Optimizing the Mining Supply Chain

Mobile Commodity Management

Industry Leader Interviews
Exxaro and Unilever

The New EU Regulations
How to prepare

Growth in Asia Pacific
Digging Deep into the Mining Supply Chain

Triple Point’s QMASTOR solutions deliver mining supply chain optimization

In November 2011, Triple Point acquired QMASTOR Limited, the premier mining software solutions provider, based in Newcastle, Australia. QMASTOR solutions are used by some of the most prominent natural resource companies in the world, including BHP Billiton, Rio Tinto, Vale, Anglo American, Xstrata, and Peabody Energy. Through this acquisition, Triple Point provides an end-to-end solution to optimize the coal and mineral supply chain.

Coal is a large, important, and fast-growing element of the energy supply mix. Worldwide consumption has been steadily rising due to rapid population and income growth in developing nations such as China and India. In the last decade alone, China’s coal usage more than doubled, and in 2010 it became a net importer of coal despite its huge reserves.

“Given our commitment to deliver the deepest functionality across all commodity classes and the importance of coal to the global economy, incorporating QMASTOR into the Triple Point family is a natural move. Its mining solutions are a perfect complement to our product portfolio.”

— Michael Schwartz, SVP, Chief Marketing Officer, Triple Point

Continued on page 5
Leading Global Organizations Choose Triple Point

Triple Point continues to experience dynamic growth fueled by new market penetration, product innovation, and customer satisfaction. Select customers include:

**American Electric Power**, one of the largest power generators and distributors in the US, licensed Triple Point’s solution for credit risk and credit scoring to control and automate enterprise-wide credit operations.

**Armajaro Trading** chose Triple Point’s software for commodity trading, logistics, and credit risk management. Armajaro is one of the world’s largest soft commodity traders, with customers including the leading global chocolate manufacturers and most of the world’s top coffee manufacturers and roasters.

**Bayin Resources**, a leading Chinese metals trader, chose Triple Point’s Commodity Management platform for Metals and Hedge Accounting FRS 39 to manage trading and risk management for base metals.

**Cairn India**, an oil and gas exploration and production company partially owned by Cairn Energy, selected Triple Point’s Commodity Management solution for oil trading and risk management.

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**The New EU Regulations: Are You Prepared?**

What you need to do now

As anyone involved in Commodity Management knows, the world regulatory landscape is changing — dramatically. Much of the 2008 financial crisis was blamed on the “opaque” world of over-the-counter (OTC) derivatives in which trillions of dollars were tied up in positions virtually invisible to regulators. As a result, numerous regulations have been enacted or proposed to provide increased visibility into the market.

The European Union (EU) is implementing numerous interlinked pieces of legislation, including REMIT, MAD, MiFID II, EMIR, and CRD. These far-reaching regulations will affect both the financial and commodity markets. All companies trading in OTC derivatives will be impacted across the whole value chain, from front office sales and trading to back office reporting and all points in between.

As the recognized leader in commodity and risk management solutions, Triple Point is dedicated to helping its customers effectively manage the myriad of new EU regulatory requirements. Here’s what you need to know and what you need to do to ensure that your systems are compliant.

**WHAT YOU NEED TO KNOW**

The EU’s objective is to have all legislation in force by the end of 2013. Although many of the regulations are not yet fully baked, the general objectives are clear, and companies that have not already started planning for them need to do so ASAP. Companies should perform a comprehensive audit of their IT systems to identify areas where they are exposed to compliance risk under the new legislation. Certain areas should be given particularly rigorous scrutiny, including:

- **Reporting**: Companies need robust reporting functionality to comply with regulations requiring that OTC derivative contract transactions and holdings be reported to trade repositories. The entire trade life cycle must be reported, including exercise of any constituent option or “swing” components, price adjustments, and any interim or financial settlement or early termination/default.

- **Auditability**: A company’s IT systems are required to keep detailed audit trails behind all trading decisions to meet strict directives related to insider trading contained in REMIT and MAD. In the event of a dispute, this information will be inspected by regulatory authorities.

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Continued on page 10

Continued on page 13
MOBILE APPLICATIONS

Triple Point Takes Commodity Management Mobile

Maximizes competitive advantage and increases productivity

Gartner predicts that by 2016, the only wire required for employee work spaces will be the power connector. In addition, a recent IBM survey reported that 75% of executives think that the deployment of mobile applications is critical to the long term success of their companies.

Triple Point is the only Commodity Management software company that has recognized the shift towards a wireless workplace by delivering applications that untether workers from their desks. These applications will transform the way companies manage commodities by empowering staff to perform key operations while on the go, and before competitors can react. Mobile applications currently available include:

- **Commodity XL™ Mobile System Console**: Enables IT Technical Support to monitor, manage, and troubleshoot global deployments of Triple Point’s award-winning Commodity Management software solution while at home, in transit, or walking the floor.

- **Mobile Voyage Estimator**: Empowers charterers with a powerful voyage evaluation solution that enables them to win more business by quickly providing accurate quotes from anywhere.

- **Mobile Inventory Navigator**: Allows schedulers to assess where bulk commodity inventory resides in real-time so available capacity can be rapidly located anytime, anywhere.

- **Mobile Management Dashboard**: Provides customers with pinpoint analysis of key performance indicators across the supply chain for superior executive decision making and improved bottom-line results.

Rather than creating a lightweight version of its Commodity XL™ solution, Triple Point is creating task-specific applications with full functionality that are optimized for mobile devices. New mobile applications are scheduled to be released quarterly. For more information, email info@tpt.com.

"As mobile devices become more powerful and more prevalent in the workplace, mobility is increasingly serving as a key enabler for the acceleration and optimization of existing business processes and operations."

— Aberdeen Group’s benchmark study, Enterprise Mobile Strategies: More Productivity, Same Budget
With QMASTOR solutions, Triple Point can help companies involved in this thriving industry streamline, automate, and optimize the management of complex supply chains that include multiple mines, stockpiles, transport legs/modes, and ports.

