

Qualification: CIPD Diploma in Applied Human Resources

Module Name: Contributing to Improving Organisational Performance

Activity 1: Performance management activities within Valero

Word Count: 920 words

Activity 2: Supporting line managers to deliver performance management activities within Valero

Word Count: 899 words

Activity 3: Assessing the impact of performance management activities on organisational performance and recommendations for enhancement

Word Count: 765 words

Student Name: Melanie Gough

Student Number: 1910141

CIPD Membership Number: 54660544

By signing below, I confirm that the work/evidence presented is my own, unaided work. I understand the regulations pertaining to candidate malpractice and the action that may be taken as a result.

Signed:

A handwritten signature in black ink, appearing to read 'Melanie Gough', is written over a light yellow rectangular background.

Date: 16/05/2021

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CIPD Candidate Evidence Matrix

Candidate name: Melanie Gough				CIPD Membership/registration No.: 54660544		
Qualification title: CIPD Level 5 Diploma in Applied Human Resources				Unique Learner No. (ULN): 1910141		
Unit code	Unit title	Assessment criteria no.	Evidence description	Evidence reference number	Assessor initials	I/V initials if sampled
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Performance Review	EV 1		
5A1OP	Contributing to Improving Organisational Performance	1.1	New Performance Management Process	EV 2		
5A1OP	Contributing to Improving Organisational Performance	1.1	Example Recruitment Advert	EV 3a		
5A1OP	Contributing to Improving Organisational Performance	1.1	Example Job Description	EV 3b		
5A1OP	Contributing to Improving Organisational Performance	1.1	Email communication with successful candidate	EV 3c		
5A1OP	Contributing to Improving Organisational Performance	1.1	Development Model	EV 4		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.1, 2.2, 2.3	New Employee Integration Process	EV 5a		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.1, 2.2, 2.3	New Employee Integration Employee Guide	EV 5b		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.1, 2.2, 2.3	New Employee Integration Supervisor Training	EV 5c		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.1, 2.2, 2.3	New Employee / New Role Scorecard Completion Guide	EV 5d		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.1, 2.2, 2.3	New Employee Integration Supervisor Guide	EV 5e		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.1, 2.2, 2.3	New Employee Integration HR Administrator Guide	EV 5f		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.2, 1.3	Policy D155 – Discipline Section 6. Dealing with Poor Performance	EV 6		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.2, 2.2, 2.3	Performance Improvement Plan (PIP)	EV 7		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.2	Memorandum of agreement between Pembroke Refinery and Unite the Union	EV 8		

			Section 12 'Operator Flexibility/Competency' Section 20 'Training & Development'			
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Salary & Allowances	EV 9a		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Probationary Periods	EV 9b		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Private Medical Insurance AXA PPP	EV 9c		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Employee Assistance Programme 'Unum Lifeworks'	EV 9d		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Service Awards	EV 9e		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Valero Incentive Plan (VIP)	EV 9f		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Share Incentive Plan (SIP)	EV 9g		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Training and Development	EV 9h		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Handbook Educational Assistance	EV 9i		
5A1OP	Contributing to Improving Organisational Performance	1.1	Share Incentive Plan (SIP) Awards	EV 10		
5A1OP	Contributing to Improving Organisational Performance	1.1	Recognition and Reward Guidelines	EV 11		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.2	Policy W390 – Work Life Balance (UK Employees ONLY)	EV 12		
5A1OP	Contributing to Improving Organisational Performance	1.1	Employee Well-being	EV 13		
5A1OP	Contributing to Improving Organisational Performance	1.1	Valero's Charity of the Year, DPJ Foundation	EV 14		
5A1OP	Contributing to Improving Organisational Performance	1.1, 2.1, 2.2, 2.3	Record of Discussion	EV 15		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.2, 2.3	Meeting (MG & KT)	EV 16		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.2, 2.3	Email communications (MG & KT)	EV 17		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.2, 2.3	Email communications (MG & JJ)	EV 18		

5A1OP	Contributing to Improving Organisational Performance	1.1	Email communications (MG & apprentice)	EV 19		
5A1OP	Contributing to Improving Organisational Performance	1.1, 2.2	Memorandum of agreement between Pembroke Refinery and Unite the Union Section 3 'Shift Handover'	EV 20		
5A1OP	Contributing to Improving Organisational Performance	1.1, 2.2	Computer Based Training (CBT) modules	EV 21		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 2.1, 2.2, 2.3	Supervisor Toolkit	EV 22		
5A1OP	Contributing to Improving Organisational Performance	1.1, 1.3, 3.1	Performance Management Compensation Resource Guide	EV 23		

Candidate declaration:

- I confirm that the work/evidence presented for assessment is my own unaided work.
- I have read the assessment regulations and understand that if I am found to have 'copied' from published work without acknowledgement, or from other candidate's work, this may be regarded as plagiarism which is an offence against the assessment regulations and leads to failure in the relevant unit and formal disciplinary action.
- I agree to this work being subjected to scrutiny by textual analysis software if required.
- I understand that my work may be used for future academic/quality assurance purposes in accordance with the provisions of the Data Protection Act 1998.
- I understand that the work/evidence submitted for assessment may not be returned to me and that I have retained a copy for my records.
- I understand that until such time as the assessment grade has been ratified through internal and external quality assurance processes it is not final.

