

# HSEC Framework

Reference: Vitol

Date: updated 21 April 2020



## Introduction

This document contains Vitol's HSEC (Health, Safety, Environment, Human Rights and Communities) beliefs, which explains our approach to HSEC and details the standards that we are working towards. We expect all companies in which Vitol has a shareholding to follow these or similar standards, though we recognise that our influence will be commensurate with our shareholding, as well as other factors.

The HSEC framework sets out requirements and contains key performance indicators that enable us to make appropriate recommendations and provide reports to the board.

We hold ourselves to high standards and we acknowledge that these are ambitions which we will have to work hard to achieve.

## Vitol's Health, Safety, Environment, Human Rights and Communities (HSEC) beliefs

Our operations should be safe for employees, neighbouring communities and the environment – we commit to ensuring HSEC is an integral business consideration

We recognize the importance and fragility of the environment – we commit to seeking to minimise our impact on the environment through upholding high HSEC standards

We aim for a zero-harm approach – we commit to reporting, investigating and learning from incidents and near misses

A risk-based approach is the most suitable to the complex environments and geographies in which we operate – we commit to implementing this rigorously

All our operations should be compliant with the applicable legislative and regulatory regimes – we commit to support this, as well as our HSEC framework, through ensuring the appropriate resources and systems are in place

We respect all internationally recognized human rights – we will seek to conduct our business in accordance with the UN Global Compacts ten principles, including those on human rights

We must monitor our performance and continuously try to do better – we commit to clearly monitoring and tracking our performance as well as setting targets and auditing to improve our HSEC framework

We recognise the importance of communication – and commit to communicating as appropriate with all key stakeholders

Responsibility is core to Vitol's culture – we commit to assuming responsibility for our actions; as individuals and as a team.

Vitol CEO  
Russell Hardy

## Vitol HSEC requirements

### 1. Legal compliance

- a. Manage operations, equipment and activities to ensure compliance with relevant HSEC laws, regulations and permits. Where specific laws or industry practice do not exist, apply a sensible approach to reduce risks

### 2. Risk management

- a. Adopt a risk-based approach to HSEC and operations management by identifying, monitoring, assessing and mitigating risks to an acceptable level as determined by business requirements
- b. Ensure that high risk activities, such as, but not limited to the following, are well controlled by permits and/or safe systems of work:
  - Transportation (e.g. truck, rail, ship, mobile equipment)
  - Excavation work and confined space entry
  - Hot works, energy and electrical isolation
  - Activities susceptible to fire, explosion and noxious atmosphere risks
  - Working at height
  - Lifting activities

### 3. Leadership, training and competency

- a. Lead by example, encourage people to intervene, report unsafe situations to prevent occupational illnesses and incidents, whether directly involved or not
- b. Provide appropriate and ongoing HSEC information, training and supervision to employees, contractors and visitors to enable them to carry out their duties competently





#### 4. Management systems

- a. Establish, where appropriate, HSEC management systems to cover:
  - Personal and process safety risks
  - Provision of suitable personal protective equipment (PPE), sanitary facilities, first aid kits and drinking water
  - Environmental protection
  - Health risks and exposure to potential health hazards
  - Security related topics
  - Complaints and grievance management
  - Alcohol and drug testing
  - Selection and management of contractors and suppliers

#### 5. Targets and Measurement

- a. Set measurable targets to improve HSEC performance. The following should be considered, where relevant:
  - Lagging and leading HSEC related metrics (e.g. lost time injuries, process safety metrics, near misses)
  - Noise, odour and other complaints
  - Energy, waste and water management
  - Pollution prevention
- b. Establish, collect and analyse business specific key performance indicators (KPIs) to monitor and measure HSEC performance
- c. Vitol HSEC KPIs should be reported quarterly to the Vitol HSEC function

#### 6. Human Rights

- a. Support and work towards the principles outlined in the UN Sustainable Development Goals and Guiding Principles on Business and Human Rights



- b. Ensure a diverse and inclusive work place, where possible, free from discrimination regardless of age, gender, race, cultural heritage, ethnicity, sexual orientation, religion or disability
  - c. Ensure compliance with legal requirements regarding working hours, conditions and pay
  - d. Pay additional attention to vulnerable or marginalised groups who may be at greater risk of negative human rights impacts
  - e. Prohibit forced, enslaved, trafficked or child labour and not tolerate any physical or verbal abuse or workplace harassment
  - f. Respect employees' rights to join, form or not to join a labour union and commit to bargaining in good faith with their representatives
7. Security
- a. Ensure that appropriate measures are in place to manage travel to high risk destinations
  - b. Establish workplace security aimed at preventing violence, intimidation and other negative HSEC conditions arising from internal and external sources
  - c. Ensure that security management is consistent with international standards, local policies and laws
8. Due diligence
- a. Where possible, consider the Vitol HSEC framework when undertaking transactions and when performing counterparty due diligence
  - b. Work towards conducting on-going human rights due diligence and ensuring that communities impacted by our operations have access to remedy
  - c. Undertake HSEC due diligence and impact assessments, where applicable



## 9. Stakeholder Engagement and Communication

- a. Develop two-way communication channels with relevant stakeholders to ensure the Vitol and local HSEC frameworks are understood

## 10. Incident Reporting and Management

- a. Establish and test HSEC incident management plans for major accident hazards e.g. for process safety events, loss of containment, transport emergencies etc.
- b. Have in place a process to report, investigate and learn from HSEC incidents and high potential near misses to ascertain root causes and avoid reoccurrence

## 11. Reviewing Performance

- a. Initiate periodic audits of operations to benchmark progress against these and other requirements, using suitably qualified personnel



## Scope and Application

Vitol is diverse and has interests in a range of different businesses. This HSEC framework is intended to cover all of our activities. At a site or investment level, more detailed, specific management systems are in place to cover daily operations and manage risks.

In some countries the Vitol HSEC framework may go beyond, or be different from the law, however, it is not a substitute for the law. Compliance with local laws, regulations and permit conditions therefore takes precedence over this framework.