Triple Point’s QMASTOR solutions include:

**Pit to Port® – Coal and Mineral Mining Supply Chain Management**
A decision support system enabling management to plan, record, track, optimize, account, reconcile, and report the tonnage, quality, and value of materials from mine to the point of export or consumption. Synchronizes operations, logistics, marketing, and commercial functions, providing a clear and transparent view of export, import, and domestic supply chain operations.

**PortVu® – Port and Terminal Management**
An integrated bulk terminal management system that manages the complexities of inter-modal transportation, stockyards, and vessels while ensuring that equipment is efficiently scheduled and utilized. Optimizes decision making and delivers substantial cost savings by integrating terminal operations with suppliers, customers, transport providers, agents, laboratories, and other supply chain partners through one common platform.

**Horizon™ – Advanced Planning, Scheduling, and Optimization**
An advanced planning, scheduling, and optimization system that simply and efficiently models, plans, and schedules complex supply chains. A heuristics-based solving engine provides optimized results for export, import, and domestic commodity demand fulfillment, shipping and berth scheduling, terminal stockyard asset utilization, transportation scheduling, mine product stockyards, and process plant efficiency.

**SMS3D® – 3D Stockpile Management**
A stockpile management system that tracks and visualizes parcels of material in three-dimensional space. Dynamically models stockpile tonnage, grade, and value in real-time to enable proactive grade management and optimize process plant configuration, blend planning, and reclamation/load planning.

**Metallurgical Accountant™ – Accounting and Mass Balancing for Process Plants and Smelters**
A metallurgical accounting system that collects process data from historical and real-time databases or from online instrumentation to detect plant configurations, reconcile production data, and perform mass balance computations. Identifies the sources of measurement variances in the process (e.g. sensors, samples, production units, controllers).

**QMetrics® – Performance Management Tool**
A decision support tool that enables the visualization and analysis of key performance metrics through charts, graphs, and dials. Provides decision makers with the information required to better run their organizations.

For more information on Triple Point’s QMASTOR solutions, visit tpt.com/mining.

“By applying this leading edge technology, the mining industry gains a competitive advantage through improved mining practices, reduced costs, and increased productivity.”

— ABARE eReport, “Mining Technology Services”
Exxaro’s Melanie Steyn

Exxaro Resources is one of South Africa’s largest coal producers with capacity of 47 million tons per annum, and is the third largest global producer of mineral sands. Triple Point talked with Melanie Steyn, Exxaro’s Coal Export Manager, about the challenges affecting the South African coal industry today and how Exxaro is transforming its business to meet the growing global demand for coal.

**Q. What are the key issues for the coal industry in South Africa right now?**

**Melanie Steyn** The South African coal industry is prospering, and the outlook for the next few years is very positive. In terms of the international market, we have seen major growth with increasing amounts of our coal going to India and the Far East.

Nevertheless, the industry is suffering from a major constraint, which has put us on a knife’s edge. Our state-owned rail utility, Transnet, can only transport 79% of the export capacity of our largest coal terminal. Very commendably, Transnet is upgrading the network, but unfortunately this has caused some fluctuation in capacity. To cope with the limited and volatile rail capacity, South African coal producers must have efficient and centralized supply chains that ensure no transportation errors are made, and that sudden upgrades in capacity can be taken advantage of.

The whole industry is undoubtedly looking forward to Transnet completing the upgrade. The next challenge for us will be extending export capacity at our coal terminals so that South Africa can play an even bigger role in the expanding global coal market.

**Q. Tell us about the exciting changes happening at Exxaro.**

**MS** Exxaro is already a high-volume and complex business. On the coal side alone we sell over 45 million tons to three distinct markets: the national power facility Eskom, the domestic market, and the export market. We have significant expansion plans that require us to build the Exxaro of the future. It sounds very grand, but what it means is that we are re-engineering the company so that it can produce substantially more product.

A major part of the reengineering has been to make our supply chain more effective. We had to stop using spreadsheets and find a system that could give us up-to-the-minute information across the entire business, enabling us to maximize production while minimizing our risk to penalties, demurrage, and transportation costs. In addition to managing coal exports, I have been responsible for finding and implementing a suitable software system. The software we chose was QMASTOR Pit to Port®.

**Q. Studies have shown that over 75% of complex spreadsheets contain errors. What are the major risks associated with operating a manual supply chain?**

**MS** A manual supply chain poses many risks for a large company like Exxaro. Using spreadsheets to manage the logistics and delivery of coal from eight mines is extremely complicated. To align sales with customer expectations and market conditions, marketing teams need a centralized record of the precise value, quality, and location of all products. Manual systems are prone to data errors. If every business unit is sending spreadsheets to each other, an organizational “blind spot” can be created. If Marketing closes a contract and sends it to Finance to invoice, there is a risk that information might not be accurately transferred and a customer might be incorrectly invoiced. Within the first few months of using QMASTOR, we identified a miscommunication...
between Marketing and Finance that led to substantial savings for Exxaro. Quality control is a major challenge for all mining organizations. Failure to deliver product at the agreed quality results in financial penalties or wastage. A manual supply chain simply cannot provide adequate controls; multiple spreadsheets containing quality information across mines, stockpiles, and terminals can mean organizations do not realize there is an issue until it’s too late.

I believe it is only by having visibility of the entire supply chain that an organization can fully maximize production and minimize costs. If you don’t know your supply chain, there is no way you can grow successfully.

**Q. How is QMASTOR helping the transformation at Exxaro?**

**MS** Exxaro’s supply chain is quite intricate. It’s not just volume; it’s different grades, different stockpiles, and different shipping times. QMASTOR has transformed the complex process of managing coal from when it leaves the mine until it reaches its final destination. We use QMASTOR Pit to Port across all eight coal mines and at our head office. Our mineral sands division is just starting to implement it across three mines, one of which is in Australia. No other vendor came close to QMASTOR in terms of supply chain management, cost control, and user-friendliness. The QMASTOR solution has made our supply chain significantly more productive and efficient. The mine, plant, and marketing manager all have the same view of product amount, quality and location; any issues are proactively resolved before they pose a serious risk to the business. By having the right materials in the right place at the right time, QMASTOR has helped control our exposure to demurrage and transportation costs. In addition, the system allows quality control at a very intricate level. We can identify any issues and rectify them quickly, ensuring delivery of the contractually agreed grade.

