

VESQUIN TRADING

An established presence in South Africa

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About Vesquin Trading

Vesquin Trading (Pty) Limited (Vesquin Trading) represents Vitol in South Africa and is a key part of the Vitol. Since its formation in 2011 the company has built successful and long-term relationships with participants in the South African oil industry, from oil majors and independent traders, to state oil companies and the Department of Energy.

Dedicated to delivering an accelerated development programme of local BBBEE talent, the company continues to promote the advancement of HDSA whilst meeting the code of the South African oil industry charter and BBBEE requirements.

Vesquin Trading is an empowering supplier and BBBEE contributor.

 **Vesquin**



Vesquin Trading: a key part of the Vitol

Vesquin Trading benefits from Vitol's strength and expertise.



Trading, logistics and distribution

Business built upon long-standing relationships with producers, refiners and industrial customers.

- Largest independent trader with revenues of \$152 billion in 2016
- Over 7 million barrels of crude oil & products traded every day
- 351 million tonnes of crude oil and products shipped annually
- 6,800+ ship voyages each year with 250 vessels transporting our cargoes at sea at any one time



Refining

- Invested in six refineries worldwide with a total refining capacity of 480,000 bpd
- 3.6 million bpd crude oil and feedstocks supplied to refiners globally



Terminals, storage and infrastructure

Growing portfolio of strategic energy assets enabling customers to benefit from optimised feedstock and products, as well as flexibility and choice.

- Circa 18 million m³ of owned storage capacity strategically located across six continents
- Blending capabilities to offer bespoke specifications



Exploration and production

- Technical and logistical expertise - 20+ years experience
- Collaborating across the business to identify flexible solutions for our partners
- Currently developing Sankofa gas field in partnership with the World Bank, Eni and Ghanaian Government to provide enough gas to power Ghana's thermal power sector for 15 years



Marketing and downstream

Downstream footprint which today includes:

- Circa 5,000 service stations comprising over 3,000 across Africa and Australia, 2,700 of which are Shell-branded, and a further 1,800+ across NW Europe and Eurasia
- Bunkering businesses supplying in excess of 7.5 million tonnes globally annually
- 8 million tonnes of jet fuel into wing at 80 airports worldwide (est end 2017)
- Growing B2B business supplying gasoline and heating oil in NW Europe



Cross-commodity solutions

- Global trading expertise across all commodities enabling clients to manage energy costs and optimise product sale value
- Delivering power and gas to fuel small scale businesses

A long-term partner for South Africa

Vesquin Trading is involved in the sale and purchase of crude oil, condensates, blend components, finished petroleum products and coal. Vesquin Trading continues to expand supply to its partners in Vivo Energy Botswana and Vivo Energy Namibia, both of which supply Shell branded petrol stations.

Case study: Crude supply to South Africa

With over 20 years' experience in the Sub-Saharan African market, Vesquin Trading has established itself as the largest BBBEE supplier of products to South Africa's oil majors, supplying condensate and crude oil for processing in local refineries.

Its success in the region combines Vitol's expertise as the largest global independent trader of energy, with Vesquin Trading's extensive local knowledge and understanding of the South African Government's policies for economic development and local empowerment.

Every month, around 15 million barrels of crude oil and feedstock are required by South African refiners to supply the local market with refined petroleum products. With Vesquin Trading's access to Vitol's extensive trading network, its own long-term storage locations throughout the region, including crude oil storage in Saldanha Bay, the company is able to source the optimal feedstocks, at competitive prices, to meet South Africa's ever-evolving refining demand.





Case study - a new energy asset for South Africa

Burgan Cape Terminal (BCT) is a new storage and distribution facility located at the Eastern Mole of the Port of Cape Town. Offering 122,000 m³ capacity the facility has a product portfolio including diesel, petrol, biofame and bioethanol for blending.



