Payments to Governments

2021

Gunvor Group supports the Extractive Industries Transparency Initiative (EITI), which implements the global standard to promote the open and accountable management of oil, natural gas, and mineral resources. The EITI Standard, predominantly applied to extractive companies, requires the disclosure of information along the extractive industry value chain, beginning from the point of extraction, along to how revenues make their way through governments, and then how they benefit the public.

EITI seeks to strengthen public and corporate governance, promote understanding of natural resource management, and provide the data to inform reforms for greater transparency and accountability in the extractives sector. In each of the 55 implementing countries, the EITI is supported by a coalition of governments, companies, and civil society. Gunvor views this approach as a consistent means by which to reliably report on our company's payments to governments, with the aim to improve transparency and reduce the potential for corruption in cooperation with these governments.

Gunvor's reporting includes purchases of crude oil and refined oil products acquired from state-owned enterprises (SOEs) in EITI implementing countries. Governments of EITI countries must hold a majority stake (more than 50%) in the respective SOEs. Payments and volumes are aggregated under the parent company. Volume information is presented as available. Given the complexity of transaction types and variety of data involved in these purchases, Gunvor continues to work with EITI, relevant trading peers, and other transparency related organisations to improve disclosures.

Gunvor further annually reviews its disclosure information to identify additional areas where increased transparency can be provided, such as with tax payments or data from non-EITI countries.

Country	Counterparty	Load Port Country	Port	Buying Entity	Commodity	Payments (USD)	Volumes (MT)
EITI countries							
Colombia	Ecopetrol S.A.	Colombia	Barranquilla	Gunvor SA	Bitumen	9 051 624.59	25 593.95
Kazakhstan	KazMunayGas Trading AG	Romania	Midia	Gunvor SA	Gasoline	9 246 414.89	15 076.25
Mexico	P.M.I. Trading Designated Activity Company	Mexico	Mexico	Gunvor SA	Fuel Oil	50 878 449.16	154 803.93
Nigeria	Nigerian National Petroleum Corporation	Nigeria	Escravos, Qua Iboe	Gunvor International B.V., Amsterdam, Geneva Branch	Crude Qua Iboe, Escravos	199 059 417.24	380 949.25
Total: EITI countries							
						268 235 905.88	576 423.38
Aggregate purchases from SOEs of EITI countries, whereby volumes may not represent equity oil and refined products							
N/A	N/A	N/A			Crude Oil, Refined Products	393 555 260.40	2 991 388.57
Aggregate purchases from SOEs of non-EITI countries							
N/A	N/A	N/A			Crude Oil, Refined Products	8 905 027 646.57	34 803 300.18
Total: All countries							
					Crude Oil, Refined Products	9 566 818 812.85	38 371 112.13

1. Net payments pertain to actual cash payments made to state-owned enterprises (SOEs) during the stated calendar year for all crude oil and refined oil products purchases, regardless of the origin of the commodity. We acknowledge that some activity may occur in a different calendar year to the invoice date and may cause some variations in volumes purchased and payments made, such as for prepayments or commodities purchased at the end of calendar year.

2. Gunvor executes offset transactions in which different transactions and their respective payments are offset. This may result in no actual cash payment, such as swap trade between crude oil and refined oil products.

3. Gunvor has not differentiated first-trade transactions based on load port. All purchases from SOEs from EITI countries have been included, regardless of whether the load port was located inside or outside the country of origin.

4. Corporate taxes and license payments to governments are not included.

5. In future disclosures, Gunvor will update information as appropriate, including providing an aggregate total for payments to all governments.