QMASTOR brings many benefits to Exxaro; at the top of the list is saving money and increasing productivity. The big strategic positive regarding QMASTOR is that our supply chain is now fully prepared for the future when we start producing substantially more coal and generating more revenue.

Exxaro and Triple Point will have a long and successful partnership. We are already thinking of expanding our QMASTOR footprint with the Pit to Port module for processing and the three-dimensional stockpile management and optimization solutions.

**Q. Tell us about your experience working with the QMASTOR team.**

**MS** The way that QMASTOR managed the integration with SAP was more than commendable. While QMASTOR manages sales and physical execution throughout the supply chain, SAP EEC6 manages the financial side, including invoicing, contracts, and document management. The integration was extremely successful; the QMASTOR team made it appear seamless. While QMASTOR’s Pit to Port software has centralized our entire supply chain, the team made sure the implementation was simple and free from problems. QMASTOR is central to Exxaro’s future, and I look forward to working with the team for many years to come.
Unilever’s Patricia van Haaren

Triple Point sat down with Patricia van Haaren, Unilever’s Procurement Director, Commodities – Europe and the Americas, to discuss how going global, commodity price volatility, and the growing importance of procurement have driven strategic and technology changes across the company.

Q. How does Unilever organizationally manage commodity price risk?

Patricia van Haaren  Allow me to put our work in procurement in a broader context. Unilever is building a new business model focused on long-term sustainable value creation with Supply Chain as its engine. In other words, Supply Chain, including Procurement, plays a pivotal role in Unilever’s ambitious targets. For example, we have a clear view of how to manage commodity price risks. Unilever sees a clear split between Procurement and Financial Risk Management. Financial Risk Management focuses completely on the market — hedging our position and locking in prices. For Production, we need physical material, which is bought by the Procurement Department.

Q. Historically, Financial Risk Management focused on oils and fats. How has the focus changed?

PvH  With the increase in prices and volatility across the commodity spectrum, Financial Risk Management has more commodities under its purview.

Q. How has procurement changed at Unilever over the last ten years?

PvH  Moving toward a more global organization has been the biggest change in procurement over the last ten years, and it’s a big one. Leveraging our scale is crucial to drive value creation. It’s not only cost-effective but also supports speed in go-to-market.

Q. What has Unilever done from a systems perspective over the last few years?

PvH  As it became increasingly important to gain transparency around the whole commodity procurement program, Unilever sought to put a commodity platform in place. We wanted the system to provide better coverage of our positions and integrate well with our other systems. We selected Triple Point to support our commodity risk management efforts.

Q. Can you point to organizational evidence that procurement has become more important?

PvH  Yes. Unilever has appointed a Chief Procurement Officer who is reporting directly to the Chief Supply Chain Officer. That’s a big, big difference. We have access to the top, and that helps us in setting the right agenda.

We have globalized the whole buying organization. For example, if you are responsible for the cocoa portfolio, you are accountable for watching the entire market and making decisions around global coverage.

Q. Over your career, what is the biggest change you’ve seen in the Consumer Products industry?

PvH  I moved ten years ago to the Consumer Products industry from the Feed industry. On the consumer side, I see that procurement has really landed on the map of the corporate agenda. In the past, at least in my perception, procurement was not seen as very important by fast-moving consumer producers. Today, due to the economic environment and price volatility, consumer companies have started to realize that procurement can help the business in a strategic way.

“The joint system of Triple Point and SAP provides a scalable, end-to-end solution for sourcing, selling, trading, and logistics processing related to commodities of any kind.”
Unilever

Q. What were the major business drivers in moving to the Triple Point solution?

PvH Unilever had already installed SAP globally, and we knew that SAP integrated well with Triple Point. The joint system of Triple Point and SAP provides Unilever with a scalable, end-to-end solution for sourcing, selling, trading, and logistics processing related to commodities of any kind.

Q. What’s an example of visibility that you expect to gain with Triple Point?

PvH If you want to manage your commodities well, you need to have continuous visibility regarding your financial figures. We need instant visibility into our financial position for commodity contracts over a certain period and the ability to compare it with the market. For example, if you have coverage for the last quarter of this year against a certain price, you would like to understand how much that is against your internal sales price and against the current benchmark price over that same period. Then you truly know your financial position. Triple Point will provide Unilever with the ability to view its financial position 24/7 for each commodity, in each region.

“Seeing the top commodity traders in the world benefit from our products reaffirms Triple Point’s position as the leader in energy and Commodity Management software.”

— Michael Schwartz, SVP, Chief Marketing Officer, Triple Point

Commodity XL™ is the most advanced and complete solution for commodity trading houses, providing a real-time, enterprise view of position, supply chain, and risk. Its multi-commodity platform delivers superior business intelligence for proactive decision making and competitive advantage. For more information, visit tpt.com/commodity-xl.

Seventy percent of top traders worldwide depend on Commodity XL

Seventy percent of the world’s top trading organizations rely on Triple Point solutions to effectively manage commodities and enterprise risk. According to Reuters, the top commodity traders are Vitol Group, Glencore International AG, Cargill Inc., Koch Industries, ADM, Gunvor International, Trafigura, Mercuria, Noble Group, and Louis Dreyfus.

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In 2011 Triple Point experienced record growth in the Asia Pacific region, fueled by increased demand for its industry-leading Commodity Management solutions. The company’s year-over-year revenue for the region increased 75% with the addition of multiple new marquee customers, including Bayin Resources, China National Offshore Oil Corporation, Dhanlaxmi Bank, Marubeni, Merit Chartering, and State Bank of India.

In addition, Triple Point significantly expanded its staff in the Asia Pacific, growing from 250 to over 400 employees. This expansion was driven by the need to ensure full support for the company’s growing customer base. Triple Point also extended its Asia Pacific footprint with the acquisition of QMASTOR, the premier provider of mining software solutions, headquartered in Newcastle, Australia.

Triple Point expects its growth will continue to rapidly accelerate in the region as its reputation for innovation and excellence spreads among Asia Pacific companies looking for an end-to-end commodity and risk management solution.