VTTI, Vitol's global terminal company, is the major shareholder of the terminal. Construction commenced in November 2015. It was designated a strategic project with accelerated status under the South African Government's Operation Phakisa, which fast tracks the implementation of solutions to critical development issues, and was extended to include the energy sector. It is a strategically important asset and was the first project under this programme to be implemented.



Designed to receive fuel product by sea, store it, and distribute it by truck, the terminal provides an essential alternative for local fuel supply, significantly reducing the chances of fuel shortages previously experienced in the Western Cape.

Burgan Cape Terminal's jetty can accommodate vessels of up to 50,000 DWT, and product can be loaded into trucks for onward distribution by a fully automated loading rack. The terminal received its first product delivery by sea in June 2017 and expects to load more than 36,000 trucks in its first year.

Vitol has a long history of working in Africa

Vitol has a long history of working with partners across Africa; both working with producers and NOCs to optimise the value of African crudes and distributors to provide a reliable supply of high quality fuels to fast growing African markets.

In recent years, Vitol has invested in energy infrastructure throughout Africa, building terminals in Kenya, Nigeria and South Africa which complement our growing downstream and distribution network. Our investment has exceeded \$4 billion over the last five years and Vivo Energy, a Vitol investment and a Shell licensee in 16 countries across the continent, is investing \$250 million in improving energy infrastructure.

Our commitment to Africa is growing, with the acquisition of a share in Oando's downstream business in West Africa, equity participation in First E&P in Nigeria, the further development of our market leading LPG terminal in Lagos, Nigeria and the development of the Sankofa field in Ghana, a project supported by the World Bank and which is the largest foreign direct investment in Ghana since independence.



Vitol in Africa - a growing presence



Sankofa development, Ghana:

Development offshore Ghana in partnership with Eni, Ghanaian Government and the World Bank providing gas to the thermal power sector to 2036 and an estimated 500 million bbls of oil-in-place



Vivo is a Shell licensee in 16 countries:

1,780+ retail sites
>2,000 employees
~900,000 m³ storage
Supplying growing mining and agricultural industries