Signature:



Date:

02/05/2021

Performance management activities within Valero

Historically, Valero has had a traditional approach to their annual Employee Performance Review (EPR) process. Managers meet with employees early each year to open the review, giving them an opportunity to set goals and communicate performance expectations early on. Meetings continue throughout the year to review progress, followed by a final meeting at year end to close the review. [EV1]

While the EPR process has remained unchanged for many years, it is outdated and no longer fit for purpose, often described by managers as a 'tick box exercise'. While managing performance is important, it is suggested that "traditional performance management is broken and needs reinventing". (Mitchell, 2014) Valero is transitioning to an ongoing performance management process that is in support of Valero's strategic objectives. [EV2]

HR's role is crucial to the performance management process, from recruitment and selection through to providing managers with "the tools which help them to secure higher performance from individual employees". (Taylor & Woodhams, 2016) Valero's recruitment, selection, onboarding and integration process is well established. Job adverts and job descriptions detail the candidate specification and main duties, allowing candidates to assess their suitability for the role. [EV3a] [EV3b] [EV3c]

Although job descriptions can be useful for agreeing responsibilities, they can also be restrictive. Forbes suggests that job descriptions are obsolete, arguing they are ineffective and even harmful to new recruits. Netflix abolished job descriptions in 2009 and instead unveiled a 'culture deck' which detailed the "seven aspects of its culture for current and potential employees", (Peretz, 2018) which they reported attracted the candidates they were looking for. While Valero rely heavily on job descriptions, they have created a Development Model which they hope will supersede job descriptions over time. [EV4]

New employees are enrolled on the New Employee Integration programme (NEI), which is designed to enhance the onboarding experience for new employees and their supervisors by ensuring consistency in the new employee experience and improving engagement with Valero's culture. HR are responsible for supporting, communicating, and monitoring the NEI programme throughout the NEI timeline, starting on the employees first day, up to 18 months when employee should be integrated in their role and Valero's culture. [EV5a] [EV5b] [EV5c] [EV5d] [EV5e] [EV5f] [EV5g] All new employees are also subject to a probationary period to ensure suitability in terms of conduct and performance. [EV9b]

Managers are encouraged to address poor performance through the performance management process. Where this is not possible, managers are referred to section 6 of Policy D155 – Discipline, which outlines the process for dealing with poor performance, and the responsibility on both employees and supervisors. [EV6] The policy outlines the process for using a Performance Improvement Plan (PIP), and stresses that realistic and measurable standards of performance should be set and that employees should be given training or coaching as required. [EV7]

Continued poor performance can result in disciplinary action and dismissal and although 'capability or qualifications' is one of the five potentially fair reasons for dismissal, employers should take reasonable steps to improve employee performance to avoid unfair dismissal claims. The ACAS Code of Practice sets the minimum standards for employers dealing with disciplinaries and grievances. An employment tribunal can adjust awards by up to 25% resulting from "failure to comply with any provision of the Code". (ACAS, 2015)

The memorandum of agreement between 'Pembroke Refinery' and 'Unite the Union', sets out the competency expectations in section 12 'Operator Flexibility/Competency' and section 20 'Training & Development', specifically referencing how "employees will be required to re-certify in all qualified positions every three years". (Valero, 2016) [EV8]

Pembroke Refinery is regulated by the Health and Safety Executive (HSE) and must adhere to strict competency levels to operate safely. Operators work through positions, from Plant Operator to Control Operator and then Lead Operator. Operators must meet the minimum competency standards for each position they hold and are subject to regular testing to satisfy the HSE. Operators who fail to meet or maintain the required standard are not allowed to 'hold down' that position. Operators who repeatedly fail to meet the minimum standard are subject to Valero's capability process.

Research supports the link between high-performance working and employee well-being, with evidence demonstrating that "good working practices – such as autonomy, good management and work-life balance – are fundamental to both wellbeing and productivity". (Hancock & Cooper, 2018) Valero encourages high performance working practices through several initiatives.

