged 50 low-impact incidents during the year. Of these, 48 were rated at Level 1 or Level 2 and two were Level 3 incidents.

Environmental performance and commercial performance are inseparable. Our environmental strategy extends beyond a narrow focus on mitigating risk. We are building our knowledge and evolving a more holistic sense of our long-term environmental impacts, and we are working to help facilitate a smooth and swift transition to a low-carbon economy. Our environmental performance informs core business strategy and is stimulating innovation and business transformation.

Our environmental performance informs core business strategy and is stimulating innovation and business transformation.



ENVIRONMENTAL REPORTING

In recent years, we have committed to expanding our environmental performance reporting. We are realising this ambition with more detailed reporting, improved accuracy and increased scope.

Extensive environmental reporting is providing a more granular picture of our activities and this is encouraging new ways of thinking about our environmental impacts and how we address them. We collate data centrally on emissions, waste generation and water usage and discharge, which directly informs a continuous improvement programme to reduce emissions, minimise waste and improve efficiency at the operational level.

Many of our offices, industrial assets and operational activities are certified under local, national or industry-specific management systems. External assurance schemes add value to our operations by ensuring continued adherence to best practice. We will continue to support certification where it makes business sense. During 2021, we certified all terminals in Paraguay.

RISK MANAGEMENT

The commodities we transport pose significant social and environmental risks if not handled correctly. The severity of these risks varies according to the type of commodity, the activity and the location, but eliminating or minimising such risks is a key priority.

We aim to anticipate risks and develop concrete action plans to pre-empt polluting incidents and avoid the worst consequences should they ever occur. For example, in Paraguay, where we maintain a fluvial fleet, we conduct an annual simulation event with our supply chain counterparts and local authorities, including the Ministry of Environment, to rehearse and accelerate our response to environmental disasters in remote locations.

In 2020, we began a global project to improve our approach to emergency preparedness in all our operations. A template for a comprehensive plan was subsequently shared with all locations during 2021. This is now being reviewed and adapted by local management teams according to specific risk profiles.

ON SITE TESTING

Across our assets, where applicable, we conduct annual audits and tests in collaboration with local governments to ensure that our operations are in line with all regulatory requirements relating to air quality, noise levels, soil and water contamination levels. Our on-site testing also extends to our employees, who are entitled to receive regular health checks.



CLIMATE CHANGE

RESPONDING TO CLIMATE CHANGE

Society recognises the reality of climate change. There are particular implications for the commodities industry and we are determined to play our part. We are committed to reducing our own carbon footprint and are collaborating with supply chain counterparts to offset the carbon impact of our freight services.

We are cognisant of the latest scientific assessments, as set out by the United Nations Intergovernmental Panel on Climate Change (UN IPCC). We continue to transport the commodities needed for the transition to a low-carbon economy and we are ramping up our efforts to reduce emissions in line with Paris Agreement goals, both internally and with our customers, most recently through our carbon offset freight offering.

MANAGING CLIMATE CHANGE RISKS

Our shareholders assist in shaping the Impala Terminals joint-venture climate change strategy. Our approach to climate change risk management is aligned with the priorities set out by the Task Force on Climate-related Financial Disclosures (TCFD). In this report, we follow their guidance by reporting on governance, strategy, risk management, metrics and targets.

We manage climate change threats to our business continuity using risk assessment matrices that quantify outcomes according to the likelihood and severity of projected events in a worst-case scenario. We have conducted physical climate change risk assessments at high-risk sites.

At our Manzanillo warehouse on the west coast of Mexico, which was impacted by Hurricane Patricia in 2015, the risk assessment found that climate change increased the likelihood of the site being subject to both high wind speeds and the extreme precipitation and flooding events associated with higher category hurricanes. Measures have subsequently been taken locally to improve the resilience of warehousing and to increase water collection capabilities as well as to improve the recovery time for the facility in these types of conditions.

INSIGHTS: DOING MORE WITH LESS

Impala Terminals is facilitating the energy transition. Through our port operations and logistics, we get commodities that are critical for transition – like copper, nickel and cobalt – from hard-to-reach locations to where they are needed. We do that cost effectively and energy efficiently.

We are reducing absolute emissions at our fixed sites and lowering energy intensity wherever we can. At our port operations, we are cutting costs and emissions with LED lighting, electrically powered forklifts and large-scale solar panel arrays. Our investments in transportation-at-scale, rail networks and fluvial operations make inland logistics more sustainable.

We realise process and service improvements by operating transparently. We collaborate to optimise supply chains. We share emissions data with our customers. Our carbon offset freight service gives them control of their energy use.

