



Providing Sustainable Commodity Solutions For a world in transition

2022 Inaugural
Sustainability
Report

Contents

03	Message from the President and CEO
04	Our Business at a Glance
05	Fueling Sustainability
06	Our Sustainability Strategy
07	Our Priorities
08	Stakeholder Engagement
10	Supporting the Global Goals
11	Governance
18	People
29	Climate Change
36	About This Report
37	Data Tables
44	GRI Index



Message from the President and CEO

Innovation is at the center of Targray's growth story. For over three decades, our organization has continuously transformed itself in the pursuit of new opportunities. Today, we work collaboratively with leading global firms to create innovative supply solutions that foster sustainable growth.

Providing Solutions for a More Sustainable World

We recognize that a significant aspect of sustainability involves transparency. We are proud to share Targray's inaugural sustainability report, formalizing our commitment to being transparent about our business and sharing our long-standing sustainability efforts and commitments. Our first report details the progress we've made to date in our businesses, and across our supply chains, toward achieving our goals for reducing greenhouse gas (GHG) emissions, supporting the transition to a clean economy, advancing human rights, and building an inclusive and diverse team.

In 2022, aligned with our long term vision and mission, we made the decision to close our oil and gas divisions and focus our business portfolio on sustainable commodities and the development of new supply chain solutions that will support our customers in the global transition to a low-carbon economy.

Supporting the Transition to a Clean Economy

Recognizing the global commitment made by the Paris Agreement, of which Canada and other jurisdictions in which we operate are signatories, and the emerging climate policies from governments around the world, we are committed to doing our part to reduce our GHG emissions intensity and to provide low carbon solutions to our customers. This year, we established our baseline Scope 1, 2 and 3 emissions. We are committed to further reporting on sustainability and climate risks and aligning our future disclosures with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). Our knowledge of the renewable energy market and global supply chains enables us to support our customers in the journey towards achieving their GHG targets.

Building an Inclusive and Diverse Team

We are committed to building a more equitable and inclusive world by increasing diverse representation at every level and fostering a culture that brings everyone in. We recognize that inclusive representation in leadership is a powerful driver of progress and are focused on closing the gender gap in our industry. In 2022, as we recruited and filled several key leadership positions, we increased female representation on the executive team to 40%. This year, we achieved our target of gender parity at the executive level. We believe our differences make us stronger and more innovative, and our goal is to continue to grow and build a diverse team.

From senior leadership to frontline workers, our employees are committed to Targray's sustainability journey. As we move forward, we are excited to build on this inaugural report and improve sustainable business practices throughout our global organization and supply chains - to deliver a positive impact.



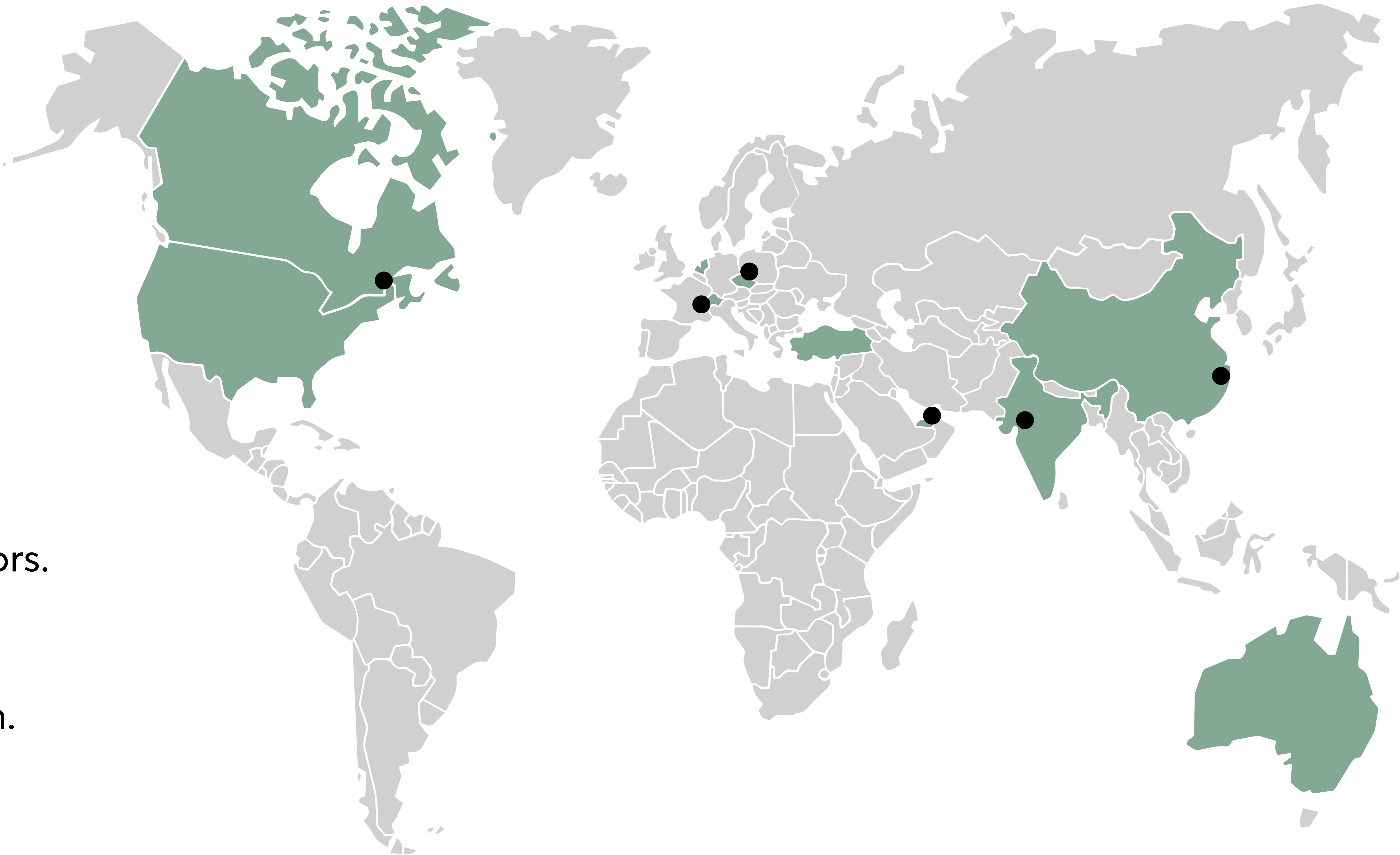
ANDREW RICHARDSON
President and CEO



Our Business at a Glance

Targray is a global leader in the sourcing, transportation, storage, trading and distribution of commodities and advanced materials for a broad range of industry sectors.

Our mission is to provide sustainable commodity solutions for a world in transition.



Employees

157

2022 Sales (USD)

1.06B

Countries of Operation

10

Office Locations

6

Products We Supply

- Biofuels
- Renewable feedstock
- Environmental commodities
- Solar materials
- Battery materials
- Sustainable cotton
- Optical media

Customers We Serve

- Oil & gas producers
- Biofuel producers
- Solar manufacturers
- Automotive manufacturers
- Consumer goods & textile companies
- Optical disc manufacturers

Fueling Sustainability

Biofuels

We supply biodiesel and renewable diesel to fuel distributors, retailers, traders, and refineries in North America and Europe. These fuels help industry participants meet compliance requirements and sustainability goals.

Renewable Feedstock

As one of the largest international ISCC-certified feedstock suppliers, we provide biofuel production facilities and refineries with commercial quantities of used cooking oils, animal fats, and other renewable feedstocks.

Solar Materials

Our solar product portfolio is a trusted source for photovoltaics manufacturers, EPCs, and project developers involved in commercial and utility-scale solar projects.

Battery Materials

We are a global supplier of battery materials for lithium-ion cell manufacturers. Delivering higher efficiency and longer cycles, the materials are trusted by battery manufacturers, developers, and research labs.

Sustainable Cotton

Our work in the international cotton sector allows us to address global challenges surrounding sustainable supply chains while also creating opportunities for profitable, responsible growth in developing countries.

Environmental Commodities

Our environmental commodities business engages in the trading and supply of carbon credits, carbon offsets, and international renewable energy certificates for compliance and voluntary carbon markets around the world.



SDG 7: Affordable Clean Energy

Across our business divisions, we collaborate with partners to support the shift to renewable energy sources.



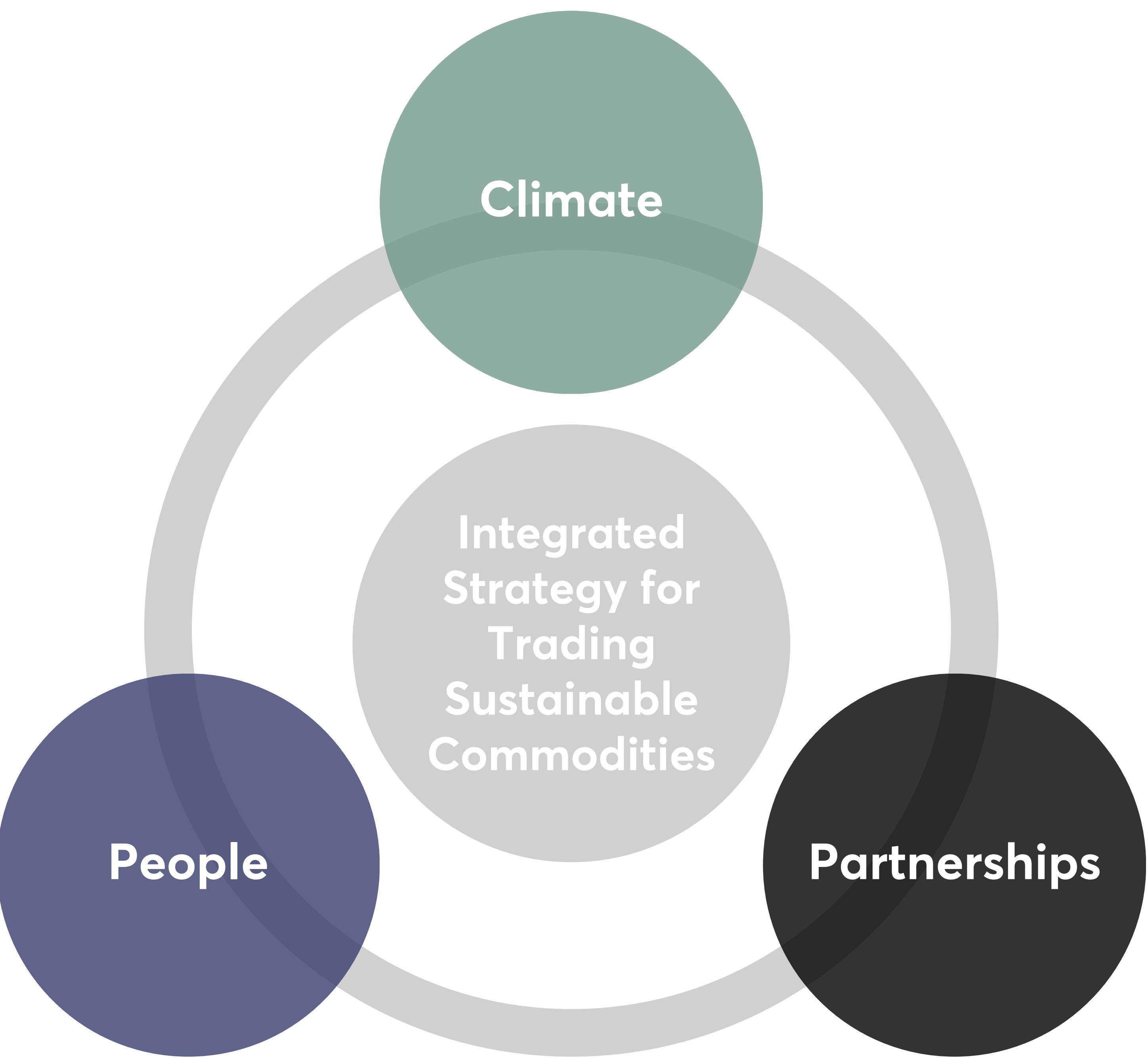
"Our focus on product quality, traceability and finding logistics solutions to meet our customer needs, is essential to everyone's success. Our team is passionate about building and developing the new global supply chains required to support the ambitions of large and small emitters around ESG requirements, net-zero targets and UN Sustainable Development Goals."

DAN MURRAY
Executive Vice President

Our Sustainability Strategy

We believe our ability to drive the global transition to a more sustainable future is critical to our long-term success.

We recognize that the global challenges across our focus areas of Climate, People, and Partnerships are interconnected. Our sustainability strategy is intentional in its approach to ensure we consider the social and environmental impacts of our business and value chains in support of a just transition.



Our strategy was informed by a materiality assessment completed in 2023. Our material topics are aligned to our focus areas of Climate, People and Partnerships and are used to guide our investments, measurements, and ongoing partnerships.

