

Dear Ms. Peter,

I'm the Corporate Affairs Director for **Gunvor** Group and just read your article in Huffington Post. I'd like to point out a few issues:

First, there is no evidence, and the Public Eye report provided none, that **Gunvor** "made secret payments to officials in the Republic of Congo". That is false.

Second, there is no evidence that anyone was "alerted by trails of money transfers to individuals in the Congo national petroleum company." This is false. The Swiss officials were alerted to the matter because the ex-employee was transferring large sums of money into his own private accounts.

Third, \$30 million was never paid after 2012. This too is false.

And, just like the Public Eye report, your article neglects to include information about the ex-employee, such that he messed around with signatures, created an unknown company for himself, and manipulated contracts—all of which is detailed in a related report issued by the Federal Police, which states:

*"...we conclude that (the ex-employee and an agent) worked together for undue enrichment by taking advantage of the lack of rigor and control of their employer (Gunvor SA) and by taking advantage of the trust of other parties who were involved in the conclusion and / or drafting of contracts to obtain the signing off to certain transfers of funds."* (translated from French)

(Not mentioned in your article, but worth noting: Public Eye exaggerates its claims stating that the business in Congo-Brazzaville represented "20%" of our profits. This again is false. It represented about 1% of volumes and about 2% of profits.)

Mostly, what concerns me is that the depiction of **Gunvor** made by both Public Eye and your article is inconsistent with reality. For instance, **Gunvor**—as you may know—is not opposed to EITI. We have attended some of your sessions and we remain abreast of the latest dialogue the organization is having with the Swiss Trading and Shipping Association (STSA), which is working through:

- The matter of confidentiality clauses imposed by government / State-owned enterprises (SOEs) or National oil companies (NOCs) to buyers;
- The necessity to standardize the EITI reporting format between countries in order to permit the management and adaptation of information systems to that end; and,
- The necessity of including governments and state-owned enterprises (SOEs) / national oil companies (NOCs) in the working group, which are currently entirely absent from it.

We're broadly supportive, and once such issues are resolved, we're happy to consider joining. Ahead of that, we have taken many steps to ensure our business as a whole is compliant with all relevant rules and regulations:

- **Policies:** **Gunvor** has established clear policies for anti-bribery and corruption (ABC), anti-money laundering (AML), market conduct, market abuse, economic sanctions, and other essential areas. They have been communicated from the top-down. Importantly, we have also created a whistleblowing policy that has been clearly communicated by the CEO to all **Gunvor** employees. Specifically regarding ABC, policies and procedures and systems and controls meet standards put forth by the US. Foreign Corrupt Practices Act, UK Bribery Act and those propagated by the OECD. With respect to breaches, **Gunvor** maintains a zero-tolerance approach.

- **Education & Awareness:** **Gunvor** has mandatory annual training for every employee covering many areas such as ABC and AML, market abuse and market conduct, economic sanctions, and other. Risks and related policies are discussed. The latest developments in Compliance thinking are addressed. These sessions are complemented by regular communications from **Gunvor's** Compliance team to the company, highlighting topical compliance-related issues, such as market news of breaches and fines, and the latest developments around the world. All relevant staff must complete the training. Even the CEO undergoes this training. (Also to note, we're already reviewing the United Nations' "Ruggie" principles for our internal compliance education.)

- **Personnel:** In addition to Gunvor's Group Compliance Director, the company has dedicated Director positions for ABC/AML, as well as Compliance Officers dedicated to each product area, complementing and working in conjunction with Risk Officers for every trading desk. Gunvor's Compliance Directors lead the company's Compliance training program. Gunvor's Group Compliance Committee oversees the effectiveness of the program.
- **Ownership:** Gunvor has changed its ownership structure to a partnership model, so that all share classes are equal in value and voting rights. As of today, the CEO Mr. Törnqvist holds about 64% of shares, while the remainder belongs to senior employees and traders. This approach incentivizes the employees to have greater risk awareness about the company as a whole.
- **Technology:** Gunvor has invested millions of dollars in the latest IT systems to assist with counterparty and agent due diligence and tracking, ensuring all employees have access to system data that is screened daily against external, third-party vendors, which monitor for such information as sanctions violations and PEP exposure. The same applies for Gunvor's vessel screening.
- **Third-Party Audits:** Gunvor hired international compliance experts Blaine & Maney to assist with enhancing Gunvor's global program. Gunvor has also undergone two external Compliance Department audits, one for benchmarking and another for assessment, conducted by Big Four firms. Gunvor's next audit is already scheduled to begin last this year.
- **Internal Audit:** To test our internal functions, Gunvor has established an Internal Audit Department to provide independent and objective assessments of business activities, operations, financial systems, and the internal control environment of Gunvor. During the last four years, the Audit team has conducted about 50 internal audit engagements, covering activities such trading desks, assets, central functions and processes, and joint-ventures. Findings have resulted in amendments to policies, enhanced controls and greater overall awareness about the seriousness with which Gunvor takes adherence to policy.

Gunvor understands it has a responsibility in this area, and we have been working with our industry partners to move forward on it, all while taking clear steps to ensure our own internal Compliance processes are world-class.

Given this information, I request that you update your post to correct the errors and consider adding my points here. If you would like any additional information or have any questions, please let me know.

Regards,  
Seth

Seth Thomas Pietras  
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Gunvor Group