Our active focus on sustainable practice is yielding efficiency and quality gains across the business, benefitting both ourselves and our customers.

Roland Devenyi
Global Commercial Manager



REDUCING EMISSIONS

In 2020, we committed to a 30 percent reduction in Scope 1 and 2 greenhouse gas emissions from fixed installations, offices and warehouse operations by 2025 compared to a 2020 baseline. This equates to an annual reduction in greenhouse gas emissions of nearly 4,000 tCO₂e.

Achieving this target will have a material impact upon our emissions profile. It is an important step that adds momentum to the work we are already undertaking to decarbonise our operational footprint.

We will employ three main strategies to lower emissions and reach our greenhouse gas reduction target:

1 Reducing emissions intensity

As a multimodal logistics operator, integrating and optimising transportation modes is embedded in our business model. We invest in infrastructure and implement improvements that use energy more efficiently across our operations.

2 Operating expenses

Our managed programme of continuous improvement is lowering emissions and increasing operational efficiency at all our facilities on a year-on-year basis.

3 Securing renewable electricity

We are switching to renewable energy supplies wherever we can. We seek to procure electricity from renewable sources in jurisdictions where electricity regulators and suppliers offer Guarantees of Origin.

REDUCING EMISSIONS INTENSITY

At a strategic level, our multimodal logistics operation aims to increase energy efficiency by favouring less emission-intensive alternatives. Maximising the energy efficiency of inland logistics is a key strategic priority.

In South America, we have built international infrastructure to support fluvial transportation across the entire length of the 4880-kilometre Paraná River from the River Plate in Argentina to landlocked Paraguay and Bolivia. The Paraná River has become a significant economic development area and a key conduit for domestic and international trade. The route is also leveraged for return-journey export shipments of soy-bean oil from Paraguay and Bolivia to Argentina. Our five pushers and 47 barges manage the transportation of 47,000 tonnes of cargo every month. We continue to make incremental investments to minimise emissions and improve reliability still further.

In sub-Saharan Africa, we are maximising the switch from road-based to rail-based transportation. Impala Terminals is a leading user and proponent of rail-based logistics in the region. We operate two major long-distance rail corridors between Durban, South Africa and Lubumbashi in the Democratic Republic of the Congo, and from Lubumbashi to Dar es Salaam in Tanzania. We also operate shorter haul routes between Livingstone and Ndola in Zambia and Lubumbashi. We deploy rolling stock and dedicated railway sidings to support inbound and outbound transport of 20- and 40-foot containers and we are running a trial for two-way cargo for liquid/solid by truck.

7%

REDUCTION IN SCOPE 1 EMISSIONS
EXCLUDING OUR FLUVIAL FLEET AND
20% REDUCTION IN OUR SCOPE 2
EMISSIONS



Rail-based transportation is safer, more reliable and more environmentally responsible than road-based logistics. It is estimated that every train takes 29 trucks off the road and estimates indicate that greenhouse gas emissions are 39 percent lower when cargo travels by rail rather than by road in Africa.

The advantages of rail transport over trucking include not only a lower carbon footprint but also shorter travel time, economies of scale, greater security, enhanced tracking and tracing, reduced fuel consumption and less disturbance to local communities. We are working hard to maximise these benefits.

Impala Terminals is tackling these challenges by engaging with the main stakeholders. We are not only forging physical connections, but we are also leveraging our status as a major inter-regional logistics operator to offer financial support, dialogue and expertise. We negotiate long-term agreements and facilitate prepayment facilities that stimulate investment in upgrading infrastructure.

We are also encouraging rail-based importation of raw materials to inland locations to reduce the overall cost of transportation. Our freight-forwarding initiatives are lowering emissions intensity by optimising both road and rail transportation. We draw on our existing network to supply mining facilities in Africa's Copperbelt with fuel, chemicals, machinery, spare parts and vital equipment, while collecting their metal and concentrates for export.

OPERATIONAL EFFICIENCY

Our primary role is to ensure the efficient transportation of the essential materials that can power the global economy and accelerate energy transition. By increasing our operational efficiency, we both serve our own commercial interests and reduce emissions intensity.

We work continuously to reduce emissions intensity across our network. In our offices and warehouses, we encourage frontline workers to find ways to maximise fuel and energy efficiency. Their understanding of their own work domains allows them to present proposals that are often achievable at minimal or zero cost.