“Triple Point’s strong growth in Asia Pacific underscores the unique depth and breadth of its Commodity Management solutions for companies looking to mitigate exposure to raw materials, energy, and commodity price volatility.”

— Simon Woods, VP, International Sales, Triple Point

Leading Global Organizations Choose Triple Point (Continued from page 3)

China National Offshore Oil Corporation (CNOOC) Limited, China’s third largest national oil company, licensed Triple Point’s Commodity Management solution to manage trading, risk, and logistics for crude oil and refined products.

Dhanlaxmi Bank selected Triple Point’s Commodity Management platform to control precious metals price volatility in its recently established bullion business.

EconGas, a leading European natural gas supplier, licensed Triple Point’s real-time confirmation matching software for its over-the-counter (OTC) transactions.

Eminence Energy (Alpine), a proprietary oil trading company headquartered in Cyprus, licensed Triple Point’s Commodity Management solution to manage financial and physical trading, risk, and logistics.

Énergie NB Power selected Triple Point’s hedge accounting and fair value disclosure solutions for power, natural gas, oil, coal, and foreign exchange. Énergie NB Power is the largest power company in the Canadian province of New Brunswick.

EQT Corporation selected Triple Point’s Commodity Management solution to manage hedge accounting for gas inventory and ensure compliance with ASC 815 (FAS 133).

Essential Power, LLC chose Triple Point’s cloud-based Commodity Management solution for power and gas to manage its energy trading operations and gas scheduling.
An interview with Triple Point’s Steve Maxwell

Steve Maxwell manages Asia Pacific sales for Triple Point’s mining supply chain solutions, and joined the company by way of the QMASTOR acquisition. An expert on all things mining, Steve shared his insights into mining industry trends.

How did you come to work for QMASTOR?

I was a metallurgist with BHP before moving to the IT side of the business where I was a product manager for supply chain solutions. I took on a delivery services role after the company was acquired by Computer Sciences Corporation in 2000. But I missed my supply chain role, so when the opportunity came along to manage QMASTOR’s sales and marketing efforts, I jumped on it. I was the company’s fourth or fifth employee, and it’s been extremely gratifying to see the company achieve excellent growth. Just prior to becoming part of Triple Point, we were up to over 100 employees with year-over-year revenue growth of 75 percent!

What is the biggest change you have seen in the mining industry over the last five years?

Definitely the mining sites getting more and more remote due to the difficulty of finding economic natural resources. The remoteness presents challenges in terms of attracting staff and managing logistics. To combat this, remote operations centers have been established in more populous cities, sometimes thousands of kilometers from the mines. This makes it easier to attract quality staff, but it also makes it more difficult to monitor things like asset production and quality. Technology solutions that give management visibility into the supply chain from off-site locations and enable them to maximize efficiency and profits with fewer on-site staff can provide significant benefits, especially during the current growth phase of the mineral commodity cycle.

What are some mining industry trends?

Rapid industry growth due to the industrialization of countries like China, India, and Brazil is putting pressure on mines to find and retain skilled mining resources. This growth also means that miners will require more sophisticated techniques to manage supply chains. Advanced software solutions will be rapidly adopted to provide mines with new and better ways to manage business. The industry is still very young in terms of the technology that’s being used to manage day-to-day supply chain operations. Many mines still rely on spreadsheets.

What are some exciting activities happening within the mining industry today?

The number of new projects due to industry growth, such as new mines, ports, and railways, is very exciting. High growth is forecasted to continue for the medium to long term — a so-called commodity super cycle — and these projects will present companies like Triple Point with great opportunities. For the mining companies, however, keeping up with the growth presents a lot of logistical and resource challenges. This is the opportune time for mines to implement technologies that can provide important benefits such as improving tonnage throughput, reducing quality penalties, reducing the risk of staff movements/knowledge loss, and decreasing operational and logistical expenses.

What are your thoughts on the incorporation of QMASTOR into Triple Point?

Becoming part of Triple Point enables QMASTOR to achieve its true potential. As the leading Commodity Management software company, the breadth and depth of resources Triple Point brings to the table is unparalleled. QMASTOR can help a significantly larger number of mining companies benefit from its supply chain solutions by leveraging Triple Point’s reputation for excellence and strong relationships worldwide. We’re also starting to see cross-pollination in the other direction, with Commodity XL™ penetrating some of the large mining companies, so I think it’s a great fit.

Now for a more personal question: What do you do when you’re not working?

I love to watch and play cricket — like me, it can go for five days without stopping! Yes, cricket games really can last that long. I also love spending time at the beach with my family. I’m in Newcastle on the eastern coast of Australia, and we have some great beaches and weather.
Gartner Names Triple Point to Leaders Quadrant for Fourth Year

Recognized for solution depth and coverage

Gartner, Inc., the world’s leading information technology research and advisory company, has named Triple Point a Leader in its 2012 Magic Quadrant for Energy Trading and Risk Management (ETRM) Platforms. This is the fourth consecutive year Triple Point has achieved this prestigious ranking.

Gartner evaluated 14 vendors on specific criteria, including client feedback and industry visibility. Triple Point was named a Leader in the Magic Quadrant because of its “Ability to Execute” and “Completeness of Vision.”

Gartner recognized Triple Point for several strengths, including:

- Delivering an extensive range of functional coverage in all aspects of energy/commodity trading and risk management;
- Having the most comprehensive credit risk management, hedge accounting, and IAS and FASB compliance solutions;
- Offering an architecture supporting extensive integration, configuration, and performance capabilities;
- Providing a range of deployment options, including ASP and a quick-start “lite” solution;
- Delivering global market coverage and support; and
- Demonstrating a deep understanding of current regulatory and compliance issues.

This ranking joins a growing list of recognitions and awards that Triple Point has received, which include the 2011 Commodity Business Award for Excellence in Commodity Logistics and the Number One Ranked Credit Risk Software Vendor in Energy Risk’s 2012 Annual Software Survey.

To request more information on the Gartner Magic Quadrant for ETRM Platforms, visit tpt.com/resource_center.