Focus Areas

Our sustainability strategy and programs are focused on 3 key areas. They include commitments that provide clarity on the most important issues we seek to address through our solutions, supply chains, external partnerships, and the management of our businesses.

Climate Change

As a leader in sustainable commodities, we recognize we have an important role to play in the transition to a low-carbon future. We supply our customers with renewable energy products that meet their needs while supporting their transition to low- and zero-carbon energy sources. We also provide emissions reduction solutions for large and small emitters pursuing emission reduction goals and net-zero targets.

People

As a growing global company, we believe building respectful and inclusive relationships is integral to our ability to expand our business, innovate, make better decisions, serve our partners, and support our communities. In recognizing that our activities may positively or adversely impact people, we are committed to respecting human rights.

Partnerships

We believe building collaborative, transparent, and mutually-beneficial relationships strengthen our business and sustainability performance. We value our international network of partners and the insights they provide. Our partnerships help us look at things differently as we work to build a more sustainable world.

Our Priorities

This year, Targray conducted a global materiality assessment to identify and understand the range of sustainability risks and opportunities relevant to our business, from both the perspective of our organisation and from that of our stakeholders. Our assessment enables us to focus our strategic priorities, refine our reporting, and inform the evolution of our sustainability programs.

Identifying our Material Topics

Leveraging the expertise of an external sustainability consultant, the first phase began by identifying relevant sustainability topics, taking into consideration our activities, business relationships, stakeholders and sustainability context.

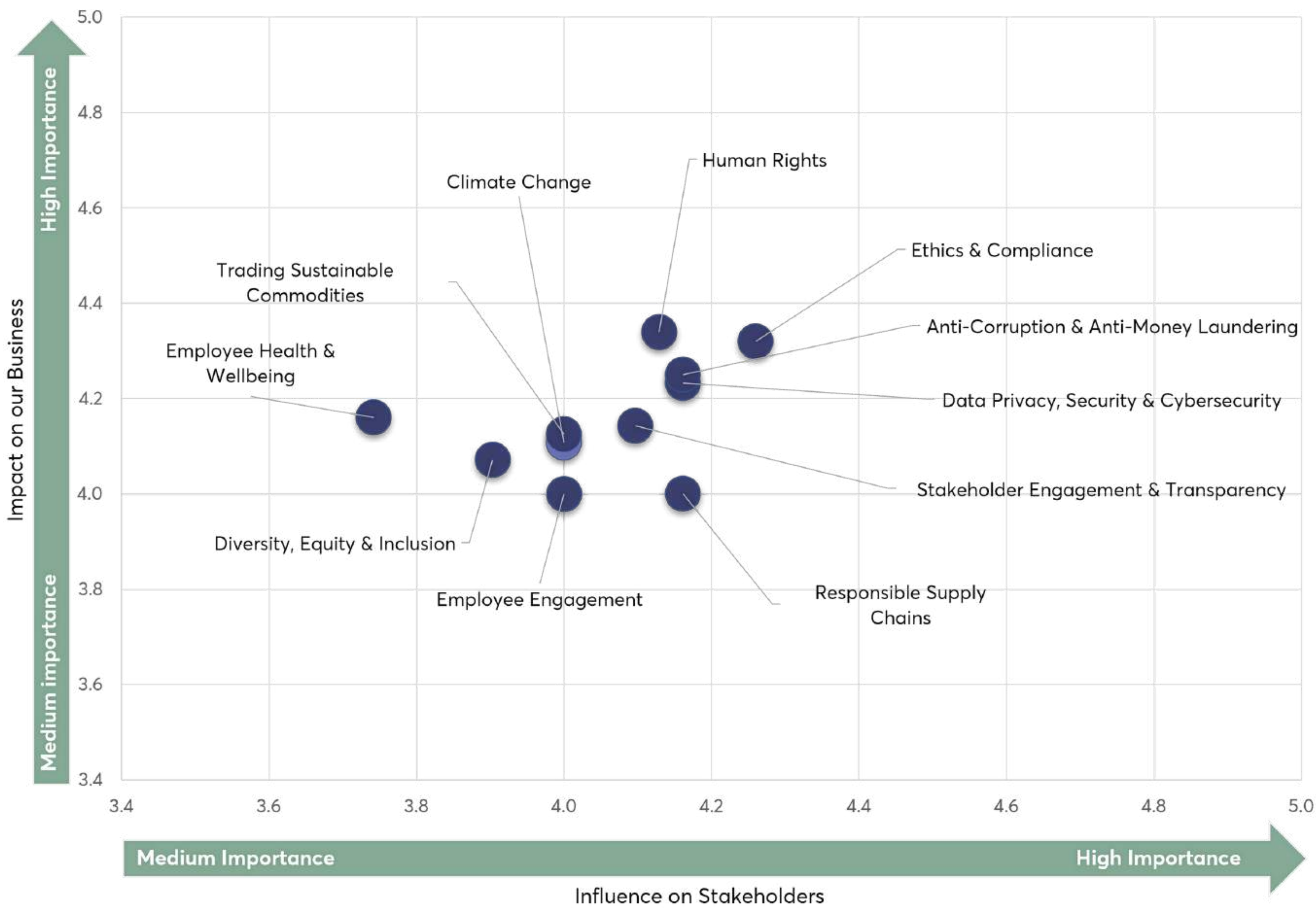
We looked at topics regularly reported on by our peers within our own industry, various voluntary reporting frameworks such as Sustainability Accounting Standards Board (SASB) Standards, Global Reporting Initiative (GRI) Standards, United Nations Sustainable Development Goals (SDGs), World Benchmarking Alliance (WBA) and the United Nations Global Compact were also evaluated for key performance indicators (KPIs) and disclosures that have specific relevance for our industry.

The second phase included a survey and interviews. In 2023, we received input from 88 stakeholders using an electronic survey to understand the sustainability topics that most influence their decisions or perspectives of Targray. Diverse groups were engaged, including third-party suppliers and counterparties, employees, governments, industry associations, customers, insurance providers and financial partners.

The selection and identification of stakeholders considered their geographic representation and their influence and interest in our business. As a follow-up to the survey, we also conducted in-depth interviews with key stakeholders to gain further insights.

Finally, all feedback and topics were subsequently analyzed and discussed with our leadership team to further inform the sustainability topics prioritization process. The most important topics are plotted on our prioritization matrix and are covered in this report.

Our Prioritization Matrix



Stakeholder Engagement & Transparency

We believe that building collaborative, transparent and mutually beneficial relationships with our stakeholders strengthens our business and sustainability performance.

Building Trust Through Open Communications

We value our international network of stakeholders for the insights they provide. Through open and direct dialogue, we further develop our understanding of risks, opportunities, and the potential impacts of our business on the environment and people. We believe that the quality of our decision-making depends on the insights of our stakeholders, including social, environmental, ethical, and economic issues.

Meaningful Engagement

We regularly engage with our key stakeholder groups including our employees, financing partners and insurers, third-party logistics suppliers, customers, governments, and industry associations. Sentiment and critical matters raised by stakeholders is collated and reported to the Sustainability Committee and to the leadership team as appropriate.

In response to our engagements over the past year, in 2023 we strengthened our sustainability disclosures through formal reporting, issuing our inaugural sustainability report. We also strengthened our stakeholder engagement and transparency with a human rights due diligence process and employee training to raise awareness on sustainability as well on sustainability issues such as climate change and human rights.

PICTURED:
Targray trader Laurence Tétreault-Falsafi meets industry peers at a Marine Fuels conference in Houston, Texas.



Stakeholder	Why We Engage	How We Engage
Employees and Consultants	<p>As a rapidly-growing international organization, our employees are critical to our business and our most important stakeholder group. We rely on their expertise, commitment, and professionalism for the business to innovate, grow and succeed.</p> <p>We are committed to valuing collaboration, respect, dignity, fairness, non-discrimination, equal opportunity, training and development and diversity and inclusivity in the workplace.</p>	<p>We engage with employees via two-way communications. We use several approaches such as face-to-face interactions at all levels, including with senior leadership, virtually, in-person, and by email, town halls, intranet content, our newsletter, social media and special events.</p>
Counterparties	<p>We work in unison with global partners to drive growth, innovation, the transition to clean energy and sustainability in a broad range of industries.</p> <p>We believe in collaborative partnerships and invest in long-term relationships.</p> <p>As an international commodities firm, we prosper by building meaningful relationships throughout the supply chain and solving for inefficiencies.</p>	<p>Every day, we engage with counterparties through our various teams.</p>
Financial Institutions and Insurance Companies	<p>We are fortunate to work with banks worldwide on the financing of our business and strategic growth initiatives. Equally, insurance is key to helping us manage the risks of our business and we have longstanding and strong relationships with our insurers.</p> <p>Increasingly, banks and insurers' policies are subject to scrutiny and increased regulations. They require assurance that our systems and processes integrate sustainability aspects and reflect internationally accepted standards.</p>	<p>We engage through financial and corporate presentations, and regular meetings, virtual and in-person.</p>
Third-party Logistics and Service Providers	<p>We work with numerous third-party logistics and service providers globally and count on them to help us safely procure, store and transport the products we trade.</p> <p>We aim to identify and collaborate with companies who share our values and sustainability focused approach.</p>	<p>We engage with our third-party logistics and service providers through our Operations and Commercial teams.</p>
Regulatory Bodies	<p>Our business requires us to operate across regulated and unregulated markets worldwide. As domestic and international regulations are continually evolving, we aim to be prepared for such changes.</p> <p>We seek to have an open and ongoing dialogue with regulators wherever we operate.</p>	<p>Engagements with regulators are maintained through regulatory filings, upon request and pro-actively on a case-by-case basis.</p>
Industry Associations	<p>We are members of several external associations and participate in a variety of initiatives and events. Our engagement informs improvements in our own approach to sustainability.</p>	<p>We participate in association events and conferences throughout the year.</p>

Supporting the UN Sustainable Development Goals

The 2030 Agenda for Sustainable Development adopted by all United Nations Member States in 2015 provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

Targray supports the UN SDGs, and although our business touches many of the SDGs, our impacts are most aligned to SDG 13: Climate Action, SDG 7: Affordable Clean Energy, SDG 5: Gender Equality, and SDG 3: Good Health and Well-being.



"The UN Sustainable Development Goals help inform our approach to sustainability and the role we play in accelerating universal progress towards a more sustainable future."

FELISMINA DE OLIVEIRA
Chief Operating Officer
and Head of Sustainability

Governance

More than just a standard, ethical behavior is a fundamental value that guides our actions and decisions

Governance

We recognize the critical importance of conducting our business responsibly.

As a privately-held family-owned company, we have established an Advisory Board comprised of external experts with extensive experience who serve as a sounding board on various topics, including our sustainability journey and initiatives. We have governance structures and risk management systems which seek to address a wide range of financial, regulatory, social, and environmental risks.

Sustainability Governance

The leadership team recognizes the importance of further integrating sustainability within our business, and as such, in 2023, formally named Felismina De Oliveira, the Chief Operating Officer (COO), as having overall responsibility for sustainability. Reporting to the President & CEO, our COO is entrusted with leading the development and implementation of Targray's sustainability strategy and monitoring progress against goals. To support and embed sustainability governance and accountability, we instated sustainability as a standing topic at our regular leadership meetings, where the executive team provides oversight of Targray's material sustainability issues including people, climate change, and governance topics.

Some of the key responsibilities of the leadership team members include: Oversight of the management of identification, assessment, and prioritization of sustainability matters; identification of issues and trends that could significantly impact Targray's long-term value; ensuring that the management of sustainability issues is embedded across the business; and reviewing, monitoring and reporting on actions and initiatives to prevent, mitigate and manage risks related to sustainability matters.