We are pursuing multiple opportunities to reduce emissions and lower energy costs. As a matter of policy, all procurement is now assessed from an environmental perspective. We are progressively replacing our fleet of forklifts with electrically powered versions. In Peru, electric light vehicles have been procured to replace fossil fuel-based vehicles. Over time, our entire smaller vehicles fleet is being switched from diesel- or petrol-based engines to electric and battery-powered alternatives. We are also taking out halogen and tungsten lighting rigs, both indoors and outdoors, and replacing them with LED-based systems.



In Paraguay, we have been upgrading our fleet of five pushers to reduce fuel consumption and lower emissions. We have been working with US manufacturer Caterpillar to upgrade engine performance from their original IMO tier-2 specification to meet the more demanding IMO tier-3 standard. We have installed catalytic reduction units and built-in biodiesel compliance. We have upgraded the water injection nozzles on two pushers to optimise propeller performance.

We are also investing in green energy. We have advanced plans in place to install solar panels that will generate energy for several warehouse and office sites. In Mexico, we installed over 700 solar panels on the roof of our 30,000m² Manzanillo warehouse facility. Phase one of this two-phase project was completed during 2021 and 30 percent of our energy needs are now provided by the solar panels. When this system is fully operational, we expect it to generate sufficient electricity to meet the majority of the facility's energy requirements.

SECURING RENEWABLE ELECTRICITY

Elsewhere, we are switching to renewable sources for the energy we buy from national grids. We aim to acquire energy from certified renewable sources wherever possible. However, this form of energy is not always available in the regions where we are active. We have contractual arrangements in place with energy suppliers in Spain and Peru linking our energy procurement to certified renewable sources for our Huelva and Callao facilities.

Such initiatives allow us to support domestic renewable energy production projects and buy green electricity under a nationally developed framework. This certified renewable electricity also helps us in our aim to use green electricity in cases when we are not in a position to generate it ourselves directly.

GREENHOUSE GAS EMISSIONS

Our greenhouse gas emissions calculations are externally assured. They are subject to a regular external audit by an independent external assurance provider, ERM CVS.

We report direct emissions from owned or controlled sources as Scope 1 emissions. Under Scope 2, we report indirect emissions from the generation of purchased energy. Indirect emissions incurred across our value chain, where contractors and other counterparties are undertaking logistics operations on our behalf, are reported as Scope 3 emissions.

In 2021, our total greenhouse gas emissions were 180,826 tCO₂e, a 19.6 percent increase over 2020. Of this total, 146,401 tCO₂e were Scope 3 emissions, a 22 percent year-on-year increase, attributable to increased container shipping and trucking operations in Africa. Scope 1 emissions increased by 14 percent, and our Scope 2 emissions decreased by 20 percent.

ERM CVS
Informed Assured

www.ermcvs.com

Total GHG emissions performance (in tCO₂e)

	Scope 1	Scope 2	Scope 3	Total
2021	31,844	2,581	146,401	180,826
2020	28,026	3,229	119,956	151,211

SCOPE 1 AND SCOPE 2 GREENHOUSE GAS EMISSIONS

Scope 1 emissions include those from power generation and Impala Terminals-owned vehicles and fluvial transportation. The 14 percent increase in Scope 1 emissions in 2021 was mainly due to the increase in our Paraguay fluvial operations. The 20 percent decrease in Scope 2 emissions came largely from the purchase of renewable electricity at Huelva and Callao.



SCOPE 3 GREENHOUSE GAS EMISSIONS

Scope 3 emissions are the indirect emissions associated with the activities of others in our value chain. For Impala Terminals, these are primarily based on data provided by our contractors. There was a 22 percent year-on-year increase in Scope 3 emissions in 2021. This increase was partly attributable to an improvement in the scope and accuracy of our reporting, but there was also more cargo transported via third-party logistics operators.

We also report emissions resulting from the transportation of container-based cargo in our sea logistics operations. This data is based on the industry-standard methodology developed by the Clean Cargo Working Group (CCWG). There was a 48 percent year-on-year increase in this category of Scope 3 emissions, partly because of increased volumes handled and in part as a result of changes in CCWG methodology in 2020.

Additionally, we report Scope 3 emissions of fluvial contractors and road hauliers in our Paraguay operation and of trucking contractors in Mexico, Peru and Spain. Scope 3 emissions account for around 81 percent of our total greenhouse gas inventory. Container shipments and haulier activities by road and rail in Africa, which, respectively, account for 36 percent and 38 percent of total emissions, are responsible for the majority of these emissions.

We continue to improve the quality of our Scope 3 emissions reporting but are aware of the need for further progress. We are reliant on contractors for source data and in some cases only have access to incomplete information. We are working with our contractors to improve reporting and enhance transparency.