Policy W390 – Work Life Balance acknowledges that employees "work best when they are able to achieve an appropriate balance" (Valero, n.d.) between their work and personal life. This is achieved by supporting requests for 'special leave' and 'flexible working'. [EV12]

Valero is committed to continuous professional development (CPD), encouraging employees to manage their own learning and development. The CIPD supports CPD and suggests that maintaining skills and knowledge can boost confidence, strengthen professional credibility, and prepare employees for new challenges and responsibilities. (CIPD, n.d.) Valero's commitment to training and development and educational assistance is outlined in the Employee Handbook. [EV9h] [EV9i]

Valero's Recognition and Reward programme is generous, with financial rewards including service awards in appreciation of long service with the company, the Valero Incentive Plan performance-based bonus scheme and an award-winning Share Incentive Plan, which "took the award for best all-employee share plan" (Scott, 2017) at the 2017 Employee Share Ownership Centre's (Esop) Employee Ownership Awards. [EV9e] [EV9f] [EV9g] [EV10] [EV11]

Valero's well-being initiatives include an on-site medical centre with a dedicated full-time occupational health nurse and access to an on-site physiotherapist and company doctor, AXA PPP private medical insurance and employee assistance programme, Unum Lifeworks. [EV9c] [EV9d] [EV13] Valero also promotes employee well-being through mental health initiatives, and this commitment is shown through Valero's Charity of the Year, 'DPJ Foundation'. [EV14]

Evidence

 Employee Performance Review	
Name: Melanie Gough	Employee ID: 00155788
Reporting to: Joanne James	Review Period:
Job Title: Associate HR Business Partner	Jan 1, 2020 – Dec 31, 2020
Duties	
Administrative support for the recruitment process from advert through to on-boarding PERFORMANCE LEVEL: EXPLANATION:	
Audit exception time to ensure compliance with policy H215 – Overtime PERFORMANCE LEVEL: EXPLANATION:	
Completion of all PCR input for promotions, employee transfers, absence etc. PERFORMANCE LEVEL: EXPLANATION:	
Monitor absence through FirstCare, compile Bradford letters and report absence data to San Antonio PERFORMANCE LEVEL: EXPLANATION:	
Work in alignment with the HR Business Partner ensuring understanding of policies and procedures. PERFORMANCE LEVEL: EXPLANATION:	
Competencies	
Act with Integrity (Core) Commit to Health, Safety, and Environment (Core) Communicate Effectively (Core) Respect Others (Core) Show Work Commitment (Core) Develop Oneself Focus on Customer Needs Understand the Business Competencies Overall Rating	
Company Goals	
1. Work safely; respect the environment and each other. 2. Every day is Game Day; bring your best and elevate those around you. 3. Treat Valero's money like your own and work to reduce costs. 4. Focus your efforts and keep score, seize opportunity and execute in an efficient manner. 5. Share success through volunteerism and charitable giving. 6. Provide employees with a safe and rewarding work environment with opportunities for growth and personal development.	

Department Goals	
Individual Goals	
Summary	
Summary of Career Discussion	
Summary of Performance	
Summary of Career Discussion	
Employee Comments	
Supervisor Comments	
Next Line Supervisor Comments	
Signatures	
Melanie Gough	Electronically Signed:
Joanne James	Electronically Signed:

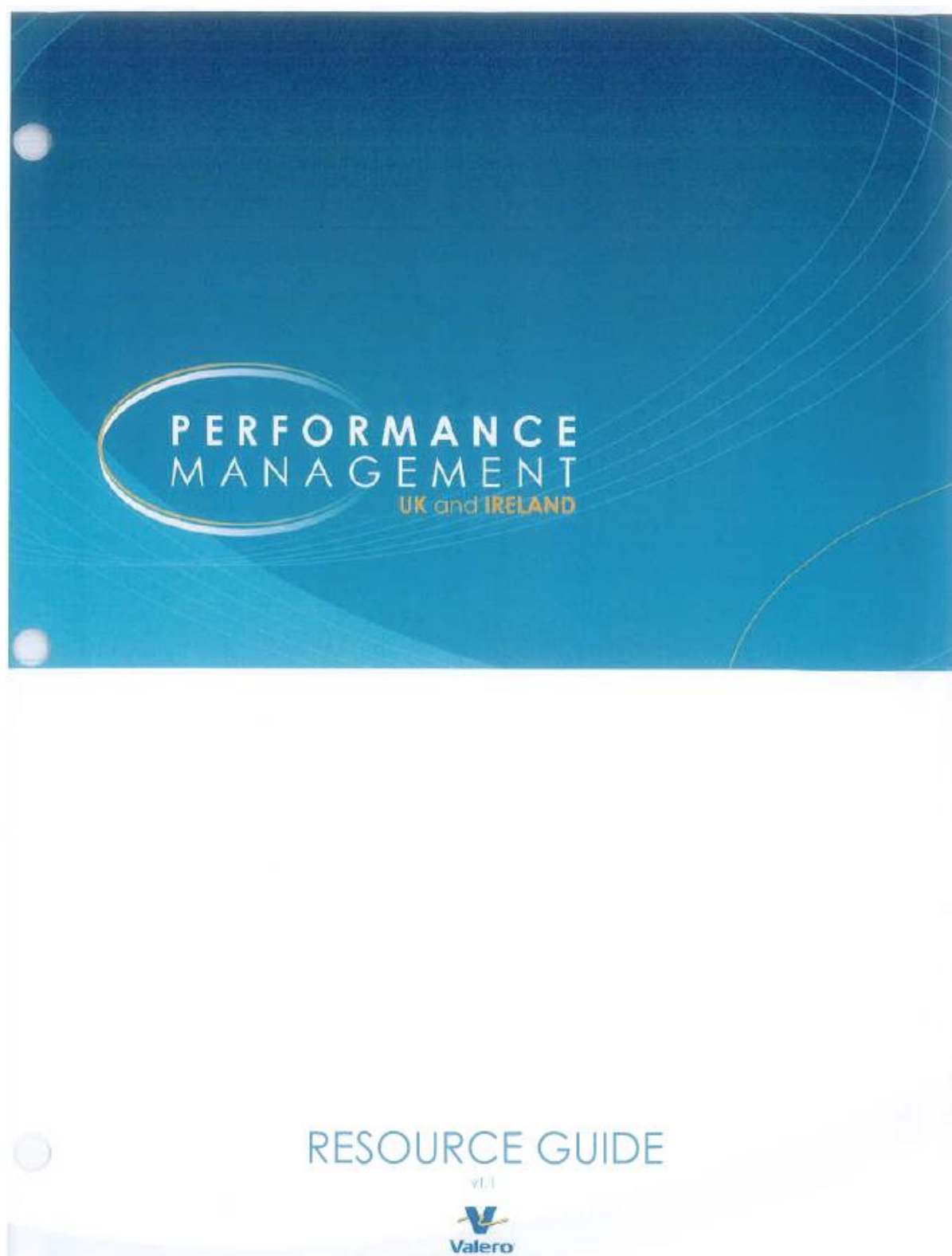


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INTRODUCTION

LEARNING OBJECTIVES

- Discuss the transition from annual Employee Performance Review (EPR) to an ongoing performance management process
- Discuss the creation and communication of performance expectations
- Discuss the role of feedback and ongoing coaching process

LIST OF CLASS ASSUMPTIONS

The assumption is that:

- You respect your employees
- You understand the Valero culture
- You know your employees
- You are already coaching
- You are walking in with a "Coaches' tool belt"
- You know the benefits of why we do Performance Management
- You are setting expectations
- You are giving feedback
- You are sincere, especially when building relationships

PERFORMANCE MANAGEMENT

"It is an **ongoing** communication process that includes employee performance and is in support of accomplishing Valero's strategic objectives."



CURRENT STATE

- HR-driven
- Administratively burdensome
- Inflexible, one size fits all approach
- Set once and reviewed once
- Annual expectation
- System-centered

FUTURE STATE

- Division / Department driven
- Balanced manager and employee responsibilities
- Flexible
- Employees have a clear understanding of their performance expectations
- Supervision provides timely, ongoing performance coaching and feedback
- Approach offers the opportunity to customize performance management efforts

ACCOUNTABILITY

"A **personal choice** to rise above one's circumstances and demonstrate the ownership necessary for achieving **key results.**"



IF WE HAD MORE ACCOUNTABILITY, WHAT WOULD BE THE OUTCOME?

✓ Improved performance ✓ More employee participation and involvement ✓ Increased feelings of competency ✓ Increased employee commitment to the work ✓ Higher employee morale and satisfaction with the work ✓ Focus on achieving results rather than just doing the job

HOW DO YOU DRIVE ACCOUNTABILITY ON YOUR TEAM?

WHAT GETS IN YOUR WAY?

ACCOUNTABILITY BLEND



Performance Expectations

An **expected level of employee performance**.

May include: job duties, roles and responsibilities, goals and objectives, company values, and Key Performance Indicators (KPIs).

Coaching

A process that aims to improve performance. The day-in and day-out discussions around how to approach a particular issue, along with more formal discussions to **reinforce performance expectations**.

Ongoing communication between manager and employee to identify performance gaps and success.

Feedback

The frequent and ongoing exchange of information that involves both **performance expected** and **performance demonstrated**.

Feedback is describing something the employee has done well and should continue or something the employee needs to improve using specific examples of the desired behavior.

PERFORMANCE EXPECTATION(S)

"An expected **level of employee performance**. May include: job duties, roles and responsibilities, goals and objectives, company values, and Key Performance Indicators (KPIs)."