About Gartner, Inc.

Gartner delivers technology-related insight for its clients to make the right decisions every day. The world-leading information technology research and advisory company is the indispensable partner to 12,000 distinct organizations.
Even if your company is one of the few lucky ones not affected by the new legislation, you should still be performing regular IT system audits. Companies need to ensure that not only can they meet current business requirements, but that their systems are flexible and scalable enough to meet future requirements of both the business and of regulatory authorities, as legislation is certain to expand and encompass an even wider range of companies as time goes on.

**WHAT YOU NEED TO DO**

It is an understatement to say that every company involved in the commodity markets needs a flexible, robust, and comprehensive Commodity Management software solution to meet regulatory requirements. Failure to implement the needed reporting functionality, auditing capabilities, and other features required to ensure compliance could result in stiff penalties, criminal prosecution, and in extreme cases, the complete demise of a business.

If your systems are inadequate and leave you open to compliance risk, you need to take action now so that you will be ready when the new legislation takes effect.

**TRIPLE POINT CAN HELP**

Triple Point is committed to providing the most comprehensive, robust Commodity Management solutions available for meeting the EU regulations. Triple Point’s award-winning software already contains functionality that is key to ensuring compliance, including:

- **Configurable, real-time reporting**: Accurate reporting is imperative, and Triple Point delivers with robust reporting that provides the details of trade activities and positions in real-time.

- **Comprehensive audit trails**: Triple Point’s solutions maintain extensive audit trails on all transactions so that a detailed and accurate history is readily available.

- **Documentation**: Triple Point’s hedge management solution provides the necessary documentation to support regulatory requirements.

Triple Point is also building out additional functionality to support the new EU regulations, such as auditable, straight-through processing, real-time integration with registries and clearing houses, and more. Regulatory and product experts are closely monitoring the legislation as it continues to be fine-tuned, and are working to develop solutions that help customers meet all of the regulatory requirements.

As regulations continue to evolve, you can count on Triple Point to deliver what you need to ensure compliance while empowering you to optimize an end-to-end commodities supply chain. For more information on our Commodity Management solutions, visit tpt.com.

“The EU’s approach to financial reform encompasses multiple intertwined regulations that will dramatically change the way commodities are traded in Europe. Companies with inadequate IT systems that can’t meet the extensive reporting and other requirements need to take immediate action to minimize compliance risk and avoid stiff penalties.”

– Mike Zadoroznyj, VP, Solutions Director, Treasury & Regulatory Compliance, Triple Point
Partner Interview: Oracle

Triple Point is the first Commodity Management software company to achieve Oracle Exadata Optimized status.

Triple Point spoke with Chris Baker, Senior Vice President, Worldwide ISV and OEM Sales at Oracle, to discuss the Oracle Exadata Database Machine and partnering with Oracle. Oracle Exadata and Triple Point’s Commodity XL™ solution demonstrated record performance levels when tested together in a recent Oracle Exadata Optimized study.

Q. Why did Oracle want to test the Triple Point solution on Oracle Exadata?

Chris Baker Triple Point’s customers include some of the largest commodity organizations in the world. They manage huge amounts of data and expect the best performance in the areas of query response times and batch reporting. Since Oracle Exadata is designed for extreme performance, collaborating with Triple Point for the study made perfect sense.

Q. Can you tell us about the Oracle Exadata Optimized testing process?

CB It was performed at the Oracle Exadata lab in California over a two-week period. Oracle staff set up an environment typical of a customer’s configuration and assisted Triple Point’s Emerging Technology Group with running end-of-day calculations in near real-time on a portfolio of one million trades. The trades were for multiple commodities including oil, gas, and power, and for several instrument types including futures and swaps. The outcome exceeded our expectations, with exceptionally fast performance levels — the entire portfolio of trades was valued in just minutes.

Q. Commodity XL has achieved Oracle Exadata Optimized status. Can you tell us about this milestone, the Oracle Exastack program, and what this means?

CB The Oracle Exastack program was launched last summer and allows partners such as Triple Point to leverage Oracle PartnerNetwork enablement resources and dedicated lab environments to help develop, test, and tune their applications on the Oracle Exadata Database Machine and Oracle Exalogic Elastic Cloud engineered systems. By achieving Oracle Exadata Optimized status, Triple Point has demonstrated that it has tested and tuned Commodity XL with the Oracle Exadata Database Machine to deliver speed, scalability, and reliability to customers. Triple Point is deeply engaged in the program, and is the first Commodity Management software vendor with Oracle Exadata Optimized status.

Commodity XL & Oracle Exadata Deliver Lightning-Fast Performance

Recent testing of Triple Point’s Commodity XL™ Commodity Management solution with Oracle’s Exadata Database Machine demonstrated record performance levels for the near real-time valuation of massively large and complex commodity trade portfolios. As a result of this testing, Commodity XL has achieved Oracle Exadata Optimized status. This status means that Triple Point can provide increased performance and value to its customers by leveraging Oracle PartnerNetwork resources to optimize its applications to run faster and more efficiently. For more information, email info@tpt.com.
Triple Point First Commodity Management Vendor to Achieve Validated Integration with Oracle E-Business Suite

Joint solution streamlines and supports entire commodities lifecycle

Oracle E-Business Suite

Valued Integration

Q How is the Oracle Exadata Database Machine different than other database solutions?

CB The Oracle Exadata Database Machine is the only database providing extreme performance for data warehousing and online transaction processing workloads. This makes it the ideal platform for consolidating onto private clouds, running mission-critical applications, and providing the performance required to run enterprise-class trading environments. It’s a complete package of servers, storage, networking, and software that is massively scalable, secure, and redundant. Oracle Exadata enables our customers to make better business decisions significantly quicker by accelerating performance on all Oracle Database workloads up to 10 times. It saves on data center costs by reducing storage requirements, and delivers a much faster time-to-market by eliminating system integration trial and error.

Q What are Oracle’s future plans related to Oracle Exadata?