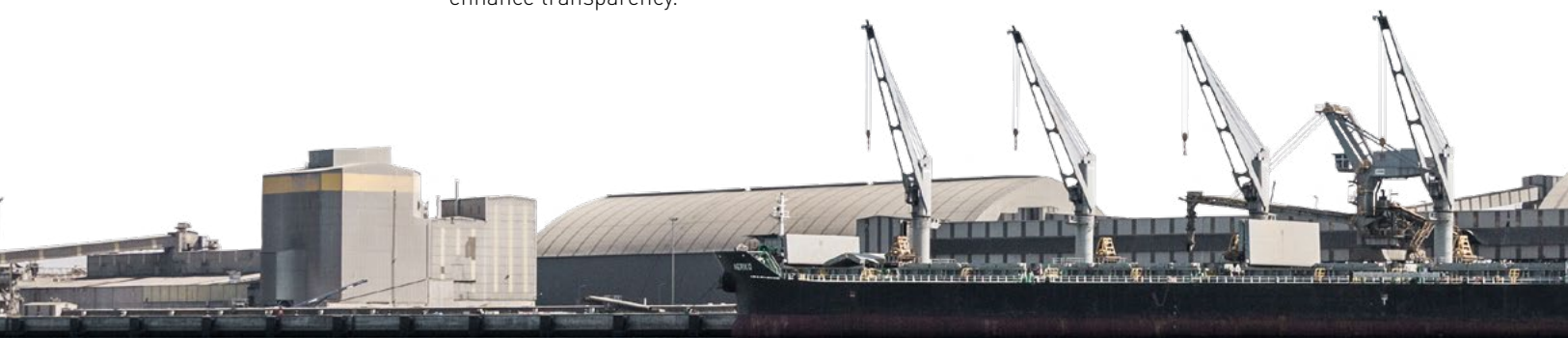
GREENHOUSE GAS EMISSIONS REPORTING

We invest significant resources in the analysis and reporting of our greenhouse gas emissions, building the scope and extending our level of disclosure on a year-on-year basis. During 2021, we adopted an online greenhouse gas 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 2020 compared to previously reported emissions due to the improvement of our data collection and greenhouse gas 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 Greenhouse Gas 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.

Our greenhouse gas emissions 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).



MEASURING EMISSIONS INTENSITY

Emissions intensity provides a standard metric across all our operations. It allows us to measure our performance internally, benchmark it against our peers, monitor greenhouse gas emissions across the supply chain and, crucially, drive performance improvements. Since 2019, we have tracked greenhouse gas emissions in grams per tonne of commodity moved per kilometre. This was applied to all modes of inland transportation (road, rail and fluvial) using an approach aligned with the GLEC Framework.

We measure the energy efficiency of the throughput of our activities using our warehousing and storage intensity metric of 0.66kgCO₂e per tonne throughput. Although there will always be variations between different locations and for different kinds of commodity and cargo, this metric allows us to focus on potential areas of improvement at our fixed sites. Impala Terminals' logistics operations have an average intensity of 8.09gCO₂e per tonne kilometre¹ travelled.

By monitoring intensity quarterly and by location, we are able to quantify performance over time and at specific sites. For instance, at our terminal at Huelva in Spain, already one of our most energy-efficient operations, emissions intensity fell by 70 percent in 2021 as a result of switching to renewable electricity. Over the same period, emissions intensity at Manzanillo in Mexico reduced slightly due to increased throughput. However, the emissions intensity at Callao increased somewhat as a result of reduced throughput relative to 2020.

1. Excluding Africa rail due to inaccuracies of data

TRANSITIONING TO A LOW-CARBON ECONOMY

Impala Terminals is playing its part in the transition to a low-carbon economy. We transport vital commodities efficiently and responsibly. Lead and nickel are needed for batteries; aluminium is important in the construction of lighter, more efficient vehicles; zinc, through the galvanising process, protects steel from corrosion; and copper is essential for electrification and a wide range of renewable energy solutions.

We are working closely with counterparties that share our commitment to reducing climate change impacts. We are investing in multimodal logistics, renewable power and low-energy infrastructure.

Reducing emissions across the value chain is an increasingly important priority for many of our customers. We are responding to this with low-carbon logistics services and with rigorous reporting on the carbon costs of commodity transportation.