WHEN TO SET EXPECTATIONS

- | | | |
|-------------------------------------|-------------------|--|
| ☒ | New employee | - How can they know if you don't tell them? |
| ☒ | New role | - We promote because they did well in their previous position.
- Need to know expectation for new role |
| ☒ | New work/project | - Every job/project has different expectations and they need to be expressed. |
| ☒ | Something changes | - Policy, regulations, and work scope can change, make sure new expectations based on these factors are expressed. |

HOW TO SET PERFORMANCE EXPECTATIONS

Expectation	Result	Timeline	Commitment	=	Success
	Result	Timeline	Commitment	=	Confusion
Expectation		Timeline	Commitment	=	Anxiety
Expectation	Result		Commitment	=	Lack of Progress
Expectation	Result	Timeline		=	Lack of Ownership

"The palest ink is better than the best memory"

- Chinese Proverb



Laboratory Technicians



Valero Pembroke Refinery currently has the opportunity to recruit two Laboratory Technicians to work within the Laboratory based at Pembroke. The Laboratory Technician is responsible for the day-to-day testing of samples and providing quality results in a safe manner.

Key Responsibilities include:

- Ensuring incident free operations through the effective use of the Loss Prevention System (LPS)
- Completing laboratory testing in accordance with the established testing methods
- Ability to prioritise workload, ensure timely, accurate testing of samples and review and report results
- Completing appropriate equipment checks, calibration and basic maintenance
- Supporting the laboratory stock tracking system and reporting any low stock levels identified
- Completing tasks as assigned in the laboratory schedules including Safety and Quality Audits, SOP Reviews and Correlation Programs and where necessary represent the laboratory and provide technical input for both internal and external project work
- Ensuring that the work environment is left in a safe and suitable condition at the end of the shift

Candidate Requirements

A tertiary degree / diploma in Science is essential for this role. Also desirable would be:

- An understanding of good laboratory practice, including previous petrochemical laboratory experience
- A good understanding of the petrochemical refining processes
- Strong technical / professional problem solving skills
- Strong personal drive for development and the ability to self-manage personal workload
- Ability to represent the laboratory on both internal and external working groups
- An understanding of ISO 17025

Candidates should be available to work the nine day fortnight and the standard shift pattern.

To apply please send a detailed CV to pembrokehr@valero.com

Closing date: Wednesday 12th February 2020





Job Description

Organizational Information

Position Title	Laboratory Technician
Work Location	Pembroke Refinery – Laboratory
Department	Technical Services

Reporting Functions

Reports to Position Title	Laboratory Supervisor
Reports one of	7-18
Supervisor Functions	0

Functions	Job Responsibilities (Key accountabilities within role to include system usage, volume/performance/safety targets, statutory responsibilities, compliance responsibilities, key time deadlines) in concise clear terms
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Key Function	The Laboratory Technician is responsible for the timely and accurate testing of samples and for working in a manner which targets incident free operation.
--------------	--

No	% Time Allocated to Function	Key Job Responsibilities/Duties
1.	Testing Roles 65-80 Non-Testing Roles 5	• Accurate and timely testing of samples assigned to individual (shift / daily assignment) • Accurate recording, checking and data entry of results • Prioritisation of daily testing including validation, batch, routine, test runs and external samples • Self-checking of results for 'reasonableness' and correctly report in LIMS • Clear communication of results with satisfied internal and external customers and minimal technical or recording errors • Complete tasks as assigned in the Laboratory Schedules (Safety and Quality Audits, SOP Reviews, Correlation Programs, LPOs) • Undertake routine equipment maintenance and basic troubleshooting. Report instrument breakdowns promptly • Comply with the stock tracking system and report and materials that drop below minimum stock levels in an accurate and timely manner • On completion of each activity and shift, ensure work areas are left tidy, with all reagent bottles filled, all glassware, utensils and equipment cleaned and all non-retain samples removed for disposal. • Ensure incident free operations through the effective use the Loss Prevention System (LPS) – including safety, spills, quality, environmental, reputational losses
2.	10	• Ensure all losses and/or near-losses are reported to Laboratory Supervision. Support any investigations as required • Complete LPOs as scheduled fulfilling both Observer and Observee roles through the year

3.	5	- Identify housekeeping opportunities in line with VPP - Support improvement activities, both procedural and physical improvements - Ensure correct waste segregation - Progress with own personal development, including technical progression Specific Responsibilities / Duties assigned to individuals to be involved with and support others on: - Basic training of new-start Laboratory Technicians as required and update training records - Support Pembroke Laboratory UKAS Accreditation, with technical support for designated testing and equipment control / maintenance.
4.	Testing Roles 5-20 Non-Testing Roles 80	- Complete specified product certification - Support development of Quality Management system and document reviews - Monitor stock levels of Laboratory supplies and ensure materials ordered to disruption due to materials/consumables shortages - Supervise visiting equipment engineers - Support installation of new testing equipment, including physical set-up and development of new testing procedures / instructions - Support modelling of results as assigned - Support laboratory initiatives, resolution of audit actions, projects as required

Number of Employees Supervised: 0

Key contacts:

Other Laboratory team members, Oils Planning, Operations, Process Engineering, Operations Advisors, Shift Team Leaders.