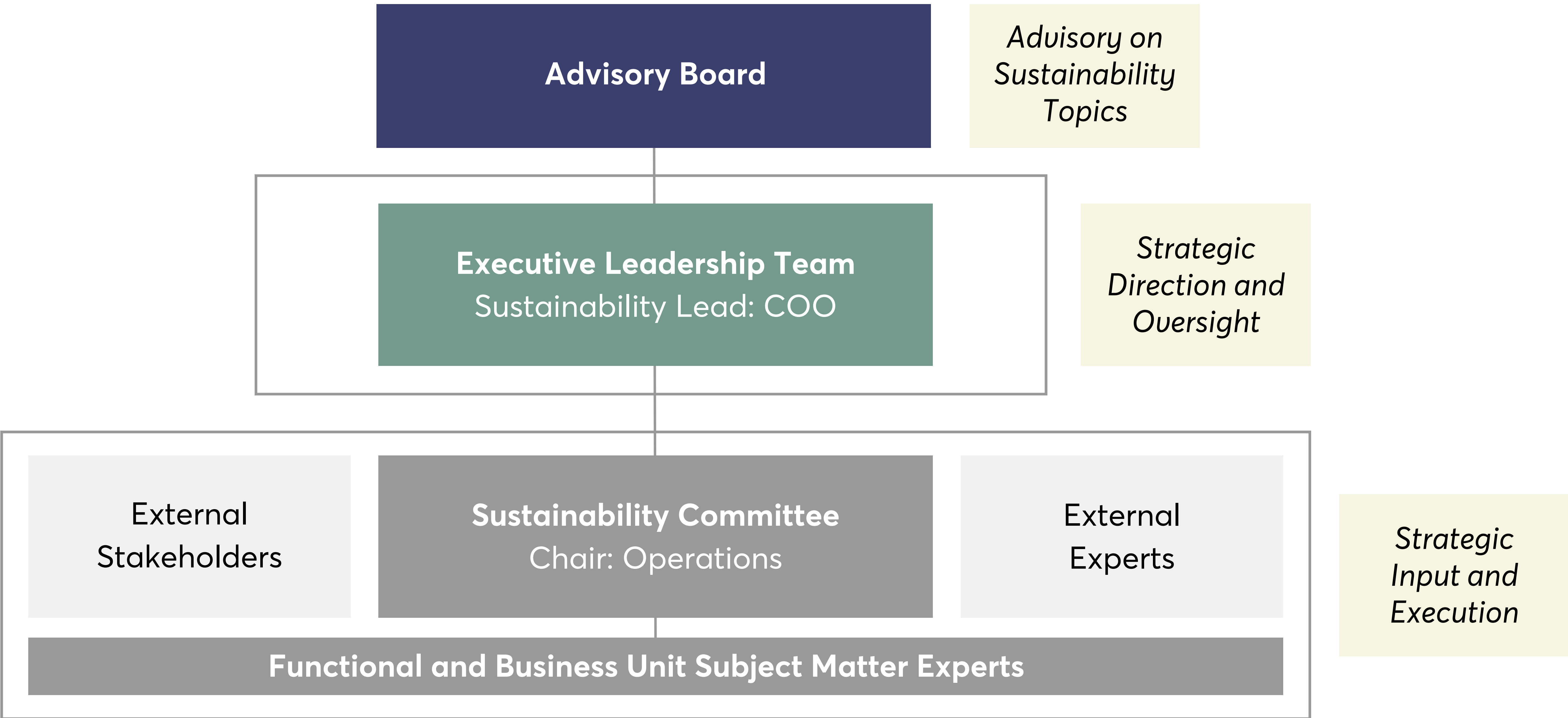


Establishing Our Cross-functional Sustainability Committee

To execute our sustainability strategy, we initiated a cross-functional Sustainability Committee comprised of leaders from several jurisdictions and developed our 2023 plan. Committee members were selected based on their diverse expertise and commitment to sustainable leadership. The Sustainability Committee is responsible for helping integrate Targray's overarching sustainability strategy, as well as reporting, including leading the efforts for this inaugural report. In 2023, the Sustainability Committee completed a materiality assessment and reviewed sustainability priorities important to our business and our stakeholders, including financial partners and counterparties.

In addition to reporting, we are committed to continuing the development of an enterprise-wide sustainability strategy. Part of this will include further integration of current activities and opportunities that provide value to our counterparties, financing partners, and employees as we transition to a more sustainable future. This inaugural report is a natural step in our sustainability journey. With this report we are increasing our level of transparency, showcasing our innovative leadership activities, and identifying opportunities where we can enhance our sustainability efforts across our entire business.

Sustainability Governance Structure



Ethics and Compliance

We have always believed that doing the right thing sets the foundation for long-term success.

We work to foster a culture of respect and collaboration, focusing on ethical standards and building strong compliance programs as we continue to grow and serve more customers around the world.

Our Risk and Compliance Departments work to provide guidance, monitor, and enhance processes to manage and mitigate risks and anticipate others that exist within the commodities trading sector. Our goal is to maintain high ethical standards and comply with all relevant rules and regulations wherever we operate.

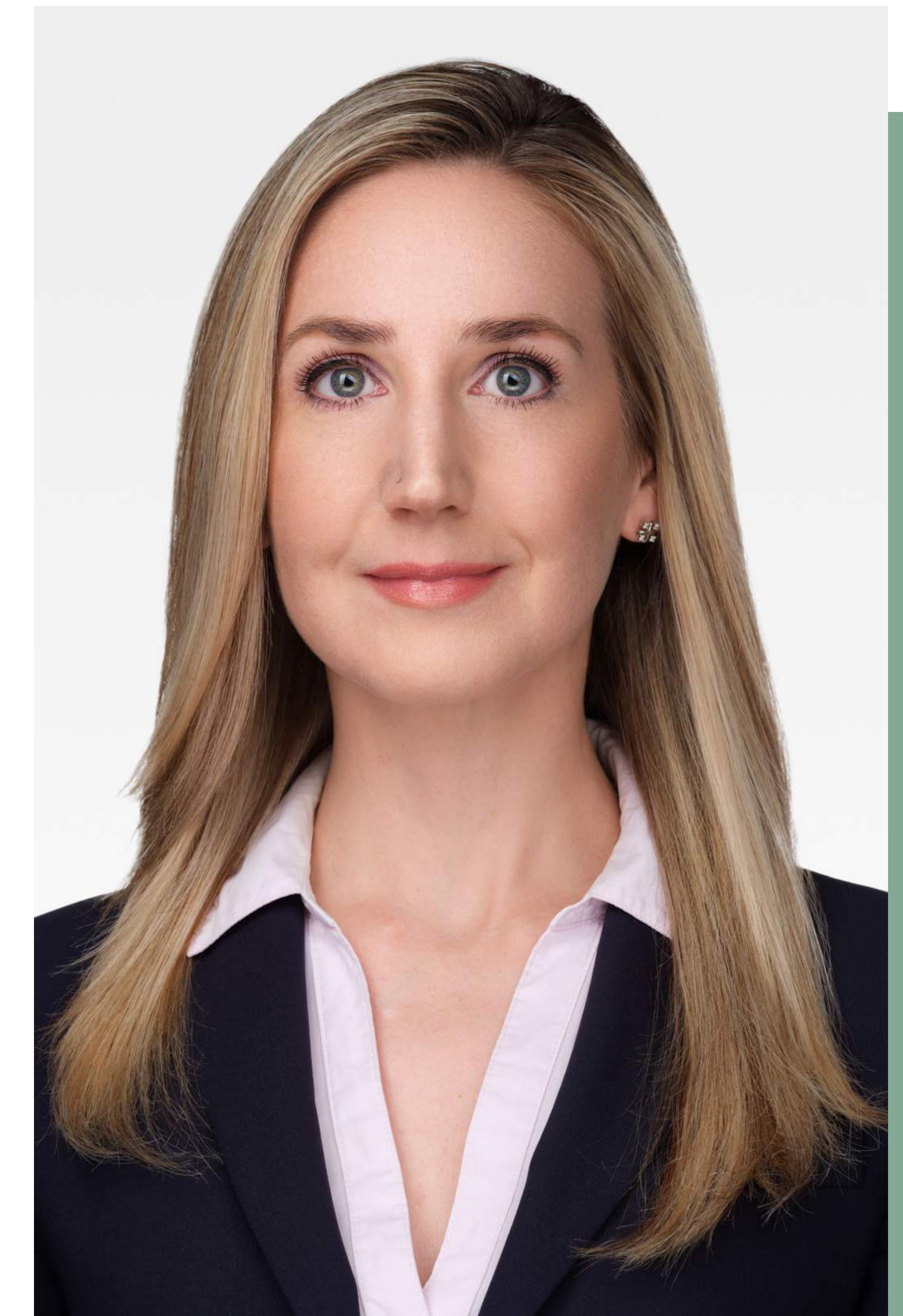
We communicate, monitor, and enforce ethics and compliance across our organization and through our value chain, including through our Employee Code of Business Conduct and Ethics and our Business Partner Code of Conduct.

Our Code of Business Conduct and Ethics

Targray's Code of Business Conduct and Ethics is foundational to our business. Anchored by our belief in doing the right thing, the Code sets out the behavioral expectations that we have for our business and outlines the shared ethical standards and key compliance policies that apply to all our employees worldwide. The Code is shared with new employees during the on-boarding process, which also includes training, and reinforced through annual trainings on various key policies and/or regulations.

Every employee must comply with and report known and suspected violations of the Code or Targray's compliance policies. Employees have many options for reporting ethics and compliance concerns. Managers set the tone for their teams and are often the first people to turn to. Employees can also reach out to their department head, a member of the Legal Department, or a member of the People & Culture (P&C) Department for guidance and support. Employees can also communicate by email to ethics@targray.com. In 2023, we updated and reissued the Code to ensure it remains relevant to the business, aligns with our sustainability strategy, and to reflect the evolving regulatory environment.

The Code is supplemented by our policies that provide concise and practical guidance on the correct approach to a variety of day-to-day situations in key areas including anti-bribery and anti-corruption, anti-money laundering, and sanctioned high-risk jurisdictions. Everybody who joins Targray commits to operating in compliance with the standards set by the Code and failure to do so can result in serious disciplinary action.



"Targray's foundational belief in doing the right thing combined with our compliance program play a pivotal role in helping fulfill our mission - to provide sustainable commodity solutions for a world in transition."

JANINE PETER
Chief Financial Officer

Extending Our Code to Partners

Given the important role our counterparties play in our business, ethics and compliance are also critically important within our supply chain. At Targray, we believe in building a sustainable business that not only creates economic value but does so in a way that benefits our stakeholders. We are committed to working with partners who share the same principles of sustainability and ethical behavior as we do. We aim to collaborate with our partners to maintain a resilient and sustainable supply chain.

In 2023, we established Targray's Business Partner Code of Conduct, which complements our Code of Conduct for employees. The Partner Code specifically enlists our counterparties and business partners in upholding the same ethical standards as Targray, aligned with internationally recognized principles and standards such as the United Nations Declaration of Human Rights and the International Labor Organization (ILO) Conventions, and includes requirements in the following areas:

- *Compliance with laws*
- *Business ethics*
- *Labor and human rights*
- *Health and safety*
- *Environment*
- *Management systems*

Assessing and Managing Risks

Assessing and managing ethics and compliance risks is a shared responsibility — from the Legal, Compliance, and Risk functions, led by our Chief Financial Officer (CFO), Janine Peter, all the way through to our business and other functions.

Targray mitigates ethics and compliance risks through policies, procedures, communications, training and due diligence, detects ethics and compliance risks through monitoring and auditing, and responds to concerns of misconduct through reporting, investigations, and enforcement.

Compliance Training

We continue to refine and update our mandatory compliance training program as we grow our business to ensure that it remains relevant in a rapidly evolving regulatory environment. In 2023, we developed and rolled out online training modules associated with our Code of Business Conduct and Ethics, anti-bribery and anti-corruption, anti-money laundering and counter-terrorist financing, as well as commodity trading programs covering finance, legal, compliance and risk aspects.



Our Approach to Counterparty Due Diligence

Key to the assessment of counterparties is the Know Your Counterparty (KYC) onboarding and monitoring policy and processes. The KYC procedures enable Targray to know and understand more about our counterparties by screening for sanctions, politically exposed persons (PEP), adverse news, legal proceedings or other types of information that help identify high risk counterparties. The KYC process involves all the necessary actions to make sure Targray's counterparties are genuine and are not involved in any illegal activities while helping to prevent and identify potential money laundering activities. In 2022, we carried out 706 KYC onboarding checks, of which 11% of counterparties assessed were not approved, while 89% were approved and onboarded.

Anti-bribery and Anti-corruption

As a company active in the global commodities markets, bribery and corruption and counter-terrorist financing are amongst the top risks and as such are a critical priority. In 2022, as a part of Targray's efforts to mitigate risk across the company, the Compliance and Risk Departments continued to apply, review, reinforce, and enhance the Know Your Counterparty (KYC), Anti-bribery and Corruption (ABC) and Anti-money Laundering (AML) programs. It involved consistently screening counterparties as part of the KYC process as well as communicating the policies and investing in training the traders and all Targray employees.

In 2023, the policies were formally extended to Targray's counterparties through the Business Partner Code of Conduct.

Sanctions

As a participant in the global commodities markets, Targray takes its sanctions obligations very seriously. Throughout the counterparty and transaction-based due diligence process, sanctions checks are carried out, through third-party systems, via Targray's own internal processes, and expert advice.

We continue to ensure awareness of sanctions issues by encouraging internal experts to participate in industry-relevant external trainings, as well by providing annual compliance training and communications across all departments.



TARGRAY ANTI-CORRUPTION POLICY



TARGRAY ANTI-MONEY LAUNDERING POLICY



TARGRAY BUSINESS PARTNER CODE OF CONDUCT



"By staying abreast of the latest regulatory frameworks, emerging trends, evolving money laundering techniques and emphasizing the importance of due diligence and proper documentation, Targray's anti-money laundering program is designed to train our people to safeguard our financial assets and reputation."