There is growing interest from investors and customers in integrated zero-carbon logistics solutions. In 2020, we ran a pilot scheme for Trafigura, offering carbon-neutral delivery from the ports near to the Terrafame nickel plant in Finland to customers in Asia. The success of the pilot scheme has led to the introduction of a global carbon offset logistics freight service to serve this customer's interest.

We also offered a carbon offset freight service to Nyrstar for some of its specialised products to partially assist them in achieving the production of one of the lowest-carbon zincs in Europe.



➤ COMMUNITIES AND OUR PEOPLE

We support communities where we are active by placing contracts with local suppliers and employing local people in high-quality jobs. Our meritocratic and collaborative work environment promotes an atmosphere of integrity, ethical conduct, equal opportunity and mutual respect. We invest in attracting, developing and retaining the best people.

2021 PERFORMANCE

To build and implement training materials, including e-learning programmes, that develop the core technical and interpersonal skills of our employees.



To continue the roll-out of existing people management and leadership modules and coaching across the business.



To improve the efficiency and productivity of our workforce through the continuous improvement of processes, systems and work organisation.



To provide career development opportunities for employees who have demonstrated that they are ready and able to take on increased responsibilities



To roll out training to further develop employee skills in accountability, effective communication, planning and aligning, and customer focus.



To improve diversity with targeted outreach initiatives that aim to recruit women and other under-represented groups into our business.



To achieve a 50:50 gender split among all interviewees for the graduate programme.



To further develop our digital platform for learning and development in order to provide comprehensive access for our global workforce.



2022 TARGETS

To improve diversity with targeted outreach initiatives that aim to recruit women and other under-represented groups into our business.

To continue the roll-out of existing training to further develop employee skillsets and careers.

To further develop our digital platform for learning and development in order to provide comprehensive access for our global workforce.



Achieved



In progress



Not achieved





OUR APPROACH

Impala Terminals is firmly embedded in the communities where we are active. We rely on the continued support of local people to operate effectively. We seek to earn our social licence to operate by engaging with local communities and by contributing positively where we can. Our preference for recruiting locally helps us remain rooted in local concerns.

We succeed by building and retaining a highly skilled, engaged and productive workforce. We invest in attracting, developing and retaining the best people from all backgrounds. Our meritocratic and collaborative working environment promotes an atmosphere of integrity, ethical conduct, equal opportunity and mutual respect.

Key performance indicators

	2021	2020
Average number of employees ¹	819	759
Male (%)	86	88
Female (%)	14	12
Under 30 years (%)	31	27
30 – 50 years (%)	61	65
Over 50 years (%)	8	8
Professional/commercial (%)	37	29
Technical/operational (%)	63	71
Full time (%)	99	99
Part time (%)	1	1
Covered by collective bargaining agreements (%)	78	75

1. Average calculated over the financial year from 1 January to 31 December

A CULTURE OF RESPONSIBILITY

The Impala Terminals joint venture employs 819 people in Europe, Latin America and Southern Africa. Around a third of our employees are professional/commercial workers, while the remaining two-thirds are in technical/operational roles.

We have structured our organisation to devolve decision-making and empower employees with the accountability and responsibility to work effectively, ethically and in the long-term interests of the company. Teamwork, effective communication and collaboration are vital components of our company culture.

Responsibility is an important competitive differentiator. We promote a culture where all employees are encouraged to consider the wider consequences of their actions and are prepared to question practices that may expose the business to social, environmental, reputational or commercial risk.

Our employee handbook articulates the defining characteristics of our company culture and our expectations of all employees. It is provided to all members of staff and is available in English and Spanish. There is an accompanying video online.

All new starters watch the video and receive the handbook, together with the Impala Terminals HSEC Principles, as part of their induction. They are also required to take the Responsible Trading and Code of Business Conduct training courses, among others, as appropriate to their role.