Educational Level and Professional Qualifications Required/Preferred:

Tertiary degree / diploma in Science or Engineering

Experience (including number of years in role) Required/Preferred:

Some experience in laboratory testing, operations or process engineering

Other Requirements:

Basic laboratory competencies and understanding
 Refinery process, feed and product knowledge and understanding is beneficial
 Commitment to safety, environment and incident free operation
 Strong interpersonal skills
 Strong technical problem-solving skills
 Strong customer service focus
 Good verbal and written communications skills
 Good time management

Reviewed Pembroke Human Resources: January 2019

Reviewed by Compensation: February 2019

Version 1: February 2019

From: Gough, Melanie
Sent: 16 April 2020 17:11
To: [REDACTED]
Subject: New Hire Paperwork

Dear Georgia

Congratulations on being offered the role of Lab Technician, effective Monday 27th April.

Your pre-employment medical has been arranged for 10:00 am tomorrow, Friday 17th April – please report to the onsite medical centre.

Please find attached the medical questionnaires and your new hire paperwork for completion:

1. Employee Detail form
2. UK Sterling Bank/Building Society Account Details form
3. P46: Employee without a form P45
4. Valero UK Private Medical Insurance Enrolment and Change form
5. Valero UK Private Medical Insurance explanatory booklet
6. Valero UK Share Incentive Plan Partnership Share Agreement form
7. Valero UK Share Incentive Plan explanatory booklet
8. Form W-8BEN U.S Withholding Tax
9. Form W-8BEN U.S Withholding Tax Guidance notes for completion
10. Valero UK Group DC Plan Expression of Wish form
11. Valero UK Group DC Plan explanatory booklet
12. Denplan Application form
13. Denplan explanatory booklet
14. Denplan benefit table
15. Declaration of Consent form to initiate the screening process
16. Working Time Regulations
17. Policy S345 – Substance Abuse – please familiarise yourself with this policy
18. Employee Handbook

Please could you print, complete and scan the forms that require completion to me as soon as possible. Please keep hold of the hard copies as I will need these off you too, but we can process everything from the scan copies for now.

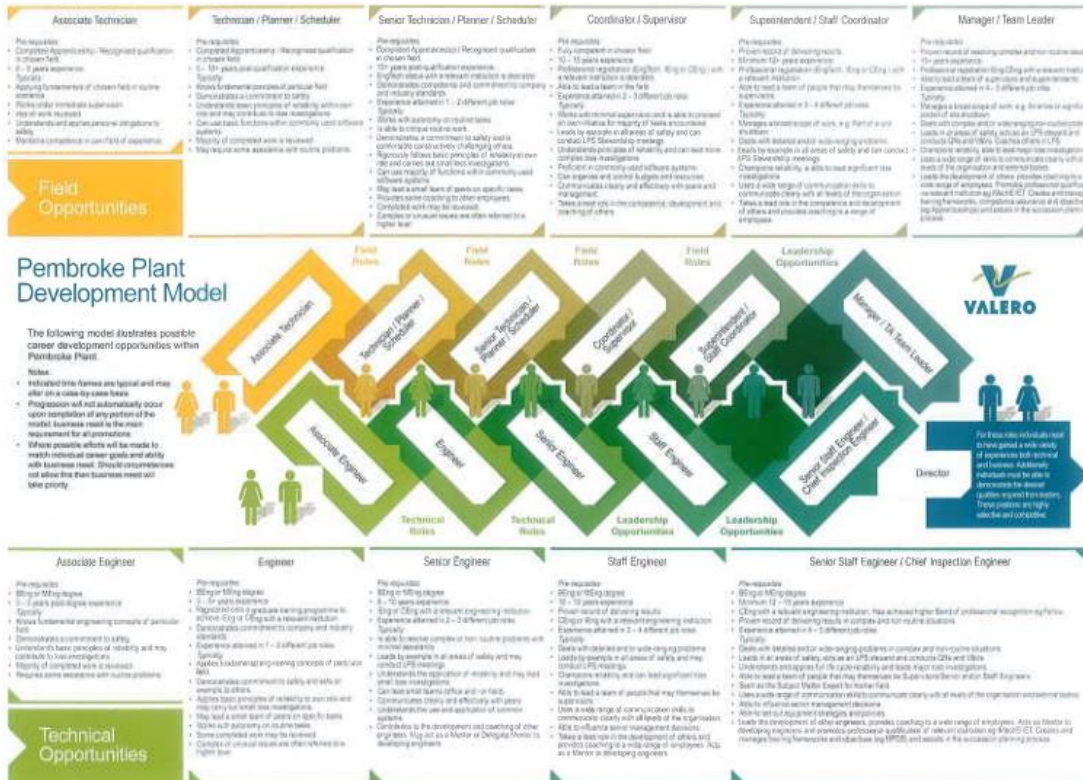
Please also bring your passport and proof of address (issued in the last 3 months) with you tomorrow so that I can commence the pre-employment screening process.