TERENCE LEE
Compliance Officer,
Legal and Compliance

Cybersecurity and Data Privacy

Keeping information technology safe is a top priority.

Our business is highly dependent on technology for our day-to-day trading as well as our administrative activities. Our customers, counterparties, financial partners, and employees need to know that our network is secure and their information safe from cyberattacks.

Ensuring Rigorous Oversight

We understand the significant operating risks as well as the importance of securing personal information, and we are investing to meet the evolving data security expectations and regulations. We have a cybersecurity governance framework in place. Targray's leadership team provides technology and cybersecurity oversight through regular review of significant risks and issues and updates from the Chief Information and Digital Officer (CIO) and Chief People Officer (CPO). Our CIO, Sajindra Jayasena, oversees the company's cybersecurity program, while the CPO, Anabelle Gauthier, oversees the company's personal data privacy policies and processes.

In 2022, we did not identify any material information or cybersecurity incidents. However, we recognize that despite having a robust program, determined attackers, flaws in software or hardware, or human error by employees or contractors may still

circumvent or overcome controls and negatively impact the organization. We therefore continually monitor, review, and invest in our programs, as well as our risk mitigation and resiliency processes.

In 2023, we began implementing the federal CyberSecure Canada program, and expect to become certified in the next few months.

Policies & Standards

Our cybersecurity policies are available to all employees and reinforced with a formal cybersecurity awareness training program. We also conduct awareness campaigns and proactively communicate with employees on this topic.

In 2022, we trained employees on password security, phishing threats, social engineering red flags and cybersecurity awareness.

External Audits & Vulnerability Analysis

We engage independent third parties for penetration testing and assessments of the cybersecurity program on at least an annual basis and have defined monitoring and incident response processes.



"Our cybersecurity policies and practices continue to evolve as we grow our business, in order to securely protect administrative and operational activities as well as personal and company data."

SAJINDRA JAYASENA
Chief Information and Digital Officer



People

*Our people are critical to achieving
our mission*

People

We are bringing together diverse people, ideas, and resources to fulfill our mission to provide sustainable commodity solutions for a world in transition.

At the center of our employment philosophy is the belief that every team member is critical to our success. We aim to foster an inclusive and diverse environment where ideas, ingenuity, and a passion for making a difference is supported and recognized. Emerging from the COVID-19 pandemic restrictions and responding to clean energy market demands, we have embarked upon a program of hiring and capacity building to support our growth strategy. Our headcount more than doubled since 2021, increasing from 74 to 157 employees at year-end 2022, with team members working worldwide in over 15 countries.

Our P&C Department supports our overall employee experience — from hiring to retaining our talented team members — through our inclusive culture, learning opportunities, compensation, and benefit programs. The Department is led by Anabelle Gauthier, Chief People Officer, reporting to President & CEO Andrew Richardson. Anabelle works with the P&C Department to help Targray connect with, develop, and care for team members, and to help everyone do their best work with passion and pride.

Our People efforts in 2022 contributed to two key UN Sustainable Development Goals:



SDG 3: Good Health and Well-being

We aim to impact Good Health and Well-being through our employee Health and Well-being programs and benefits and by continuously developing and improving our programs through employee feedback and input.

SDG 5: Gender Equality

We are developing strategies to attract, retain and provide opportunities for women in leadership and management roles in the commodity trading sector.



"We aspire for our teams to work cross-functionally to achieve internal synergies, leveraging the diverse skillsets and backgrounds of each team member. We want our employees to feel valued and recognized for their contributions in and outside of work, and that they come to work each day with a sense of purpose and belonging."

ANABELLE GAUTHIER
Chief People Officer

Building a Workplace That Reflects Our Values

Our focus is on attracting and hiring diverse talent, supporting their health and well-being and engaging our employees. We strive to protect human rights and provide an inclusive workplace where all employees feel valued.

Inclusion and Diversity

We are recruiting and developing a diverse workforce and driving a culture of inclusion and belonging within Targray and the communities we serve.

Employee Health and Well-being

From physical health to emotional well-being to building a solid financial future, Targray is committed to putting people first through our focus on employee wellness.

Employee Engagement

Beyond offering competitive compensation and benefits programs, we are working to enhance employee engagement through increased recognition and more frequent two-way dialogue with our people to gain important insights on topics important to them.

Human Rights

We believe human rights are fundamental. We are committed to respecting the human rights of all Targray employees and all those whose lives and livelihoods we touch throughout our supply chains.

As we continue to grow our business in the coming years, we will also focus on progressing our efforts with on-boarding new joiners and developing additional training and development programs for all our employees by providing more structure and accessible content for continuous learning as they integrate, develop, and flourish in our culture and organization.

PICTURED:

Targray employees celebrate Diwali at the company office in Gurugram, India.



Inclusion and Diversity

We are committed to welcoming and celebrating diversity, and to fostering a culture of belonging where everyone feels included.

As a growing global company, we believe that building a respectful, inclusive, and supportive culture is integral to our ability to expand our business, innovate, make better decisions, and to serve our network of international counterparties, partners and communities well. Our differences make us stronger and we value the diversity we have across our offices in its many forms, including national origin, gender, ethnicity, age and cultural diversity.

As we continue to formalize our approach and further develop our inclusion and diversity initiatives, we are focused on inclusive leadership, increasing gender diversity at all levels and raising the cultural awareness of our global network of employees.

More Inclusive Leadership

To provide sustainable commodity solutions for a world in transition, we need a workforce with diverse backgrounds and experiences. We are making continuous progress in building a team that represents the diverse and ever-changing world we live in.

The commodity trading industry has typically lacked gender diversity and Targray is focused on closing that gap. As we quickly grew and transformed our business over the last few years, we set an intention to build inclusive leadership. Starting at the top, in 2023, we achieved gender parity at the executive level, as we recruited and filled several key positions.

Advancing Gender Diversity and Equity in Trading

We are committed to the advancement of women in the industry at all levels and we are proud that our overall workforce is 40% female. We have a number of initiatives under way, such as increasing gender diversity beyond the leadership team level to other management levels, developing our talent pipeline, setting formal targets, ensuring that all our job titles are neutral, and focusing on pay equity. We believe fair and equitable pay is essential for ensuring all workers are respected and appreciated. In 2022, we achieved gender pay equity, on average, among all our management-level employees.

Catalyzed by the diversity of our senior leadership team, Targray is undertaking a company-wide effort to assess and evolve our Diversity, Equity and Inclusion (DE&I) strategy and goals in 2024.



International Women's Day | Women in Leadership Panel Discussion

In honour of International Women's Day (IWD), which took place in March, a 'Women in Leadership' panel discussion was held on gender equality and inclusion in the workplace. The panel featured our three women executives: Janine Peter (CFO), Mina Oliveira (COO) and Anabelle Gauthier (CPO) - each diving into their backgrounds and sharing their thoughts around empowering both women and men to be leaders and take care of their careers. It was a lively and inspiring discussion, with great participation from our colleagues abroad. Targray is proud to be immersed in social causes such as IWD.



"Each issue of Le Monde includes an employee spotlight interview where we select a different team member to showcase, providing visibility on what they do at Targray. This helps recognize their unique contributions to the organization. We aim to select different employees from different regions and teams to best represent the diversity and talent throughout our global organization."

EVAN GOLDSTEIN
Senior Advisor,
Internal Communications

Raising Cultural Awareness for Employees

We communicate our commitment to inclusion and diversity in the workplace through numerous programs and initiatives across our organization. For example, our onboarding program includes online trainings entitled "Communicating Across Cultures" and "The Culture Map with Erin Meyer" that are mandatory for all of Targray's new hires.

Our annual campaigns aim to highlight key diversity celebrations and increase engagement through awareness and recognition. In 2021 we launched our employee newsletter "Le Monde", ("The World" translated in French) to signify Targray's global presence and inter-connectedness across the organization.

In 2022, we promoted important diversity and cultural dates and celebration events across our company. For example, International Women's Day, Pride Month, Remembrance Day in Canada, as well as other cultural events that touch many of our employees such as Diwali and Ramadan. Many of these were also celebrated with in-person activities throughout our various office locations worldwide.



Employee Health and Well-being

We recognize there are multiple interconnected facets of wellness that collectively contribute to the overall health of our employees.

Employee wellness plays a vital role in sustaining our high-performance, fast paced culture. It forms the foundation of our capacity to reach our organizational objectives, as well as our ability to both attract and retain top talent.

Our Global Corporate Wellness strategy is built upon four key pillars: mental, physical, financial wellness, and employee experience.

Supporting Mental Wellness

We aim to promote and support mental health at work and beyond. We focus on prevention, managing illnesses, and fostering positive outcomes. Our programs include benefit plans to support the health of employees and their families, including mental health coverage, Employee Assistance Program (EAP) with free, 24/7 access to third-party confidential advice and help for employees and their families, paid and unpaid time off to promote mental health and work/life balance, and hybrid work options.

Supporting Physical Wellness

We actively promote various facets of physical well-being, such as creating a safe working environment and encouraging employees to adopt activities like regular physical exercise, sound nutrition, and adequate rest.

We support healthy lifestyles through internal fitness campaigns, health-related incentives, educational resources, and workplace safety. Our programs include an onsite gym, a yoga room, quiet rooms, access to healthy food and snacks, and a smoking cessation program.

Investing in Financial Wellness

We understand that employees who are financially secure tend to be happier, healthier, and more productive. Our pay programs are thoughtfully structured to ensure employees receive compensation that aligns with the demands of their daily lives, while also remaining competitive within the job market.

Examples of our programs include retirement and savings plans, paid family and medical leave programs, including maternity, paternity, parental/adoption, compassionate, and sick leave, and financial counseling services to provide guidance and support in managing financial matters.

Building Employee Experience

We are committed to creating wellness plans based on employee preferences and needs. We regularly review and update offerings and encourage leaders to actively participate in wellness activities, including through wellness challenges. The structure of our wellness initiatives also varies across regions, acknowledging the unique local requirements and Targray priorities globally.

In the coming year we plan to continue to enhance and strengthen our wellness programs by providing mental health training for people leaders, and additional access to mental health webinars and podcasts.



Targray Flex

Teleworking

Targray Flex allows all employees to use a hybrid formula combining remote and on-site work at any one of our offices.

Flexible Schedule

Employees can set their start and/or end time of their workday, provided they work the same number of hours as in a traditional schedule.

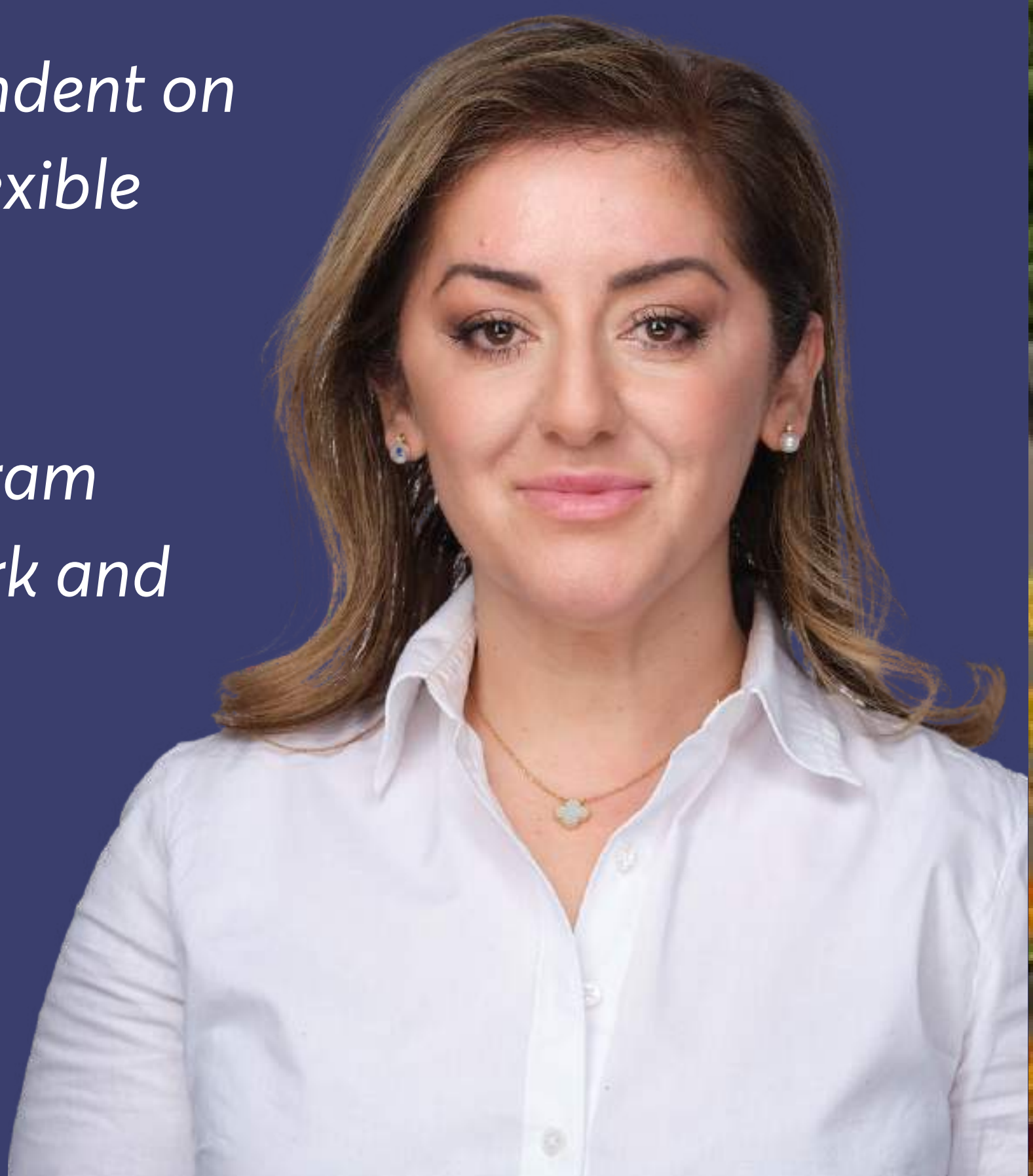
Give & Take

Work sometimes requires an interruption to the traditional “9 to 5” to manage work and personal obligations. The “Give & Take” approach endorses flexibility and encourages employees to manage their own schedules while continuing to deliver expected results.