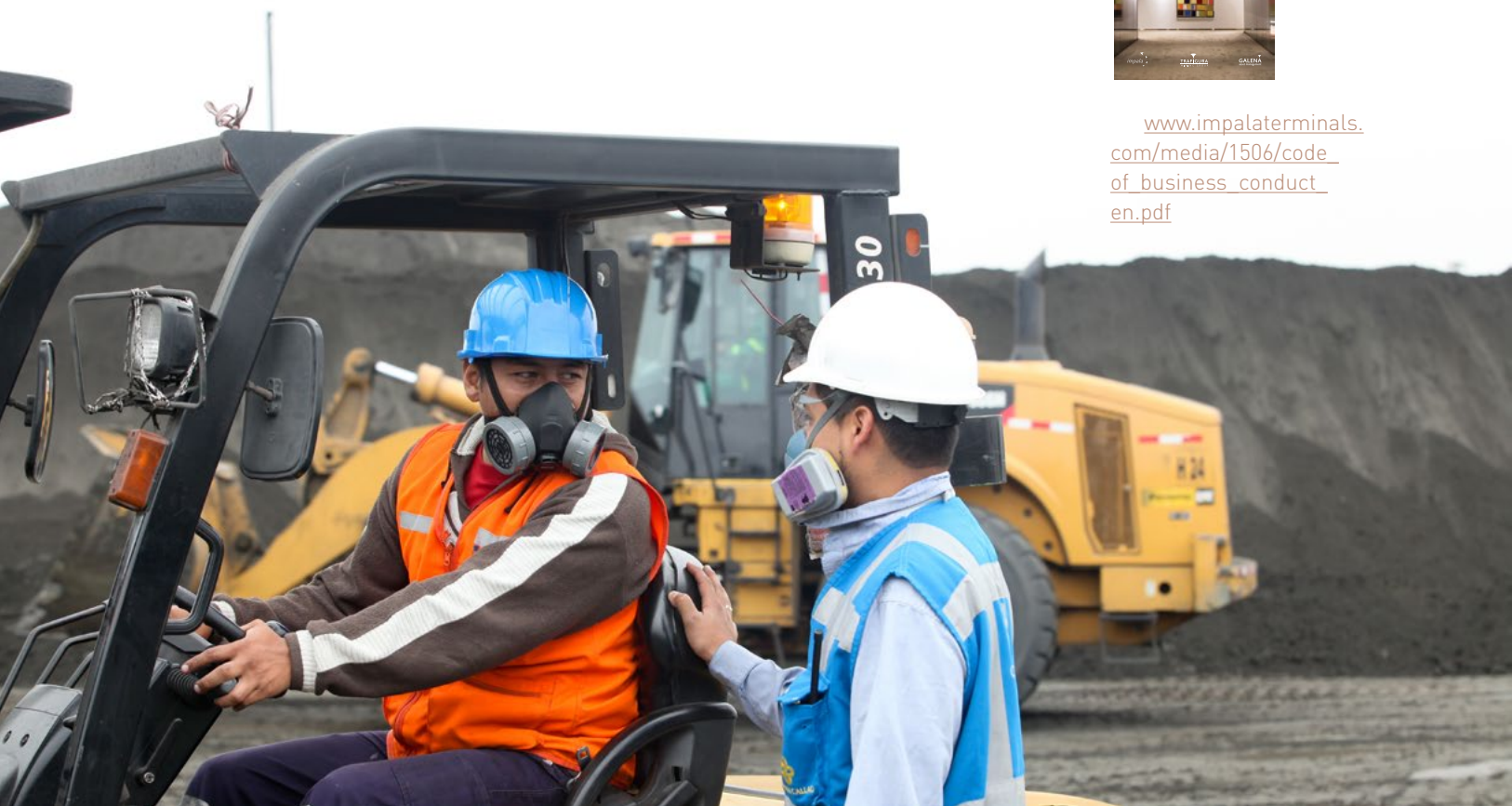
www.impalaterminals.com/media/1292/impala-hsec-business-principles.pdf



www.impalaterminals.com/media/1291/impala-hsec-policy.pdf



www.impalaterminals.com/media/1506/code_of_business_conduct_en.pdf



97%

LOCALLY RECRUITED EMPLOYEES

ENGAGING LOCALLY

Impala Terminals assists communities where we have physical facilities by supporting the livelihoods of local people and helping to sustain local economies.

Over 97 percent of our employees are recruited locally. This ensures that we share local concerns and priorities. We offer high-quality jobs with attractive training and career opportunities.

In addition to the people we employ directly, we work on- and off-site with numerous contractors and suppliers. We ask all our commercial counterparts to respect local laws and follow best-practice employment procedures.

COLLECTIVE BARGAINING

We respect the right of our employees to collective representation in locations where our people are members of labour unions, and we aim to maintain open channels of communication and dialogue with their representatives.

Impala Terminals regularly reviews collective agreements with union representatives. We enter all such negotiations in a spirit of cooperation, focusing on arriving at affordable, sustainable agreements that promote workforce stability.