CB Oracle Exadata is part of a larger Oracle strategy that involves creating engineered systems that include pre-integrated hardware and software. For instance, Oracle Exadata includes database software plus computer servers, storage, networking, cabling, and interconnects. Most of the integration work that used to be done at a customer site is now done at Oracle, which makes customer deployments significantly faster and easier. Recently we launched Oracle Exalytics, the industry’s first in-memory business intelligence (BI) machine, which includes a best-in-class enterprise BI platform, in-memory analytics software, and hardware optimized to work together.

The integration provides a solution for physical commodity management and streamlined workflows supporting the entire lifecycle from requisition to delivery and settlement.
Triple Point Receives Top Honors & Recognition

Noted for innovation and rapid growth

Triple Point has been recognized across the Commodity Management industry for its innovative solutions and growth. The following new awards and accolades join the long list of honors that Triple Point has received.

WINNER: 2011 COMMODITY BUSINESS AWARDS, EXCELLENCE IN COMMODITY LOGISTICS

Triple Point received this prestigious award for the second consecutive year. Commodity XL™, the company’s flagship Commodity Management solution, was recognized for leveraging state-of-the-art technology and an integrated service approach to provide accurate, fast, and complete control of commodity product movements.

Master of Ceremonies, Simon Evans, presents the Commodity Logistics Award to Simon Woods, VP, International Sales, Triple Point.

WINNER: INTERNATIONAL BULK JOURNAL (IBJ) IT SOLUTIONS AWARD

Triple Point’s QMASTOR PortVu solution won this award for delivering a significant, measurable return on investment. PortVu is the only complete, integrated bulk terminal management system that manages all the complexities of port operations. It is a proven, multilingual solution that is being used across the world by leading ports.

Triple Point acquired QMASTOR, the premier provider of mining software solutions, in November 2011.

Left to Right: Frederic Fontarosa, Wilhelmsen Ship Services (Award Sponsor); Paul Golding, Product Representative, Triple Point; Kate Lothian, Industry Marketing Strategist, Triple Point; and Award Producer Ray Girvan, Publisher, International Bulk Journal
Triple Point Hosts Executive Lunch Series

Shares expertise across the globe

Triple Point shared its expertise with the shipping and energy industries in a series of executive lunches across the globe. Lunches held in the United States, Europe, and the Asia Pacific drew large numbers of attendees.

Chartering and vessel operations-focused lunches were held in the United States and Singapore, where participants learned techniques to fix cargoes and vessels ahead of competitors, decrease ballast time, and increase throughput and profitability.

Energy trading and risk management-focused lunches were held in London and Singapore. Attendees learned how to better manage risk, reduce the cost of regulatory compliance, and improve financial performance.

To view a complete list of upcoming events, visit tpt.com/events.
Triple Point Shares Its Industry Expertise

Sought after for thought leadership

TRIPLE POINT CTO TAKES CENTER STAGE AT ORACLE OPENWORLD

Triple Point SVP, Chief Technology Officer, Doug Daugherty was a featured speaker at the 2011 Oracle OpenWorld annual conference in San Francisco. Daugherty was one of three featured Oracle Exastack Ready partners that presented to an audience of over 4,500 Oracle stakeholders. He unveiled the results of an Oracle Exadata benchmark study conducted by Triple Point that demonstrated Triple Point’s record performance levels for the near real-time valuation of massively large and complex commodity trade portfolios. For more information, email info@tpt.com.

SENIOR TRIPLE POINT EXECUTIVE SPEAKS AT CHINA ENERGY SUMMIT

Triple Point’s EVP, Global Field Operations, Greg Taylor, spoke at the Low Carbon Earth Summit (LCES-2011) in China on “Navigating the Complex World of Supply Chain Management.” LCES-2011 is a summit to promote low carbon economy and discuss issues from public and private sectors. Taylor’s presentation underscored how increased commodity price volatility and complex global product movements have made sourcing and supply chain management riskier, dramatically increasing the need for sophisticated Commodity Management solutions. Triple Point was chosen to speak because of its unparalleled knowledge of the commodities space and strong worldwide presence.

TRIPLE POINT CONTRIBUATES EXPERTISE TO SHIPPING FREIGHT DERIVATIVES TEXTBOOK

Triple Point has authored a chapter covering the software requirements for managing freight derivatives and freight rate risk in a book titled Theory and Practice of Shipping Freight Derivatives. The book, written by Professor Manolis G. Kavussanos and Dr. Ilias Visvikis, provides insightful knowledge for managing freight rate derivatives.

Triple Point entered the shipping market in 2010 when it acquired Softmar, the leading provider of software to manage chartering and vessel operations. With roughly 90% of the world’s traded goods transported by sea, a critical component of successful supply chain management is the ability to manage vessel movements and operations and freight rate volatility.

TRIPLE POINT SPEAKS OUT ON THE AUTOMOTIVE INDUSTRY

Purchasing: The Impact of Rising and Volatile Raw Material Prices

In this article, AutomotiveWorld.com discovers surprising outcomes from its investigation on the impact of rising material prices in the automotive industry. Triple Point’s SVP, Chief Marketing Officer, Michael Schwartz, provides insightful commentary throughout the article.

The Race to Manage Risk in the Automotive Supply Chain

Triple Point’s SVP, Chief Marketing Officer, Michael Schwartz, discusses with Manufacturing Digital how automotive manufacturers and suppliers can follow a time-tested, market-proven path to more profitably and manage the commodity acquisition process — regardless of the volatile market environment around them.

To read these articles and more, visit tpt.com/commentary.
Triple Point Discusses Shipping Industry Challenges

How confident are you that you know your fleet’s true value?

If your answer to this question is anything less than “very,” your company’s future might be at risk.

In the turbulent seas of the shipping industry, understanding the true market value of your fleet is the difference between sinking and swimming. Performing frequent mark-to-market (MTM) valuations is an integral part of doing business. However, due to the volatile nature of the industry, the complexity of calculating freight rates, and flaws inherent in popular valuation methods and tools, companies often end up with inaccurate numbers. This provides an erroneous picture of financial standing that can result in lost profits, faulty decision making, and ultimately the demise of an entire business.

