

United Kingdom Modern Slavery Act 2015 - Supply Chain Transparency Statement

This statement is made by Valero Holdco UK Ltd for itself and on behalf of its UK trading affiliates (collectively, the "Companies"), pursuant to section 54 of the Modern Slavery Act 2015 (the Act) for the financial year ending 31 December 2018.

Any references to 'we' 'us' 'our' or 'ours' shall be interpreted as references to the Companies, as the context so requires.

ORGANISATION'S STRUCTURE AND SUPPLY CHAIN

Valero Energy Corporation is the ultimate parent company of the Companies and is headquartered in San Antonio, Texas, United States. The Group owns and operates 15 refineries throughout the United States, Canada, and the United Kingdom. The Group's global turnover is approximately \$117.033 billion USD; it operates in several countries and employs approximately 10,000 people worldwide. More information about the Group is available at www.valero.com

We are a manufacturer and supplier of transportation fuels and other petrochemical products. Our business operates the Pembroke Refinery in Pembrokeshire importing crude oil, refining it into a number of finished products for distribution in a wide range of sectors. As well as the operational team, there is also a significant support and administrative function.

Our operations are supported by a global supply chain for goods and services. This supply chain includes suppliers of raw, direct and indirect materials, and skilled labour and other services required for our operations.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

Our Corporate Anti-slavery and Human Trafficking Policy and our Code of Business Conduct of Ethics reflect our commitment to act ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. They are available on our intranet and are accessible by and applicable to all Group employees, officers and directors.

A confidential reporting hotline is available to Group employees 24 hours a day, 7 days a week. Employees are directed to immediately report any information from any source that alleges a violation of our policies on slavery and human trafficking. We also operate a Whistleblowing Policy so that all employees know that they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisals.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk, we have further built on our work in the following areas:

- Assessing the potential risks in our supply chains, focusing on our biggest spend areas. We have assessed the risk in our supply chains by country, sector and business partnership to identify low, medium or high risks. We will continue to monitor and update our risk assessment in the year ahead to take into account changing circumstances; and

- Reviewing our purchasing processes and our standard terms and conditions for the supply of goods and services in the UK. We have ensured that terms are included, where possible, requiring suppliers to comply with all applicable laws (including the Act, by implication) in the performance of Services and the Supply of Goods and confirming that non-compliance with these standards may be grounds for termination.

SUPPLIER ADHERENCE TO OUR VALUES

We have zero tolerance to slavery and human trafficking. We expect all those in our supply chain to comply with our values. In the last year we have taken steps to ascertain the compliance of our most significant vendors and vendors with their anti-slavery and human trafficking obligations.

TRAINING

We continue to raise awareness of the Act by briefing directors and senior employees on the subject. We have developed an e-learning programme which we have rolled out across the business. We have completed training about the obligations and risks associated with modern slavery for all our UK employees of supervisor level and above. To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we aim to continue to provide training to relevant members of staff.

ASSURANCE AND KEY PERFORMANCE INDICATORS

We will continue to develop and monitor suitable key performance indicators to measure our compliance with our Corporate Anti-slavery and Human Trafficking Policy and the Act.

FURTHER STEPS

Following a review of the effectiveness of the steps we have taken to ensure that there is no slavery or human trafficking in our supply chains, we intend to take the following further steps during the coming financial years to combat slavery and human trafficking:

- We will continue to map our supply chain and undertake due diligence on our suppliers in relation to compliance with the Act.
- Where appropriate, we intend to engage in dialogue around human rights issues in the oil and gas industry through our participation in oil and gas industry associations (e.g. UKPIA) and to explore and promote potential solutions that are raised.

This statement is made pursuant to section 54(1) of the Act and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2018.

VALERO HOLDCO UK LTD (Approved by the board on 28/06/19)



Nick Roberts, Vice President
On behalf of the Companies

Date: 28/06/19