



Dear Russell Hardy – Vitol,

Greetings. We are writing from the Business & Human Rights Resource Centre to invite Vitol to respond to the findings of our recent report, 'Digging in the Shadows'. We are writing to express concern regarding the human rights impacts of your investments in Eastern Europe and Central Asia.

'Digging in the Shadows' examined the human rights policies and performance of the 10 largest extractives companies in Armenia, Georgia and Kazakhstan. The report found grave abuses related to many of these companies, including those receiving foreign investment. You can find our investor summary [here](#) and key findings [here](#).

According to our findings, Vitol investments have been linked to allegations of abuse, including severe environmental damage to the Caspian Sea, as well as chronic health and safety issues in nearby communities.

Vitol's health, safety, environment, human rights and communities (HSEC) framework states, "we commit to seeking to minimise our impact on the environment through upholding high HSEC standards" and "we will seek to conduct our business in accordance with the UN Global Compacts ten principles, including those on human rights". However, evaluations of Vitol's projects in the region stand in stark contrast to these policies.

We believe that it is important to give companies and investors the opportunity to respond when concerns are raised about their operations, so that our readers have access to their perspective. We would like to publish your response alongside this letter, and kindly ask for your response by **5:00pm CET, Friday 10 December 2021**.

### **Notable Rights Allegations Related to Vitol Investments**

- **North Caspian Operating Company:** Pollution, emissions and disturbances from Kashagan have contributed to the mass die-off of marine life in the Caspian Sea. One environmentalist warned that left unchecked, the oil industry could result in a 'total biological death' of the Caspian Sea in the coming decades. NGOs and activists have raised alarms that residents of the Atyrau region are at significant risk of exposure to poisonous substances. Long-term exposure to hydrogen sulphide can lead to brain damage, permanent memory loss, vision problems, nausea and headaches. Top medical staff at the region have expressed fear that, if an accident were to occur at Kashagan, tens of thousands of people living in Atyrau could be killed or severely impacted by toxic gas emissions. Common problems in the area include cardiovascular illness, blood disease, premature births, respiratory illness and stillbirths. [You can see the sources for the above allegations within the company profile.](#)

We invited North Caspian Operating Company to comment; the company did not respond to the allegations, but did provide information on its human rights policies.

While Total's sustainability policies are welcome and have promise, continued investment in the above projects demonstrates that Total could do more to ensure these policies are implemented in practice.

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Investors like Vitol play a critical role in ensuring business projects in Eastern Europe and Central Asia do not infringe on human rights or contribute to severe environmental destruction. Many governments in this region, including those of Armenia, Georgia and Kazakhstan, have failed to address human rights issues, or are unable or unwilling to do so. In many cases, government officials have ownership or significant interest in business projects like those above, making it difficult or impossible to seek justice from the state. When states fail to protect, and businesses fail to respect, communities look desperately to investors for assistance and intervention.

In light of this, the Business & Human Rights Resource Centre has issued a few [preliminary recommendations](#) on responsible investment in the region, based on engagement with activists monitoring these extractives projects. Notably, these recommendations focus on public participation, due diligence, and grievance mechanisms. Early and timely access to information for affected rights-holders is also a key issue. Access to information is critical for preventing and addressing human rights impacts, as well as securing access to remedy for those who have been adversely impacted by extractives projects. However, such access to information is poor in the region as a whole, meaning investors should pay particular attention to this topic when making investments.

### **About the Resource Centre**

The [Business & Human Rights Resource Centre](#) is an independent non-profit organization that tracks the human rights impacts of over 10,000 companies, including [Vitol](#), in over 180 countries. With an audience of more than 2 million users per year, our digital platform links to reports about positive initiatives by companies as well as reports about concerns that have been raised by civil society. For further details, please see the [“About us” section](#) of our website.

### **Invitation to Respond**

While socioeconomic development is greatly needed in the region and can play a critical role in the achievement of human rights, growth without human rights due diligence and remedy undermines the stated purpose of development: to improve the lives and well-being of the individuals and communities within a society.

We are encouraged by Vitol’s public commitments to human rights and sustainability, and believe in the company’s potential role to ensure human rights are protected. We invite Vitol to respond by **5:00pm CET, Friday 10 December 2021**. Please notify us if you need additional time. We hope to publish your response along with this letter. We are also inviting the other investors mentioned in the report to respond.

- Format: PDF, word document, or web link
- Must clearly indicate the date
- If Vitol has already taken action with regards to any or all of the allegations, please feel free to include that in your response.



If Vitol does not provide a response, we will indicate in the Weekly Update that we invited Vitol to respond, but that it did not. Your response or non-response will be permanently registered in all relevant sections of our website.

Please do not hesitate to get in touch if you require any further information – we can be reached by email or telephone (see contact details below).

Kind regards,

Ella Skybenko (Eastern Europe/Central Asia Senior Researcher & Representative based in Kyiv) & Ashley Nancy Reynolds (Eastern Europe/Central Asia Research Assistant based in Croatia)  
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10 December 2021

Dear Ashley,

Many thanks for your letter of 29<sup>th</sup> November 2021.

We can confirm that Vitol conducts the appropriate level of due diligence on all the projects to which it provides financing, either through equity participation or debt, though our influence varies depending on the nature of the involvement.

Your letter and the associated documents contain a number of allegations. However, we note that many of these are unsupported by detail and facts. The detailed facts are also lacking from the reports to which your letter and report refer. If you were to provide us with an appropriate level of detail, we would be able to assess how best to address the issues you raise

Yours sincerely,

A handwritten signature in black ink that reads "Andrea Schlaepfer".

Andrea Schlaepfer

## Email correspondence with Vitol

Dear [Vitol],

Thank you for your initial response.

Further information on the various allegations is available within the 14-page [company profile for NCOC](#). The profile provides an overview of human rights concerns related to the company, including those related to the environment. The information on allegations is supplemented by testimony from community members, findings of NGOs, news articles, and company-provided data, all of which are publicly available.

While we strive to include as much information as possible within a relatively concise profile, it is possible to access more information on each allegation -- as well as the source -- via the links provided throughout the text.

Regarding further data, NGOs and residents have raised concerns about access to information related to NCOC, as noted in the profile. The profile is based on the concerns raised by these groups. We are presently engaging with NCOC and its investors in order to gain more data from the company, including their full responses to the allegations.

Thank you for your time. We hope that this information is of assistance.

Regards,

Ashley Reynolds

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Dear Ashley,

Many thanks for your response.

We have read the documents which you provided and the allegations contained therein are also unspecific and unsubstantiated.

As stated previously, if you are able to provide specific and substantiated allegations, we will review and take the appropriate course of action.

Kind regards,

[Vitol]