“We acknowledge that good work is not dependent on when or where it gets done. By promoting a flexible workplace, we provide employees with more autonomy and freedom to manage their work schedules. Targray Flex is a flexible work program intended to help employees integrate their work and personal lives more efficiently.”

MONA GHALEHI

Senior Manager,
HR Operations and Total Rewards



Employee Engagement

We take pride in fostering a great workplace culture and look to build on our success as we continue to welcome new team members.

We believe that open and honest communication among team members, managers, and leaders helps create an open and collaborative work environment where everyone can contribute, grow, and succeed.

Connecting With Colleagues & Leaders

Across all our teams, we are building on our commitment to creating an environment where people at every level of the company feel welcomed, connected, and supported. Our goal is to listen and learn — and to use those lessons to build an even better workplace and culture.

We encourage open and honest communication among team members, managers, and leaders as we seek to build a better work environment for all. If team members have questions, feedback, or concerns, they are encouraged to share them with their manager. If a team member is ever uncomfortable raising a particular issue with their manager, they can discuss it with any manager in the organization, the P&C team, or they can contact Targray's Director, Legal and Compliance.

Obtaining Feedback Through Surveys

Team members can let us know how Targray is doing by participating in employee surveys that we conduct regularly.

These survey results are a great way for us to learn about what we are doing well and how we can do better in areas like employee recognition, manager performance, and setting and communicating clear expectations. Teams are encouraged to create action plans based on survey results.

We conduct annual surveys for all Targray team members to listen to their views on topics such as credibility, respect, fairness, pride, camaraderie, and overall management. Leaders use the survey insights to take steps to better support team members where they need it. Over the last two years, we focused on listening to employees as they were transitioning back to the office after having worked remotely during the pandemic, while the company was also experiencing rapid change and growth. For our 2022 survey, 87% percent of team members participated, and our trust index score was 83%, consistent with previous years.

As we continue to grow, hire, and onboard new employees we want to ensure we welcome and equip them with what they need to be supported and successful, and more frequent pulse surveys will help us stay connected to our new joiners. The Let's Talk Program was introduced in 2022 and all new employees are met after 30 and 90 days of joining Targray. These open exchanges provide us with valuable feedback which contributes to adapting our overall people strategy.

Great
Place
To
Work®

Certified

In 2023, for the fourth consecutive year, we earned the Great Place to Work® certification in recognition of our efforts to create an outstanding employee experience and an amazing workplace culture.

As part of the certification process, an anonymous engagement survey was administered to all global full-time employees.

Recognizing Performance and Collaboration

SHINE is Targray’s global recognition program. The program aims to encourage employees, at all levels, to recognize and salute their fellow peers’ achievements (both professional and personal). By making all employees within the organization feel appreciated, and by fostering the values that represent who we are, we reinforce our culture. Our vision is for every Targray employee to embody this mindset of recognition in the workplace.

In 2023, as we continued to strive to cultivate a culture of appreciation and engagement within our organization, we expanded our program to also include our Recognition Badge System within our employee Human Resource Information System (HRIS) called T.Connect. These badges are a powerful tool for recognizing and motivating our team members, serving as visual representations of their accomplishments and contributions. The badges are customized to reflect our core values and goals; they promote transparency and collaboration as employees can see their badges as well as those awarded to their peers. In addition to managerial badge awards, peer-to-peer recognition is encouraged as employees can nominate their fellow team members for badges, shining a light on exceptional work that might otherwise go unnoticed.

Accumulating badges not only offers a source of pride but also the potential for tangible rewards and incentives. This further enhances employee engagement and underscores the significance of their contributions.

Encouraging Employees to Support the Causes They Care About

Each year, Targray’s Environment committee organizes a company-wide Green Week for UN World Environmental Day. Activities in recent years have included a tree planting campaign, a local park clean-up, and the creation of community gardens at Targray offices in Montreal, Quebec and Gurugram, India.

PICTURED:
Targray employees plant shrubs at the company office in Gurugram, India.



Human Rights

We support the Universal Declaration of Human Rights and its implementation through the United Nations (UN) Guiding Principles on Business and Human Rights.

We recognize that our activities may positively or adversely impact human rights conditions in areas where we operate and through our value chain. We are committed to respecting human rights and actively supporting our workforce, business partners, and suppliers in this endeavor.

Protecting Human Rights

We aim to treat everyone fairly, with respect and dignity. This commitment draws on international standards, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Bill of Human Rights and the Declaration on Fundamental Principles and Rights at Work by the International Labour Organization (ILO).

In 2023, our approach was embedded in our updated Code of Business Conduct and Ethics, and all employees will receive human rights training in Q1 2024. Our Business Partner Code of Conduct is an extension of the Code and strives to ensure that our third-party suppliers and counterparties are guided by our values and standards, including our Human Rights policy.

-  **TARGRAY ANTI-CORRUPTION POLICY**
-  **TARGRAY ANTI-MONEY LAUNDERING POLICY**
-  **TARGRAY BUSINESS PARTNER CODE OF CONDUCT**



"Implementing proper due diligence is a process of continuous improvement in a multi-faceted and fast-moving business like Targray. Ensuring that human rights due diligence is embedded in all aspects of the business, in current and future activities, remains a focus for the company."

AIJING LIU
Director,
Legal and Compliance



"As a commodity trading company, Targray does not directly manage the crews that work on the vessels we charter, but we remain vigilant about oversight of these workers and their human rights. In 2022, as a result of business growth, we implemented a new vessel screening program and became a member of OCIMF, who's vision is a global marine industry that causes no harm to people or the environment."

MICHAELA ÖLUND
Operator,
Biofuels and Feedstock

Identifying and Assessing Human Rights Risks

We seek to understand the actual and potential human rights impacts both in our operations and through our business relationships. We recognise growing expectations on companies (including from commercial counterparts) to identify, manage – and communicate – their approach to human rights risks in their value chains, reflected in increasing legislative requirements in a number of jurisdictions around the world, including Canada. In 2023, we have undertaken the process to determine human rights issues affecting our operations and supply chains, as well as the details on our governance and Human Rights Due Diligence (HRDD) process, with a focus on forced labour and child labour risks in our value chain. In 2024 we intend to provide additional training to better equip our employees with the skills needed to identify and assess human rights risks.

Our Know Your Counterparty (KYC) Due Diligence Process

We endeavor to avoid, mitigate, or minimize causing or contributing to adverse human rights impacts through our activities and to address such impacts when they occur. Under our Know Your Counterparty (KYC) process, our business partners are screened for risks relating to corruption, money-laundering and other compliance issues, as well as for sanctions and for negative information in the public domain. If issues of concern are identified, they are escalated internally for review. In 2024, we intend to continue to strengthen our human rights due diligence in accordance with the UNGP 17, as part of our ongoing process.

Reporting Concerns

We recognise that the ability of both internal and external stakeholders to access effective grievance mechanisms is critical to ensuring that we operate our business responsibly. Employees, supply chain partners, or people in the community can make requests, report concerns, or disclose misconduct or potential wrongdoing, including human rights issues at ethics@targray.com or through direct communication channels via dialogue, email, or phone calls, through our Legal, Compliance, and P&C Departments. Targray conducts each case with impartiality, fairness, and confidentiality. Each report is considered seriously and undergoes an investigation.



Climate Change

*We are focused on supporting the global transition
to a low-carbon economy*

Climate Change

As a renewable energy commodity supplier, we have an important role to play in the transition to a low-carbon future.

We recognise the latest scientific assessments as set out by the United Nations Intergovernmental Panel on Climate Change (IPCC) and support the climate change goals of the United Nations Framework Convention on Climate Change and the Paris Agreement. We are aligning our approach to climate change with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Climate Strategy

As a diversified commodities trading company, Targray is inherently equipped to be responsive to market changes, and the company's success over the last 37 years is based on its ability to do so. While our journey began in the Optical Media business, we have been diversifying into new commodities and strategies in response to shifting markets and opportunities for more than two decades.

Our mission is to provide sustainable commodity solutions for a world in transition. We supply our global customers with renewable energy commodities to meet today's needs and to support the transition to low- and zero-carbon sources of energy. Our strategy is focused on 3 key pillars: decarbonizing our business, providing low-carbon commodity solutions and partnering for a just transition.

In 2022, we closed our refined diesel trading business divisions to focus our efforts on a low-carbon future, primarily providing renewable energy. To build on this record, we are committed to improving the environmental impact of our current trading portfolio and investing in new sustainable commodities and businesses in the future.



SDG 13: Climate Action

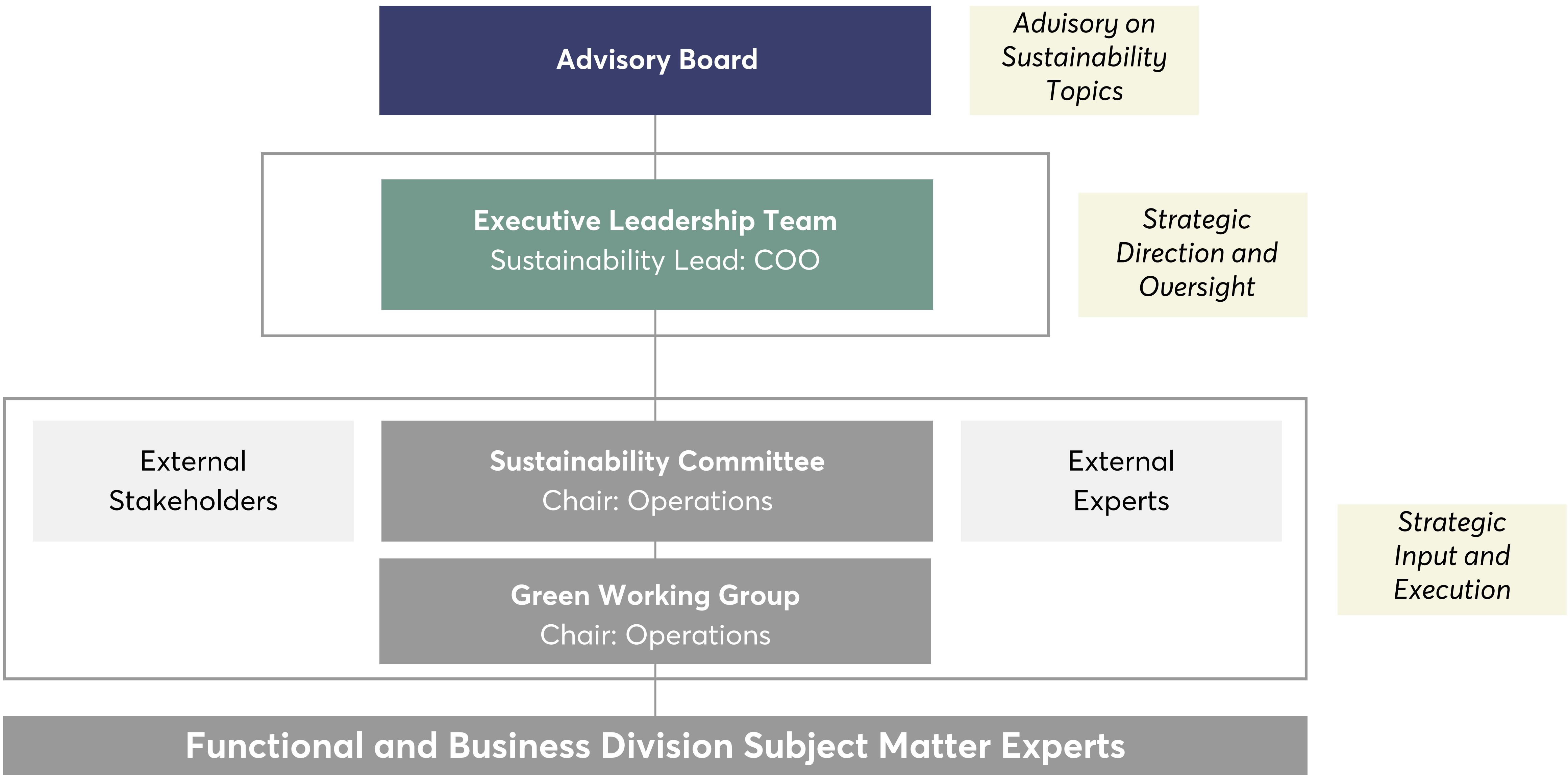
We have shifted our portfolio of commodities to supply low-carbon products to our customers in markets around the world.