COMMUNITY ACTION DURING THE PANDEMIC

Country	Scope	Donation	
Peru	San Juan Bosco community (1,360 families)	Food baskets, medicines, disinfectants, COVID-19 biosafety kits	Delivering essential food, medicines and hygiene products to low-income families, senior residents and other vulnerable groups.
	Local health service centre – Manzanillo	Sanitary equipment: antibacterial gel, sanitiser, gloves, masks	Sanitary equipment for medical staff working on COVID-19 vaccination.
Mexico	Local public hospital – Manzanillo		Sanitary equipment for medical staff working with COVID-19 patients.
	Mexican social security institute – Manzanillo	Air conditioning equipment, chairs Sanitary equipment: antibacterial gel, sanitiser, gloves, masks	Equipment for COVID-19 attention room.

ATTRACTING TALENT

We aim to attract the most talented people, irrespective of their age, gender, sexual orientation or ethnicity. Experience, skills and a self-starting attitude are our primary criteria.

Our interview process places emphasis on the applicant's character and social skills. We get early feedback from new recruits to help refine our induction process. We also invest in developing management skills in team leaders so that they can support the career development of their employees.

In 2021, we hired 178 new employees globally (2020: 103). Our people come from across the globe and many walks of life. People with diverse backgrounds contribute differing perspectives and this breadth of experience enriches and informs our culture.

We have an increasingly active social media presence, where we advertise job vacancies and promote our regular recruitment drives. Most professional and commercial roles are posted globally via LinkedIn. We engage with a broad range of recruitment channels in pursuit of the best talent.

Although we sometimes recruit externally for specialist senior positions that supplement our existing knowledge base we often promote from within. Our career development programme builds skills and competencies. Many of our top managers have worked their way up through the ranks.

The main pathway for new talent is our two-year graduate programme. The Impala Terminals Graduate Programme is built around structured placements in different parts of the business. Ten graduates have completed the programme over the past two years.

As the scope and scale of Impala Terminals' interests continue to grow, we want our people to grow with us. Our integrated approach to people management focuses on hiring the right people, developing their capabilities, incentivising performance, providing constructive feedback and prioritising job opportunities for qualified internal candidates. This has helped us maintain a healthy talent pipeline in markets that often have a shortage of suitably skilled people. Our approach will remain consistent in 2022.

LEARNING AND DEVELOPMENT

The learning and development agenda at Impala Terminals is designed to provide a platform of continuous growth for our employees. They are encouraged to invest time in enhancing their knowledge of the business and in improving communication and leadership skills in their current roles.

We offer a number of global workshops and coaching sessions designed to develop specific competencies targeted at our departments and key regional hubs. In 2021, these included the delivery of 39 training sessions. Accountability, resilience, building effective teams, communicating effectively, customer focus, emotional intelligence and time management were among the key topics in a wide-ranging training programme that attracted 608 employees from 18 different locations. Delivered for managers globally and taking advantage of virtual learning rooms in Webex, 74 leaders and team leads participated in the Leading for Results sessions. This corporate training programme covered the five core skills for leadership and gave participants the opportunity to share experiences and insights about their day-to-day management challenges.

178

NEW EMPLOYEES RECRUITED
GLOBALLY IN 2021
(2020: 103)

We are committed to empowering our people at all levels and encouraging collaborative working practices across the company.



DIVERSITY AND INCLUSION

Impala Terminals has always benefitted from understanding that we do our best work by encouraging difference. We aim to build an inclusive culture full of different voices that brings the best ideas to the fore. This insight drives our devolved managerial style. We are committed to empowering our people at all levels and encouraging collaborative working practices across the company.

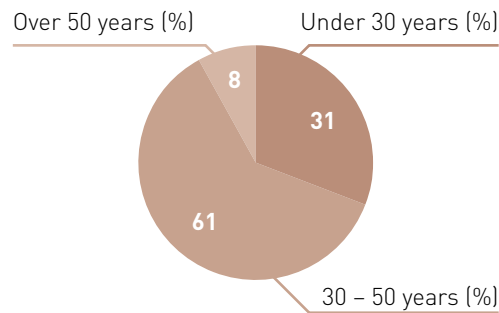
We prefer to recruit, develop and retain employees locally where possible. Local understanding extends our effectiveness and helps to align the business with cultures around the world. At the same time, we want our organisation to appeal to a diverse range of people. Internally, our focus is on developing a network of programmes and tools to help all our employees realise their full potential.

Whereas in previous years gender-split targets were focused solely on our graduate programme's interviewees, going forward we will be expanding such initiatives to our broader organisation. We continue to face structural challenges. There are fewer women entering the local labour markets holding the technical qualifications which in some cases are mandatory in our line of work.

As the world we operate in continues to evolve, so do our business priorities. Against this background, in 2022, a major focus will be broadening access to our industry for people from every background and of all genders and ethnicities.