Triple Point’s Freight Risk Solutions Manager, Javier Navarro, has authored an article for *The Baltic* discussing the challenges associated with calculating accurate MTM valuations and how to address them. The article offers a detailed look at MTM valuations that helps companies gain a competitive edge and stay afloat in the rough waters of the cutthroat shipping industry.

The same issue of *The Baltic* features an article containing an interview with Michael Lolk Larsen, Triple Point’s VP, Principal Sales Consultant, about how software solutions help shipping companies cut costs and mitigate risks. To read these and other articles, visit [tpt.com/commentary](http://tpt.com/commentary).

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Triple Point Teaches Commodity Management Essentials

Webinars offer valuable insight

Did you know that Triple Point offers numerous recorded webinars that can be viewed anytime? Webinars cover the essentials of effective Commodity Management and are available for a wide range of topics, including:

- Commodity Trading, Procurement, and Risk 101
- The New Rules of Counterparty Credit Risk
- Insider’s Guide to Hedge Accounting and Fair Value
- Winning Raw Material Sourcing Strategies
- Optimizing Confirmation Management
- Executive Guide to Chartering and Vessel Operations

To view the full list of recorded webinars, visit [tpt.com/resource_center](http://tpt.com/resource_center).
Triple Point’s Houston and Westport offices hosted food drives to make Thanksgiving special for those in danger of going without a holiday meal. The offices beat their 2010 record of 500 pounds of food donated, collecting a whopping 600+ pounds last November.

Triple Point Houston’s food drive benefited the Montgomery County Food Bank (MCFB). MCFB is a private, nonprofit center that distributes more than six million pounds of food each year to low-income children, adults, and seniors living in Montgomery County, Texas. The food bank serves an average of 30,000 individuals each month. [www.montgomerycountyfoodbank.com](http://www.montgomerycountyfoodbank.com)

Triple Point Westport collected food for the “Thanksgiving for All” program. The program is a series of food drives sponsored by local civic and religious organizations, charitable foundations, businesses, and schools, which help the Connecticut Food Bank make Thanksgiving possible for thousands of disadvantaged individuals. The 2011 program was a resounding success, with more than 25,052 pounds of turkey and 392,000 pounds of trimmings collected — enough to provide holiday meals for nearly 600,000 people. [www.ctfoodbank.org](http://www.ctfoodbank.org)

The 2011 program was a resounding success, with more than 25,052 pounds of turkey and 392,000 pounds of trimmings collected — enough to provide holiday meals for nearly 600,000 people.
Triple Point Drives for Charity

Triple Point sponsors golf tournaments across the United States to raise money for worthwhile causes.

Schechter Westchester M. Mac Schwebel Golf Classic – Four of Triple Point’s finest golfed at the Quaker Ridge Golf Club in Scarsdale, New York, to benefit the Schechter Westchester Endowment Fund. The fund helps the Solomon Schechter School provide a comprehensive and intellectually rigorous curriculum for students in grades K-12. www.solomon-schechter.com

Valero Texas Open Benefit for Children Golf Classic – Triple Point took on this event at the JW Marriott Resort in San Antonio, Texas, to benefit children’s charities in all of the major locations that Valero operates. The event, together with the Valero Texas Open, contributed a record total of $9 million to charity, making the Valero Texas Open the most charitable tournament on the PGA Tour. www.valero.com/Community/Community_Giving/Benefi tforChildren

Drive Out Hunger Golf Classic – Triple Point employees teed up to benefit the Second Harvest Food Bank of Southern Wisconsin at this golf tournament sponsored by the Alliant Energy Foundation. The event, held at the University Ridge Golf Course in Madison, Wisconsin, raised over $250,000. www.alliantenergy.com/CommunityInvolvement

Triple Point Helps Makes World Championship Possible for Local Robotics Team

Wreckers 577, a Westport, Connecticut high school robotics team sponsored by Triple Point, realized its ultimate dream when it won first place at the 2011 FIRST Tech Challenge (FTC) World Championship. Teams are responsible for designing, building, and programming robots. The Wreckers competed against 128 teams from around the world, using their robot to score more points than their competition by emptying baton dispensers filled with 6-inch PVC tubes and scoring them in stationary and rolling goals. Wreckers 577 is comprised of seven high school students and a metal robot. The FIRST mission is to inspire young people to be science and technology leaders by engaging them in mentor-based programs that build science, engineering, and technical skills, inspire innovation, and foster well-rounded life capabilities including self-confidence, communication, and leadership. www.usfirst.org

The Wreckers 577 team after their world championship win.
EverPower Wind Holdings, Inc., a leading wind farm owner/operator supplying clean power, chose Triple Point’s Commodity Management solution to integrate its front-, middle-, and back-office functions and manage market and operational risk.

Forest City Trading Group, LLC, a recognized leader in forest products marketing, chose Triple Point’s chartering and vessel operations platform to manage its commercial shipping business.

Iberdrola Generation licensed Triple Point’s hedge accounting solution for commodities including power, natural gas, crude oil, coal, and emissions. Iberdrola is one of the top five utilities in the world. Triple Point’s hedge accounting solution is also used by Iberdrola companies Scottish Power and Iberdrola Renewables.

Integrys Energy Group, Inc., a diversified energy holding company, licensed a wide range of Triple Point’s Commodity Management solutions including gas trading and scheduling, credit risk, hedge accounting, fair value disclosure, market analytics, and automated trade execution for ICE. Integrys also licensed Triple Point’s oil trading solution for hedging of gas purchases for its delivery fleet.

The Iron Ore Company of Canada (IOC), Canada’s largest iron ore producer, licensed Triple Point’s OMASTOR Pit to Port, PortVu, and Horizon solutions for optimizing its mining supply chain.

KC Maritime chose Triple Point’s chartering, vessel operations, and freight risk solution to manage its fleet of Panamax bulk carriers and specialized cement carriers.

Kinder Morgan, one of the largest pipeline transportation and energy storage companies in North America, licensed Triple Point’s Commodity Management solution for gas and oil, and its hedge accounting and fair value disclosure software to manage compliance.

KKR & Co. L.P., a leading global investment firm, selected Triple Point’s cloud-based Commodity Management solution with fair value and enhanced disclosure software to manage compliance and reporting for its energy trading business.

