

S172(1) Statement

Reference: Vitol Services Limited & Vitol Broking Limited

Date: relevant for the financial year ending 31 December 2020

Vitol Services Limited ('the company') and Vitol Broking Limited (together 'the Group')

S172(1) Statement

Extract from the Strategic report in the Group and company financial statements for the year ended 31 December 2019

Statement of how the directors have complied with their duty to have regard to the matters in Section 172(1) Companies Act 2006 'Duty to promote the success of the Company'

The directors of the Group have a duty to act as they consider most likely to promote the success of the Group for the benefits of our members as a whole. As part of this duty, the directors have regard to the likely consequences of any decision in the long-term for employees' interests, business relationships, the impact of operations in the environment and communities in which the Group operates, the desirability of maintaining a reputation for high standards of business conduct and the need to act fairly between members of the Group.

The Group acts as service provider to the Vitol group⁽¹⁾ providing a variety of trading support services including broking services through Vitol Broking Limited, primarily to Vitol SA, one of the Vitol group's four main commercial hubs. In providing these services, the Group's main stakeholders are its employees, suppliers and related party customers, and also Vitol SA counterparties to positions brokered.

Whilst the directors of the Group do not always directly engage all stakeholders, they are kept informed of and consider all significant matters through informal and formal means. Direct engagement arises from the directors' performance of day to day operational activities and working with their teams and with other employees. In terms of indirect engagement, Vitol's flat, meritocratic organisational structure and employment of experienced industry and functional specialists, encourages informal discussions of business and stakeholder issues at every opportunity. More formally, directors meet to discuss related matters at quarterly board meetings.

The Group considers all main stakeholders to be key to the development and growth of its business, and therefore engages with each in an open and transparent way. Related matters considered by the directors include the below.

Employee interests and engagement

Talent is vital to the Group and we create an environment in which individuals can reach their full potential, unfettered by hierarchy. Experienced personnel with industry and functional expertise are employed and provided with support, space and responsibility to challenge and succeed within a flat, meritocratic organisational structure that encourages entrepreneurial and collaborative working. The environment also provides open communication throughout the Group at all times and an open door for new ideas and ways of working. Employees are further updated on Group matters through internal communications, newsletters and face to face meetings.

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Business relationships and engagement with suppliers, related party customers and counterparties

The emphasis, particularly for related party customers and counterparties, is on working collaboratively to identify and implement optimal solutions. Key to our strong, lasting business relationships is trust, built from offering quality and reliability of service and investing in long term partnerships. We also work quickly to resolve disputes with our suppliers and pay promptly as evidenced by our published payment practices report.

High standard of business conduct and operational impact on communities and the environment

Notwithstanding the importance of strong, lasting relationships, we are committed to a responsible and ethical conduct of business. The Group has in place robust compliance procedures which are focused on ensuring that all business conducted by the Group complies with the applicable legislative and regulatory regime, including international sanctions and anti-bribery and corruption laws.

The Group takes full account of risks in the energy and commodities sector and adopts a robust approach to managing its legal obligations and responsibility towards health, safety and the environment that is overseen by a dedicated Environmental, Social and Governance (ESG) committee. We seek to mitigate impact and risks on the communities in which we operate, where possible.

The Group further contributes to the Vitol group's charitable foundation, which was created in 2002 with the aims of helping children and families living in deprivation to escape the cycle of poverty and fulfil their human potential.

Acting fairly between members of the company

The company is a private company and is owned by a single shareholder, Vitol Holding SARL.

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