If you have any questions, please don't hesitate to get it touch.

Many thanks,

Mel Gough
Human Resources

1. Employee Detail Form.docx 68.36 KB, 2. Bank Account Form.pdf 65.51 KB, 3. P46.pdf 60.87 KB, 4. PMI App...vised AXA).pdf 253.69 KB, 5. Valero ...it Summary.pdf 366.8 KB, 6. Share S...rm - Jul17.pdf 444.1 KB, 7. Share Scheme Booklet.pdf 442.91 KB, 8. 2014 W-8BEN.PDF 46.06 KB, 9. W-8BEN Guidance Notes.pdf 2.05 MB, 10. Fidelity EOW Form.pdf 32.43 KB, 11. Pensions Lite DC.PDF 1.16 MB, 12. Denplan form.pdf 1.17 MB, 13. Denpla...e Handbook.pdf 1.24 MB, 14. Denplan Benefit Table.pdf 68.39 KB, 15. Declar...of Consent.pdf 876.63 KB, 16. Workin...egulations.doc 142.23 KB, 17. Policy...e Abuse V8.pdf 171.93 KB, V18x) Empl...2020 (V18).docx 4.24 MB, Medical Hi...ion VAL-01.pdf 245.94 KB, Pulmonary ...ing VAL-04.pdf 78.71 KB, Audiometric Test VAL-03.pdf 45.25 KB





NEW EMPLOYEE INTEGRATION

LOCAL HR WILL SUPPORT AND COMMUNICATE THE *NEW EMPLOYEE INTEGRATION* PROGRAM AS FOLLOWS:

1. Email from HR to the Supervisor, once the candidate accepts, detailing next steps.
 - a. See template #1 & attachment #1
 - b. Booklets sent via interoffice mail after email is sent to Supervisor
2. Email from HR with IdM information, work station setup and final reminders.
 - a. See template #2
3. Email from HR once the candidate successfully clears the pre-employment process and sends "Welcome to Valero" confirming start date and time.
 - a. See template #3

TEMPLATE #1 HR to Supervisor after Acceptance

From: {Human Resources}

To: {Supervisor}

Subject: Candidate Accepted – Next Steps

Attachment: Informal Mentor Email Template

Hello {Supervisor},

{Candidate Name} has accepted the position. Their start date is tentatively set for {Date}. To ensure a smooth integration, please review the next steps:

IdM and Workstation Setup Email

- Details regarding how to submit computer security request via Identity Management (IdM) will be sent soon.

New Employee Integration Booklets

- Be on the lookout for your booklet. The booklet for the new employee will be distributed by Local HR on day one. Please review the booklet prior to the employee's first day as it contains integration checklists and other helpful information.
- [Click here](#) to watch a short video introducing the New Employee Integration program.

Identify an Informal Mentor

- Please select an Informal Mentor who will serve as a point of contact after their start date. We have found that new employees integrate into their roles and Valero's culture more quickly with an Informal Mentor. When talking with new employees, nearly 70% of new employees from the last three years indicated a designated Informal Mentor was helpful in their integration.
- The role of the Informal Mentor is to provide information about Valero's culture, respond to general questions and help new employees transition smoothly into Valero. Once you have identified an Informal Mentor, please share the **attached "Informal Mentor Email Template"** with him/her for suggestions on the types of information to discuss with the new employee and ways to make them feel welcomed.
- Informal Mentors should be employees that:
 - Are in good standing
 - Embody Valero's culture
 - Are welcoming and have an excitement to share their knowledge and experiences
- Please communicate the new employee's start date and job title with the Informal Mentor so that they can welcome the new employee during their first week.

Welcome to Valero Email

- After the new employee successfully clears the pre-employment process, one final email will be sent to the new employee, CCing you, confirming the start date and time.

If you have any questions during the weeks leading up to the new employee's start date, please contact me.

{Human Resources}

ATTACHMENT #1 Informal Mentor email template

Email template to be attached to Human Resources email after acceptance.

From: {Supervisor}
To: {Informal Mentor}
Subject: Assigned as Informal Mentor for New Employee

Hello {Informal Mentor},

You have been selected as an Informal Mentor who will serve as a point of contact for our department's new employee. The role of the Informal Mentor is to provide information about Valero's culture, respond to general questions and help the new employee transition smoothly into Valero. Please contact me or {Local HR Name} in Human Resources if you are asked any questions from the new employee that you are either unsure of or are uncomfortable answering.