Koch Supply & Trading Sarl licensed Triple Point’s Commodity Management solution for its natural gas trading, risk, and scheduling activities in Europe. The company is an indirect subsidiary of Koch Industries, Inc., which owns companies with about 67,000 employees and a presence in 60 countries.

Louis Dreyfus Highbridge Energy (LDH Energy) significantly expanded its relationship with Triple Point by licensing its chartering, vessel operations and freight risk management solution for its new chartering business. LDH Energy also uses Triple Point’s Commodity Management platform and ICE confirmation management solution.

Marubeni, a large, international trading company, licensed Triple Point’s cloud-based shipping software to manage chartering, vessel operations, and freight risk. Based in Tokyo, Marubeni has 120 offices in 68 countries.

Mercon Coffee Corporation, a leading international green coffee dealer, selected Triple Point’s Commodity Management solution for coffee trading and logistics.

Merit Chartering (Asia) Pte Ltd, the shipping arm of Starcom Resources, selected Triple Point’s chartering and vessel operations software to manage all pre- and post-figure activities for transporting agricultural commodities and pig iron.

Nutreco, a global leader in animal nutrition and fish feed, licensed Triple Point’s cloud-based Commodity Management solution to manage trading and logistics of raw materials for its agriculture and aquaculture products.
Oyu Tolgoi LLC licensed Triple Point’s Algosys Metallurgical Accountant™ solution for production accounting at its copper-gold mining complex in Mongolia. Oyu Tolgoi is owned by the government of Mongolia and Ivanhoe Mines, with development managed by Rio Tinto.

Parallel Petroleum LLC, a Samsung C&T company, expanded its relationship with Triple Point by licensing its hedge accounting solution for ASC 815 (FAS 133), and IAS 39 (IFRS 9). The company also uses Triple Point’s mark-to-market (MTM) solution.

Peñoles, one of Mexico’s largest mining companies, has expanded its relationship with Triple Point by choosing to dramatically increase its deployment of Triple Point’s Algosys Metallurgical Accountant solution.

Petrobras, the third largest global energy company, selected Triple Point’s Commodity Management platform to manage trading, risk, logistics, and accounting across its worldwide operations.

SHV Energy, the largest dedicated global liquified petroleum gas distributor, chose Triple Point’s Commodity Management solution to provide integrated straight-through processing, risk management, and logistics for its trading operations.

Sirius Solutions L.L.L.P., an independent business consulting services firm, licensed Triple Point’s hedge accounting and fair value disclosure solution to assist its clients with hedge decision making, curve validation, mark-to-market valuation, financial reporting, and compliance.

SOCAR Trading, a subsidiary of the State Oil Company of Azerbaijan Republic, expanded its relationship with Triple Point by licensing its credit risk solutions. SOCAR also uses Triple Point solutions for oil and refined products, business intelligence, and chartering and vessel operations.

State Bank of India expanded its relationship with Triple Point by licensing Triple Point’s precious metals solution for treasury and retail.

Tennessee Valley Authority (TVA), the largest government-owned power provider in the US, licensed Triple Point’s credit risk solution to manage its enterprise credit risk operations for counterparty onboarding, scoring, exposures, collateral, and advanced analytics. TVA also utilizes Triple Point’s Commodity Management solution for oil, gas, power, coal, and metals.

Teso Corporation, an independent refiner and marketer of petroleum products and a Fortune 150 company, chose Triple Point’s SAP-endorsed Commodity Management software and hedge accounting solution to manage commodity trading and compliance risk.

Texas Retail Energy selected Triple Point’s cloud-based Commodity Management solution for power trading and risk management in the United States and United Kingdom.

Vale, one of the top five global minerals companies, significantly extended its use of Triple Point’s chartering and vessel operations software with support for 30 new users, and deployed Triple Point’s enterprise resource planning (ERP) module for easy transfer of information between its ERP solution and Triple Point. Vale also uses Triple Point’s QMASTOR Pit to Port® and SMS3D® mining software solutions.

Westshore Terminals, Canada’s number one coal export facility, selected Triple Point’s QMASTOR PortVu® integrated bulk terminal management system to optimize port operations for the busiest single export coal terminal in North America.

WPX Energy, an independent natural gas and oil exploration and production company, licensed Triple Point’s Commodity Management solution to manage energy commodity credit risk exposures and margining calculations.

YES BANK, based in India, licensed Triple Point’s Commodity Management solution for trading and risk management of precious metals.
About Commodity XL
Triple Point’s Commodity XL™ is the leading multi-market commodity and enterprise risk management solution that meets all of the requirements for supply, trading, marketing, logistics, scheduling, shipping, risk management, and accounting in today’s volatile and complex environment. It offers multi-commodity management, business intelligence and analysis tools for proactive decision-making, real-time integration of physical and financial positions, advanced service-oriented architecture (SOA), and comprehensive enterprise risk management covering the four key areas of exposure: market/price risk, operational risk, counterparty credit risk, and corporate governance and regulatory compliance risk.

About Triple Point Technology, Inc.
Triple Point Technology® is the leading global provider of cloud and on-premise Commodity Management software that delivers advanced analytics to optimize end-to-end commodity and energy value chains. The company provides real-time, innovative solutions to competitively address the complex and volatile commodities supply chain: buying, selling, trading, and procurement; enterprise risk management; scheduling and logistics; storage; processing; and settlement and accounting.

Triple Point’s Commodity Management platform enables over 400 customers in 35+ countries to profitably manage exposure to energy and raw materials across industries, including energy, metals, minerals, agriculture, transportation, shipping, consumer products (CP), industrial manufacturers, and big box retailers. Triple Point was named a “Leader” in Gartner’s ETRM Magic Quadrant for its completeness of vision and ability to execute in 2009, 2010, 2011, and 2012. Founded in 1993, the company employs over 800 staff in 14 offices and support centers around the globe. www.tpt.com

How to Get Started
To learn how Triple Point’s Commodity XL software solutions can benefit your supply, marketing, procurement, hedging, or trading activities, please contact us at info@tpt.com.

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