The age distribution of Impala Terminals employees contributes to a dynamic, balanced and sustainable business. Around 61 percent of our people are aged between 30 and 50. They provide the company with stable energy and maturity. A smaller but still significant group (31 percent) are younger. Older employees make up 8 percent of the workforce. The energy and life lessons that these groups contribute help to invigorate and protect our business.

Workforce age groups



EQUAL OPPORTUNITIES

Impala Terminals is an equal opportunities employer. We regard any form of discrimination as both wrong in itself and harmful to our commercial interests. We work hard to ensure we do not discriminate during recruitment, training or career development. Our pro-diversity stance supports our commitment to being an equal opportunities employer.

We run leadership training and coaching programmes that promote equal opportunities without bias in the organisation. We encourage our leaders to engage in open dialogue on diversity and equal opportunities topics. In 2022, we will introduce training for all staff to further promote a more inclusive work environment.

However, ultimately, diversity is not about quotas and special interests. It's about listening to different points of view, valuing them and benefitting from them. A culture is only truly inclusive when different perspectives are not just accepted but actively sought out, and people are ready to learn from each other and revisit their own opinions.

Improving diversity in the workplace is also a commercial objective. We know from experience that diversity enriches our decision-making and helps drive innovation. We strongly support the participation of women in our talent programmes so that they can develop their leadership skills. Cultural and social preconceptions make the task harder in certain regions, but we recognise that we need to do more to attract and support women in our industry.

We strongly support the participation of women in our talent programmes to develop their leadership skills and develop their operational capabilities.



IN FOCUS:

EMPOWERING WOMEN

The commodities industry continues to underperform in terms of gender diversity in the workplace. Women account for a significantly smaller share of employees than in many other sectors. As an industry, we need to do more. At Impala Terminals, we are working to support our female employees and to achieve a better gender balance.

"Impala Terminals has always believed in me and today I'm part of a group of pioneers."

PAMELA CARDONA – LOGISTICS AND PERFORMANCE MANAGER, PARAGUAY

Since 2021, I have been in charge of Impala Terminals and Puma Energy operations in Paraguay as their Logistics and Performance Manager.

I joined the company in 2012 from university as a Trucking Transport Trainee in Colombia, from where I became a Trucking Transport Analyst. I obtained my first leadership role in 2015 as an Operating Costing Analyst for multimodal operations in Colombia before moving on to become Operations Planning and Customer Service Coordinator for rail operations in Colombia and then Operations Performance Manager for fluvial operations in Paraguay.

I have faced challenges over the years, but I have received lots of support at Impala. I have taken part in various training programmes, including the Impala Excellence Programme, and I was lucky enough to have a personal coach when I was promoted to my first leadership position. The support of leadership is key for growth – I have learned a lot from my colleagues and continue to learn from them every day.

This is still a male-dominated industry, but in my opinion gender, identity, race, age and country of origin have nothing to do with how well someone performs at their job. The key to success is to focus on the job. Impala Terminals has always believed in me and today I'm part of a group of pioneers who are driving big changes in the logistics world. I want to continue to support others in the company that want to fulfil their dreams and I'm sure that in the years to come we will see an even more diverse workforce.



NORA VALLEJOS – FUTURE MAINTENANCE PLANNER, PARAGUAY

I joined at the beginning of the COVID-19 pandemic as an Operations Graduate. It was a pivotal moment for me. I'd just finished my electromechanical engineering degree and had a thirst to learn and to grow.

The Graduate Programme here has helped me improve my working skills, communicate with colleagues and given me leadership opportunities. It has also taught me to think outside the box, expand my technical knowledge and focus on solving problems.

Two years on, I'm reaching the end of the programme. I'm part of the maintenance team, training to create maintenance strategies. I will rotate soon to take up the position of Maintenance Planner.

You might think that being a young woman would be a barrier in the world of maintenance, but I don't see why any job should depend on gender. There are two ways to solve the gender problem in the workplace: one is to stop viewing female-dominated professions as less valuable and the other is to eliminate arbitrary gender designations. Luckily, in this company, both already apply – everybody has the same opportunities, benefits and values.

I left university determined to find satisfying work and conquer the world. And here I am now: I'm in a big company, part of a great team and growing day by day.

"In this company, everybody has the same opportunities, benefits and values."



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IL/0408.1e

Last updated: July 2022



In this publication, the terms "Impala", "the company", "we", "us" and "our" are used for convenience to denote the Impala Terminals joint venture. These terms are used where no useful purpose is served by identifying a specific company or entity within Impala Terminals.