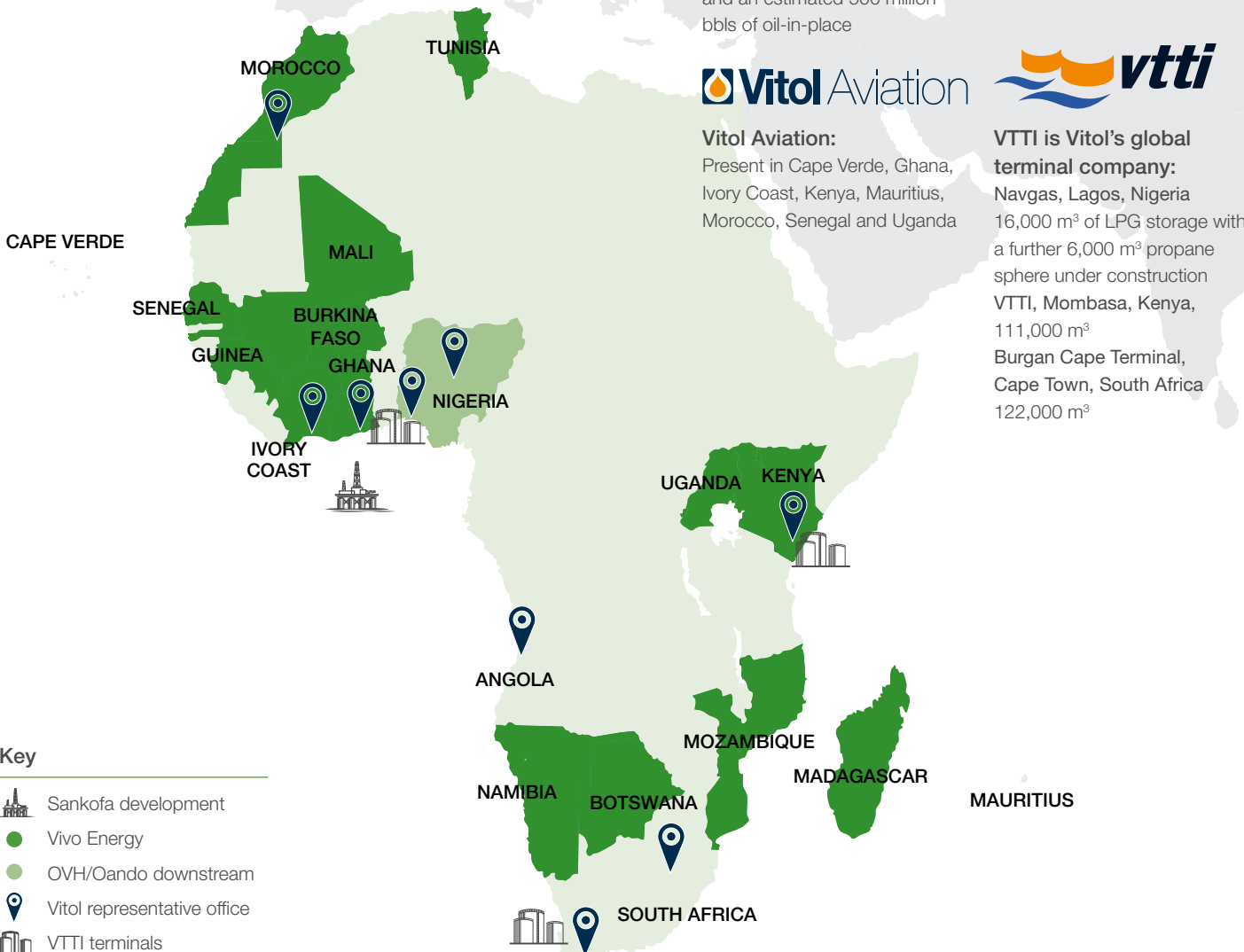
Vitol Aviation:

Present in Cape Verde, Ghana, Ivory Coast, Kenya, Mauritius, Morocco, Senegal and Uganda



VTTI is Vitol's global terminal company:

Navgas, Lagos, Nigeria
16,000 m³ of LPG storage with a further 6,000 m³ propane sphere under construction
VTTI, Mombasa, Kenya,
111,000 m³
Burgan Cape Terminal,
Cape Town, South Africa
122,000 m³



Key

- Sankofa development
- Vivo Energy
- OVH/Oando downstream
- Vitol representative office
- VTTI terminals

Vesquin Trading - Corporate Social Investment (CSI)

The key focus of our charitable initiatives is local interventions that support vulnerable women and children in the areas of health, access to education and welfare (providing a home for a child).

We focus on the area in which we operate, the Western Cape, and local charities that are sustainable and in need of funding. In many instances the government provides no supplemental funding to these charities.

Vesquin Trading partners with the Vitol Foundation to ensure due diligence has been completed before we donate and that our charities meet the criteria and work in tandem with the Foundation's main aim of enabling children living in deprivation to reach their potential in life.

Vesquin Trading has a dedicated charity team which evaluates requests for funding and monitors and supports the charities that have been chosen.



CSI - supporting local programmes

Milk Matters

Since 2015 we have been supporting Milk Matters and in 2016 helped them acquire and purchase a new pasteurizer. Having previously shared a pasteurizer with the Mowbray Maternity Hospital the charity found its operations and supplies limited to providing breast milk to premature babies weighing less than 1.5kg.

A premature baby can only be fed breast milk as their internal organs are not developed sufficiently to process and digest formula or other alternative substitutes. With their own pasteurizer Milk Matters have been able to expand their supplies, providing breast milk to a greater number of premature babies at this critical and vulnerable time in their lives, including those weighing more than the previous minimum of 1.5kg.