Climate Change Governance

The leadership team recognizes the importance of the climate change risks and opportunities that could impact our business, and as such, in 2023, formally named Felismina De Oliveira, the Chief Operating Officer, as having overall responsibility for sustainability, including Targray's climate change strategy. Reporting to the CEO, our COO is entrusted with leading the development and implementation of Targray's climate change strategy and monitoring our progress. Through our regular leadership meetings, the Executive Team provides oversight of the company's material sustainability issues including climate change.

To support our efforts, we created a "Green Working Group," as a sub-committee of our broader, cross-functional Sustainability Committee. In 2023, the working group established our Scope 1, Scope 2, and Scope 3 baseline emissions, presented in this report, and will be working towards setting GHG reduction targets in 2024.



Climate Risks and Opportunities

To manage risks associated with climate change, and their impact on our business, in 2024 we plan to undertake a risk assessment process to consider both physical and transition risks and opportunities for our business. Results of this overall risk assessment will be covered in future sustainability reports.



"In 2023 we formed our Green Working Group, a cross-functional team comprised of members from our Operations, Finance and Commercial departments. Our first objective was to establish Targray's baseline carbon footprint. In 2024, we expect to set emission reduction targets."

MARIA GIL
Leader, Sustainability,
Global Operations
Processes and Analytics

Greenhouse Gas Emissions

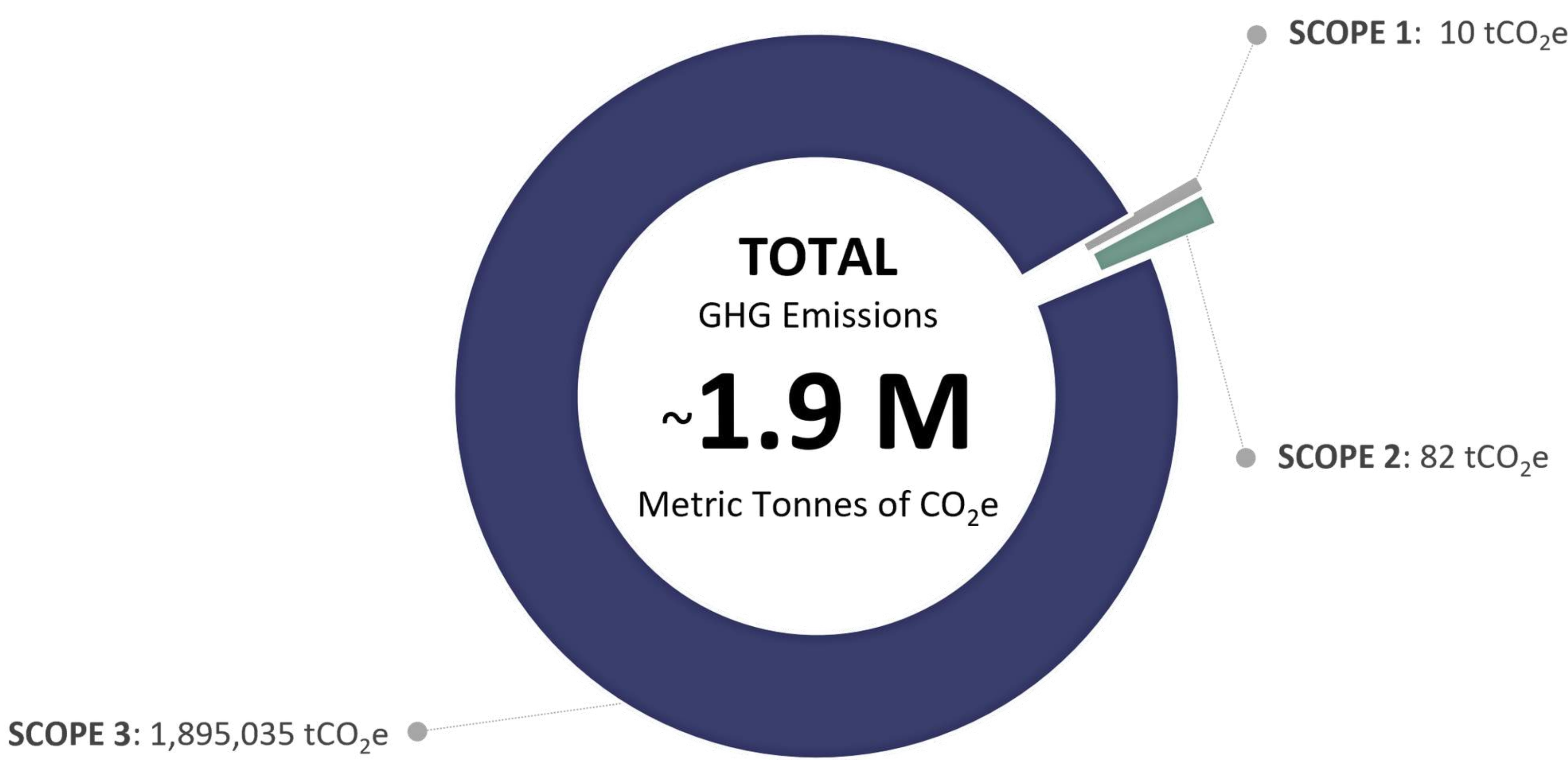
In 2023, we defined a baseline for our Scope 1, 2 and 3 GHG emissions across all owned and leased assets and for our portfolio of traded commodities. Our GHG emission reporting includes a mix of actual and estimated Scope 1 and 2 emissions for our operations. In 2024, we will take steps to continue to refine our Scope 1 and Scope 2 emissions, and

we will explore reporting on any additional material categories under our Scope 3 emissions. The full inventory of CO2 emissions along our supply chain is a complex endeavor we will work at improving the quality of the data shared year-over-year.

2022 GHG Emissions Breakdown, Total Metric Tonnes CO2e (tCO2e)

TOTAL SCOPE 1, 2 & 3 GHG EMISSIONS

(Total Metric Tonnes CO₂e)

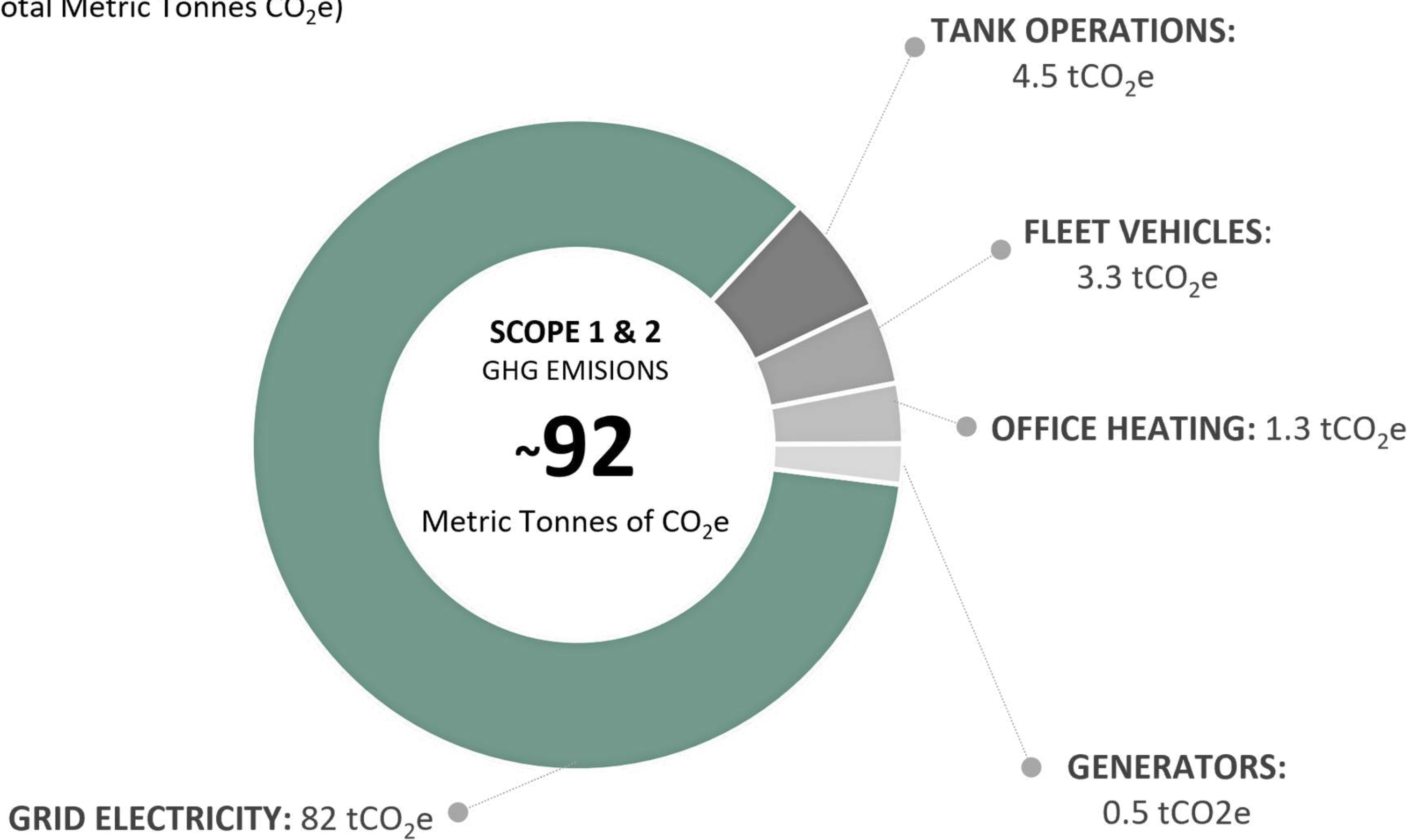


Scope 1 | Direct

Scope 1 emissions are direct emissions occurring from sources owned or controlled by the reporting company. In 2023, we defined a baseline for our Scope 1 GHG emissions, which included emissions from energy required to process our tank operations, fuel oil consumption for office heating, emissions from the combustion of petrol fuel from company vehicles, and natural gas and diesel consumption from back-up generators.

SCOPE 1 AND 2 EMISSIONS BY SOURCE

(Total Metric Tonnes CO₂e)



Scope 2 | Energy Indirect

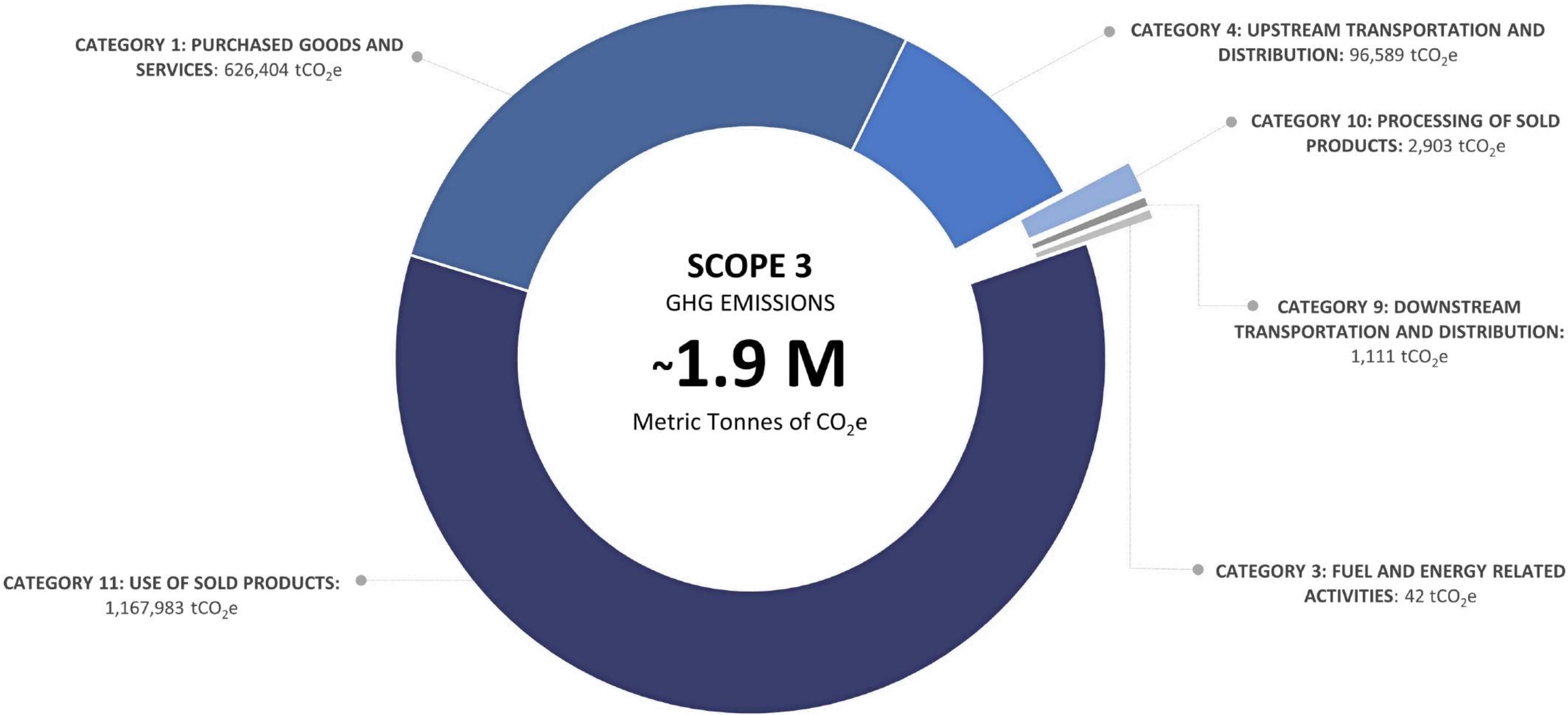
Scope 2 emissions are indirect energy emissions from generation of purchased electricity, heat, or steam. Our Scope 2 emissions baseline was also defined this year and included all GHG emissions from purchased electricity that is consumed by our company to sustain our global business operations, which include electricity consumption for our offices, warehouses and transloading equipment.

Scope 3 | Other Indirect

Scope 3 emissions include all other GHG emissions that occur as a consequence of the activities of a company, but that are not owned or controlled by the company. We consider Scope 3 emissions differently from Scope 1 and Scope 2, given the methodological complexity, regulatory uncertainty, and lack of direct control by Targray. This year we established the 2022 baseline, and our primary objective was to capture the significant emission sources, therefore our focus was on the embodied carbon of traded products, which represent the large

majority of our total emissions. Emissions from other purchased goods and services, IT services, entertainment spend, food and catering, etc. across all Targray entities, were excluded. For some categories of sold products we have analyzed the associated emissions both upstream and downstream. These emissions are very much dependent on Targray’s trading volumes. Additional information on the carbon footprint of our traded products is provided further in this report.

2022 Scope 3 GHG Emissions Breakdown by Category, Total Metric Tonnes CO₂e (tCO₂e)



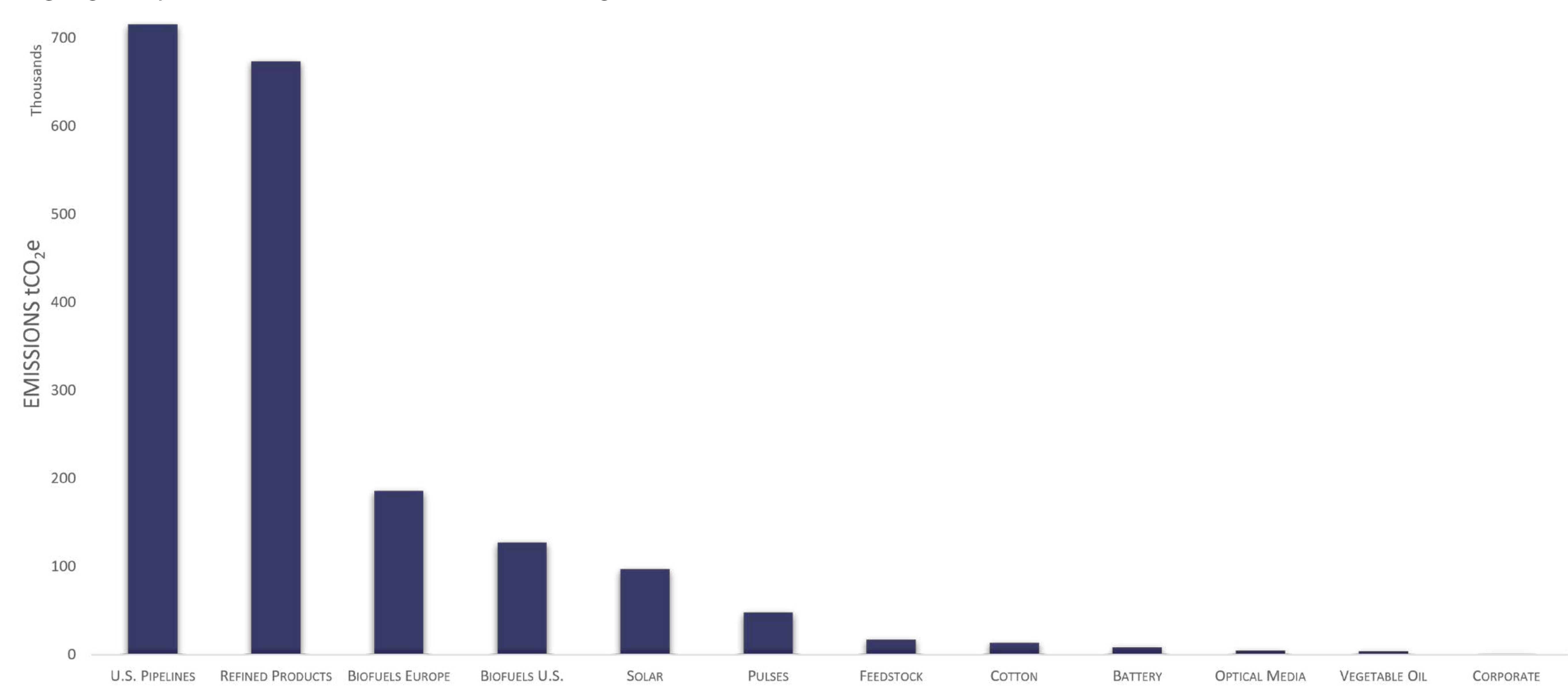
Our data tables provided on page 38 of this report summarize our greenhouse gas emissions. As this is the first year that we are reporting emissions, a trend cannot yet be provided. We are committed to improving our reporting of Scope 1 and 2 emissions in 2023 and continuing to improve the quality of our Scope 3 emissions reporting over time.

Decarbonizing Our Commodities Portfolio

Last year, we committed to no longer trade fossil fuels, closing our Refined Products and Pipelines Business Divisions, and to further invest in renewable and sustainable commodity markets. To put this into context, in 2022, our total supply chain emissions were approximately 1.9M tonnes of CO₂e, and our Scope 3 emissions related to the extraction, refining, transportation and combustion production and combustion of our Refined Products and Pipeline divisions amounted to approximately 1,4M tonnes of CO₂e, representing over 73% of our total emissions.

In the short-term, we view transportation related emissions – in particular from third-party chartered global shipping activities –, which represented 5% of our Scope 3 emissions, as an area of initial focus for our reduction efforts in 2024.

Targray Scope 3 GHG Emissions Breakdown by Business Division, Total Metric Tonnes CO₂e (tCO₂e)



"With the help of partners like CarbonChain, we are analyzing our emissions on a number of trades and products. This increases our insight on where we can influence the emissions in our value chains and make future reductions."

KARINA YAN | Supply Chain & Logistics Specialist and Green Working Group Member



"Our customers increasingly request visibility into the carbon footprint of the battery and solar cell components we supply. Greater carbon transparency allows our customers to map and manage their Scope 3 emissions, identify the carbon emissions associated with each step of the supply chain, and make more informed decisions."

KAREN RICHARDSON
General Manager,
Battery Division

N.B.: In 2022, Targray closed its U.S. Pipeline, Refined Products and Vegetable Oil Divisions. In Q4 2023, we also closed the Pulses Division.

Providing Innovative Emissions Reduction Solutions

Drawing on our extensive experience in sustainable industries like renewable fuels and energy storage, we are focused on supporting the development of carbon markets worldwide and ensuring that their growth is responsibly managed in the pursuit of net-zero goals. In November 2022, we launched our Environmental Commodities trading desk. Operating jointly out of Targray's North America and Europe trading hubs, our Environmental Commodities team works together with partners to implement effective environmental compliance and decarbonization strategies.

This new business complements Targray's existing portfolio of products and services for the renewable fuels, solar, and battery sectors, as we continue to strengthen our position as a leading provider of sustainable commodities and a key player in the global transition to clean energy.

"We provide tailored emissions reduction solutions for large and small emitters pursuing ESG requirements, net-zero targets, and UN sustainable development goals (SDGs). Our trading activities are managed on internationally recognized and accredited registries including Verra and Gold Standard."

DANIEL MELLANDER
Sales Trader,
Environmental Commodities



About This Report

While sustainability has long been a business priority at Targray, this inaugural report is a natural step in our journey and reflects our commitment to be transparent and open about our business, and to communicate our progress with focus, clarity and comparability.

Our Approach and Scope

The scope of information covered in this report relates to Targray Group Ltd. and its wholly owned subsidiaries in the 2022 calendar year, unless otherwise noted. We plan to issue our performance data on an annual basis and our full sustainability report on a bi-annual basis. For 2024, we also plan to issue our sustainability report earlier, by mid-year, to align with more standard reporting cycles.

Reporting Standards

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. The GRI is an independent institution that provides a standard framework for sustainability reporting across companies and industries.

Additional external reporting frameworks, such as Sustainability Accounting Standards Board (SASB) Standards, United Nations Sustainable Development Goals (SDGs), and the United Nations Global Compact were also evaluated for key performance indicators (KPIs) and disclosures that have specific relevance for our business.

We use a combination of leading global reporting standards to ensure the information provided aligns with our own material issues and with our stakeholders' areas of interest. We will continue to enhance our reporting and alignment with the recommendations of GRI, SASB, TCFD, and the UNSDGs. We look forward to building on this initial disclosure and refining our data for subsequent reports.

Unless otherwise noted, the data covered in this report applies to Targray Group Ltd. and all of its wholly-owned subsidiaries as follows - Targray Technology International Inc. ["TTI"] and its wholly owned subsidiaries Targray International Inc. ["TII"], Targray Industries Inc. ["TIN"] and Targray Markets Inc. ["TMI"], Targray US Holdings Inc. ["TUH"] and its wholly owned subsidiaries Targray Energy Inc. ["TEI"], International Railcar Lease Co. ["IRLC"], Targray Markets Europe SA ["TME"], Targray Europe B.V. ["TBV"], Targray CZR, s.r.o. ["TCR"], Targray India Private Limited ["TIL"], Targray Holding Inc. ["THI"], Targray China Limited ["TCL"], Targray Commodities DMCC ["TCD"], Targray Australia Pty ["TAP"], Targray Turkey Animal Fats and Sustainability Commodity Trading LLC ["TTT"] and Targray Americas Inc. ["TAM"]. Targray Inc. ["TUS"] was liquidated during the year ended December 31, 2022.



"We will continue to evolve our sustainability reporting as we move forward and focus our efforts on the issues that are most relevant to our stakeholders and our business. We welcome your comments on our most important sustainability topics or on this report overall."

KATHERINE LEVASSEUR
Advisor,
Supply Chain and
Sustainability

klevasseur@targray.com

Data Tables

The data covered in this report applies to Targray Group and its subsidiaries, unless otherwise noted. Targray’s principal subsidiaries are listed on page 35.

PEOPLE				Note	FY2022		GRI
Total Employees					Number	%	
Total number of full-time employees (year-end)				1	157		2-7
Permanent contract employees					154	98%	2-7
Temporary (fixed-term) contact employees					3	2%	2-7
Total number of part-time employees (year-end)				2	0	0%	2-7
Employees covered by collective bargaining agreements				3	0	0%	2-7

Employees by Gender and Region							
Male					94	60%	2-7
Female					63	40%	2-7
ASIA					77	49%	2-7
EUROPE					13	8%	2-7
NORTH AMERICA					61	39%	2-7
MIDDLE EAST					4	3%	2-7
OCEANIA					1	1%	2-7
SOUTH AMERICA					1	1%	2-7

Note 1: Total number of Targray employees as of December 31, 2022.
Note 2: As defined by national laws.
Note 3: Targray does not currently have any employees covered by collective bargaining agreement.