The Nonceba Family Counselling centre and shelter

Nonceba has been a key recipient of donations from Vesquin Trading for a number of years. We support the centre in its crucial work responding to the high levels of child sexual abuse and violence against women and children in Cape Town, and in particular Khayelitsha, where the centre is situated. Nonceba's goal is to reduce the levels of





domestic violence and abuse, to provide support to those who have been abused together with their families, as well as to prevent abuse through education.

We have provided funding and donations of office furniture and equipment for use at the centre during the course of our long association with Nonceba.

Durbanville Children's Home

Durbanville Children's Home is one of the oldest children's homes in South Africa with a history spanning 133 years and a strong track record of caring for vulnerable children.

Vesquin Trading chose to support the home as a new charitable initiative in 2015 and have continued to work with them since, contributing funds and donating good quality, second-hand clothing and computers which are used for homework and research purposes by each of the house units.

There are an estimated 5.2 million orphans currently in South Africa with this number estimated to grow at 29% annually.

The Home is currently caring for 144 children between the ages of 2-18 years.

CSI - making donations

In keeping with our focus of assisting charities local to our office we identified charities in Cape Town to whom we could provide financial assistance using funds raised over the course of the year.



Cape town

Life Health Care

Together with the director of Kingsbury Hospital we partnered with Life Health Care to provide an upgraded sick bay for the pupils of Eisleben Road Primary school. Located in an underprivileged area of Cape Town, the school caters for almost 1,000 pupils whose infirmary doubled up as a storage room. Funds helped improve facilities to provide a light, bright environment with a bathroom and basic first aid equipment.

The Salesian Institute Youth Projects

Vesquin Trading made donations towards Youth Projects in support of The Salesian Institutes work in education and skills development. Vulnerable children and youth at risk in South Africa face a wide variety of problems, the biggest of which are access to education, employment and basic social skills. The Youth Projects programmes are run with the aim of addressing these issues and to help youths take care of themselves, find meaningful work and to reintegrate as productive members of their communities.

Ons Plek

We provided funding towards an enhanced security system for a new residence housing street children. Ons Plek aims to make improvements to the lives of street children and to the prevention of those most at risk of becoming street children. The project is affiliated with the Child Welfare Society providing 24-hour residential care and offering children an opportunity to build their self-esteem and to participate fully in making important decisions about their lives.

Peninsula Feeding Scheme

Our donation will enable this scheme to provide over 66 underprivileged learners with a nutritious breakfast and lunch for an entire year. In operation since 1958, the scheme aims to address hunger in young learners and students attending primary, secondary and special needs schools. Many children left orphaned through the HIV/Aids epidemic are forced to head their own households, coming to school without having eaten breakfast and with no packed lunch. There is a noticeable improvement in attendance and performance at schools where feeding takes place. 100% of donations are directed to the actual cost of school feeding.

The Homestead Projects for Street Children

Vesquin Trading chose to make a contribution towards this project which has been instrumental in successfully reducing the number of children living on Cape Town streets by 90% since 2000. Acknowledged by the government as a 'best practice model' for street children and a comprehensive response of prevention, outreach, stabilisation as well as therapeutic and transitional residential care services to children living, working and begging on the streets of Cape Town.

Vitol Foundation

We first began making charitable grants in Africa in 2002. Since that time we have funded over 850 projects with 285 partners in 47 African countries.

Since its inception, the focus of the Vitol Foundation has been on investing in projects and partners seeking to transform the lives of children and drive positive change in some of the most under-served and deprived communities. By harnessing partnerships, we support projects under four programme areas critical to a child's development: Health, WASH (Water, Sanitation and Hygiene), Education and Livelihoods. We seek investments that are transformational, efficient, sustainable, scalable and replicable. We also respond to humanitarian emergencies with trusted partners.

All the projects the Foundation supports are judged on their merit alone and the Foundation operates completely independently of Vitol's business. Despite Vitol having business interests in over 160 countries around the world, over a third of the Vitol Foundation grants have been in countries where has no business at all.