PEOPLE			Note	FY2022		GRI
Employees by Contract				Number	%	
Permanent contract				154		2-7
Women				61	40%	2-7
Men				93	60%	2-7
Fixed-term contract				3		2-7
Women				2	67%	2-7
Men				1	33%	2-7
New Employee Hires				Number	%	
Total new employee hires				70		401-1
Internal hires			4	4	6%	401-1
Age group						
New employee hires below 30				33	47%	401-1
New employee hires 30-50				36	51%	401-1
New employee hires over 50				1	1%	401-1
Gender						
Women				30	43%	401-1
Men				40	57%	401-1
Region						
ASIA				32	46%	401-1
EUROPE				4	6%	401-1
NORTH AMERICA				31	44%	401-1
MIDDLE EAST				2	3%	401-1
OCEANIA				1	1%	401-1

Note 4: Internal hire is defined as an existing employee moving to a new position, including all promotions and lateral moves with the Company during the report year.

PEOPLE				Note	FY2022	GRI
Employee Turnover					Number	%
Total employee turnover				5	23	15%
Total voluntary employee turnover				6	20	13%
Age						
Employee turnover below 30					4	17%
Employee turnover 30-50					18	78%
Employee turnover over 50					1	4%
Gender						
Women					9	39%
Men					14	61%
Region						
ASIA					7	30%
EUROPE					1	4%
NORTH AMERICA					15	65%
MIDDLE EAST					0	0%
OCEANIA					0	0%
SOUTH AMERICA					0	0%

Employee Engagement			
Overall employee engagement			
			83%
			-

Note 5: Employee turnover is the number of employees who leave the organization voluntarily or due to dismissal or retirement (or death in service).
Note 6: Voluntary employee turnover is the number of employees who leave the organization voluntarily and not due to dismissal or retirement (or death in service).

PEOPLE			Note	FY2022		GRI
Diversity and Equal Opportunity				Number	%	
Women				63	40%	405-1
Women in revenue generation functions				10	23%	405-1
Diversity in Asia						
Women				29	38%	405-1
Diversity in Europe						
Women				4	31%	405-1
Diversity in Middle East						
Women				2	50%	405-1
Diversity in North America						
Women				27	44%	405-1
Diversity in Oceania						
Women				0	0%	405-1
Diversity in South America						
Women				1	100%	405-1
Age Group						
Under 30 years				48	31%	405-1
30-50 years				94	60%	405-1
Over 50 years				15	10%	405-1

PEOPLE			Note	FY2022	GRI	
Diversity and Equal Opportunity				Number	%	
Employee Categories						
Senior Management (Executive)				7	4%	405-1
Women				3	43%	405-1
Over 50				3	43%	405-1
40-50				3	43%	405-1
30-40				1	14%	405-1
Under 30				0	0%	405-1
Management				26	17%	405-1
Women				12	46%	405-1
Over 50				5	19%	405-1
40-50				9	35%	405-1
30-40				10	38%	405-1
Under 30				2	8%	405-1
Non-management				124	79%	405-1
Women				48	39%	405-1
Over 50				11	9%	405-1
40-50				10	8%	405-1
30-40				57	46%	405-1
Under 30				46	37%	405-1
Equal Remuneration for Women and Men						
Management				1:1	99%	405-2
Non-management				1:9	88%	405-2

GREENHOUSE GAS EMISSIONS			Note	FY2022	GRI
EMISSIONS			1	tCO2e (tonnes)	
Total GHG emissions (Scope 1 and 2)				92	
Direct GHG emissions (Scope 1)				10	305-1
Indirect GHG emissions (Scope 2)			2	82	305-2
Other indirect GHG emissions (Scope 3)			3	1,895,032	305-3

Scope 1 and Scope 2 emissions by entity			tCO2e (tonnes)	
TIL Scope 1 emissions			0.4	305-3
TIL Scope 2 emissions			44.1	305-2
TTI Scope 1 emissions			3.4	305-1
TTI Scope 2 emissions			20.2	305-2
TCR Scope 1 emissions			0	305-1
TCR Scope 2 emissions			7.8	305-2
TIN Scope 1 emissions			4.5	305-2
TIN Scope 2 emissions			0	305-1
TCD Scope 1 emissions			0	305-1
TCD Scope 2 emissions			7.8	305-2
TEI Scope 1 emissions			0	305-1
TEI Scope 2 emissions			0	305-2
TII Scope 1 emissions			0	305-1
TII Scope 2 emissions			0	305-2
TME Scope 1 emissions			1.3	305-1
TME Scope 2 emissions			0	305-2
TCL Scope 1 emissions			0	305-1
TCL Scope 2 emissions			2.0	305-2

Note 1: This corporate carbon footprint has been established for Targray Group Ltd and its subsidiaries. This corporate carbon footprint covers the calendar year 2022 (CY2022) from 01 January to 31 December 2022. Where data gaps exist within the reporting period, the data hierarchy has been applied within the activity data to represent a full year or business-as-usual operations.

Note 2: Emissions for electricity consumption has been calculated using the location-based approach.

Note 3: In 2022, our Scope 3 reporting categories include Category 1: Purchased Goods and Services; Category 3: Fuel and Energy Related Activities; Category 4: Upstream Transportation and Distribution; Category 9: Downstream Transportation and Distribution; Category 10: Processing of Sold Products; and Category 11: Use of Sold Products.

GREENHOUSE GAS EMISSIONS			Note	FY2022	GRI
Scope 3 emissions				tCO2e (tonnes)	
Group Scope 3 emissions (categories 1, 3, 4, 9, 10 and 11 only)					
Breakdown of Group Scope 3 emissions by category:					
- Category 1: Purchased Goods and Services				626,404	305-3
- Category 3: Fuel and Energy Related Activities				42	305-3
- Category 4: Upstream Transportation and Distribution				96,589	305-3
- Category 9: Downstream Transportation and Distribution				1,111	305-3
- Category 10: Processing of sold products				2,903	305-3
- Category 11: Use of sold products				1,167,983	305-3

COMPLIANCE			Note	FY2022	GRI
Know Your Counterparty (KYC) Assessments				Number	%
KYC assessments undertaken				706	205-1
Outcome of KYC assessments:					
Approved				631	89%
Rejected				75	11%
Vessel Screenings					
Shipping vessels screened			1	1	205-1

Note 1: In 2022 we implemented our vessel screening process in support of our business growth.

GRI Index

The following Global Reporting Initiative Index was developed with reference to the GRI Standards. The Index provides references to relevant information presented in the 2022 Sustainability Report, as well as the corporate website. Targray has reported with reference to the GRI Standards for the period January 1, 2022 – December 31, 2022.

GRI Disclosure		Response / Location, Page and URL	Omissions / Explanation
UNIVERSAL STANDARDS			
GRI 1	FOUNDATION 2021		
GRI 2	GENERAL DISCLOSURES		
ORGANIZATIONAL PROFILE			
2-1	Organizational details	2022 Sustainability Report, p. 4, https://www.targray.com/company	
2-2	Entities included in the organization’s sustainability reporting	2022 Sustainability Report, p. 36	
2-3	Reporting period, frequency and contact point	2022 Sustainability Report, p. 36 and 47	
2-4	Restatements of information	There are no material restatements within the report.	
2-5	External assurance		<i>This is Targray’s first sustainability report. The company is focused on improving data completeness and quality over time, including obtaining external assurance.</i>
2-6	Activities, value chain and other business relationships	2022 Sustainability Report, p. 4 and 9, https://www.targray.com	
2-7	Employees	2022 Sustainability Report, p. 4 and GRI Data Tables p. 37, 38, 39, 40 and 41	
2-8	Workers who are not employees	2022 Sustainability Report, p. 4 and GRI Data Tables p. 37	
GOVERNANCE			
2-9	Governance structure and composition	2022 Sustainability Report, p. 12 and 13	<i>Partial disclosure on Governance provided. Targray is a family-owned privately held company. The Advisory Board supports the company with insights and advice to solve business problems or explore new opportunities.</i>

GRI Disclosure		Response / Location, Page and URL	Omissions / Explanation
UNIVERSAL STANDARDS			
GRI 1	FOUNDATION 2021		
GRI 2	GENERAL DISCLOSURES		
STRATEGY, POLICIES AND PRACTICES			
2-22	Statement on sustainable development strategy	2022 Sustainability Report, p. 6	
2-23	Policy commitments	2022 Sustainability Report, p. 14, 15 and 16, https://www.targray.com/sustainability	
2-24	Embedding policy commitments	2022 Sustainability Report, p.15 and 16, https://www.targray.com/sustainability	
2-25	Process to remediate negative impacts	2022 Sustainability Report, p.15 and 16, https://www.targray.com/sustainability	
2-26	Mechanisms for seeking advise and raising concerns	2022 Sustainability Report, p. 14	
2-27	Compliance with laws and regulations	2022 Sustainability Report, p. 14	
2-28	Membership associations	https://www.targray.com/company/partners	
STAKEHOLDER ENGAGEMENT			
2-29	Approach to stakeholder engagement	2022 Sustainability Report, p. 9	
2-30	Collective bargaining agreements		<i>Targray did not have any unionized employees in 2022.</i>
GRI 3	MATERIAL TOPICS		
3-1	Process for determining material topics	2022 Sustainability Report, p. 7	
3-2	List of material topics	2022 Sustainability Report, p. 7	
TOPIC-SPECIFIC STANDARDS			
GRI 300	ECONOMIC		
GRI 205	ANTI-CORRUPTION 2016		
3-3	Management approach	2022 Sustainability Report, p. 16	
205-1	Operations assessed for risks related to corruption	2022 Sustainability Report, p. 16	
205-2	Communication & training about anti-corruption procedures	2022 Sustainability Report, p. 16	
205-3	Confirmed incidents of corruption and actions taken	2022 Sustainability Report, p. 43	

GRI Disclosure		Response / Location, Page and URL	Omissions / Explanation
TOPIC-SPECIFIC STANDARDS			
GRI 300 ENVIRONMENTAL			
GRI 305 EMISSIONS 2016			
3-3	Management approach	2022 Sustainability Report, p. 30	
305-1	Direct (Scope 1) GHG emissions	2022 Sustainability Report, p. 33 and 42	
305-2	Energy indirect (Scope 2) GHG emissions	2022 Sustainability Report, p. 33 and 42	
305-3	Other indirect (Scope 3) GHG emissions	2022 Sustainability Report, p. 34 and 43	
305-4	GHG emission intensity		Targray reporting baseline GHG emissions for the first time in 2022.
305-5	Reduction of GHG emissions		Targray reporting baseline GHG emissions for the first time in 2022.
GRI 400 SOCIAL			
GRI 401 EMPLOYMENT 2016			
3-3	Management approach	2022 Sustainability Report, p. 19	
401-1	New employee hires and employee turnover	2022 Sustainability Report, p. 38 and 39	
401-2	Benefits provided to full-time employees not provided to part-time employees		Benefits provided to full-time employees but not to part-time employees are not reported as this information varies across our operations.
401-3	Parental leave		Information unavailable / incomplete.
GRI 405 DIVERSITY AND EQUAL OPPORTUNITY 2016			
3-3	Management approach	2022 Sustainability Report, p. 21	
405-1	Diversity of governance bodies and employees	2022 Sustainability Report, p. 3, 21, 38, 40 and 41	
405-2	Ratio of basic salary and remuneration of women to men	2022 Sustainability Report, p. 41	
GRI 405 HUMAN RIGHTS ASSESSMENT 2016			
3-3	Management approach	2022 Sustainability Report, p. 27	
412-1	Operations that have been subject to human rights reviews or impact assessments	2022 Sustainability Report, p. 28	
412-2	Employee training on human rights policies and procedures	2022 Sustainability Report, p. 27	
412-3	Investment agreements and contracts that include human rights clauses or screenings		In 2023 the company began formalizing screening processes and will work towards compiling data and reporting in the coming years.

Contact

We invite your questions, comments and feedback on this report. Please contact:

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Forward-looking Statement

This Sustainability Report (the "Report") contains forward-looking statements. All statements contained in this Report that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our sustainability-related targets, our future business expectations, expectations in relation to our industry, as well as statements that include the words "expect", "intend", "plan", "will", "believe", "estimate", "may", "should", "anticipate", and similar statements of a future or forward-looking nature. These forward-looking statements are based on management's current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties, and other important factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the increasing impact of and focus on ESG matters could increase our costs, harm our reputation and adversely affect our financial results. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements that we may make. You should not rely upon forward-looking statements as predictions of future events.

In addition, the forward-looking statements made in this Sustainability Report relate only to events or information as of 20 December 2023, the date of the publication this Report. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. The sustainability figures may change in future years, due predominantly to methodological advances in analyzing sustainability data (such as calculating our Scope 1, Scope 2, and Scope 3 emissions) and changes to emissions factors that impact the way we calculate our data. In addition, as a result of the growth of our business, we may need to re-baseline our sustainability information and continuously improve our sustainability reporting. We therefore anticipate there may be further changes to our baseline sustainability data in our future reports.



Providing Sustainable Commodity Solutions For a world in transition

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