We have found that new employees integrate into their role and Valero culture more quickly with an Informal Mentor. When talking with new employees, nearly 70% of new employees from the last three years indicated a designated Informal Mentor was helpful in their integration. Listed below are a few of the items you can review with the new employee. Add any other items you feel necessary to review:

- Provide a tour of the building, department, etc.
- Introduce new employee to others in the building / general work area
- Show location of:
 - Break rooms/restrooms
 - Soda/snack machines
 - Coffee/microwaves, etc.
- Where to find office supplies and how to order
- How to setup an out of office signature/voicemail
- Help Desk, security and other important numbers
- Emergency procedures and evacuation

Thank you,
{Supervisor}

TEMPLATE #2 Human Resources to Supervisor

From: {Human Resources}
To: {Supervisor}
Subject: {New Employee Name}

Hello {Supervisor},

There are two things that you, or a designee, **MUST DO** before your new hire begins.

New Hire: {New Employee's Name}
Position: {Job Title}
Tentative Start Date: {Date}

1. Workstation Setup – Designate desk/office, phone and computer.

2. Computer Security Request – You will receive an email from idm_datasecurity@valero.com that includes your new employee's Network ID and Password.

Only limited access will be granted by I/S (*email account, y-drive and internet access*). You, or a designee, must submit a request through IDM for additional access to systems, applications, and/or network folders/files such as SAP, team network folders, etc. Once the e-PCR is signed and the new hire has been entered into SAP HR, your IDM request will be routed for approval and processed. Please contact your Local HR for a status update if needed.

Do you want to give this person access that is similar to another employee? You can view your employee's access by [clicking here](#), then navigating as follows:

- Manage My Account(s)
- My Team (blue box on left)
- Actions (next to employee name on right side of screen)
- View Details
- New Employee's Current Access (on the left side)
- Export the roles listing to Excel by selecting the Excel icon on the top left. Use this listing as a guideline while requesting access for your new hire. **REVIEW CAREFULLY**- The employee you view may have access that your new hire does not need.

Additional Friendly Reminders:

- Reach out to the new employee via phone or email to address questions or concerns prior to their first day.
- As communicated by Human Resources, ensure you have identified an Informal Mentor and send communication to that individual.
- Send email to department announcing upcoming arrival of new employee. Encourage team members to welcome the new employee and to be available during the new employee's integration process.
- Plan a welcome lunch for their first day.

Should you have any questions about the status of your new hire or the readiness for their first day, please do not hesitate to call.

Thanks,
{Human Resources}

TEMPLATE #3 Welcome to Valero

From: {Human Resources}

To: {New Employee}

Subject: Welcome to Valero – New Hire Orientation

{New Employee's Name},

Congratulations and Welcome to Valero!

We look forward to seeing you on your start date.

Please report to the {Location}. The dress code for your first day is business casual (adjust to your site).

Please confirm receipt of this email. If you have any questions, do not hesitate to call.

Thank you,

{Human Resources}



NEW EMPLOYEE INTEGRATION TIMELINE



NEW EMPLOYEE CHECKLIST | GETTING TO

FIRST DAY	FIRST WEEK	FIRST MONTH
- Attend New Hire Orientation (NHO) session. - Attend lunch with your supervisor, new co-workers or HR. - Meet your new co-workers. - Log into Network and sign Electronic Communications Acknowledgment form. You will be provided with L# and initial password. - Your supervisor will review departmental meetings and include you in the meeting invite(s). - Complete overview of site specific information, security and safety procedures and Life-Saving Rules.	- Meet with the Technical Training team to learn about your required and recommended training (Training team will schedule). - Take a tour of the office and facility with your supervisor, Informal Mentor (if assigned) or another co-worker. - Your supervisor will review and discuss: - Citrix Remote Access (Digipass or key-fob) - Performance expectations/role/responsibilities - Expectations regarding required training: initial and ongoing - Network, electronic folder, email retention policy, and software access - Pay/timesheets - Overtime - Site holiday schedule - Work schedule/breaks in general - Staff meetings - Monthly reporting - Department org chart - Contacts directory - Training Expectations - Dress Code - Set up: computer login, email, email signature, voicemail, local printer. - Take a tour of the on-site Gym/Medical Center and complete required enrollment forms and/or review Valero Fitness Subsidy. - Review Employee Guide and site specific policies. - Meet your Informal Mentor. - Review MyTraining and complete the following compliance courses by due date: - Site specific compliance safety training - Site specific/Job specific - Information Security Awareness - Upon receiving email, log into Employee Enrollment System (EES) to enroll for benefits. - You have 30 days from the time you receive the email to enroll. - Meet with your supervisor at the end of your first week to discuss how things are going.	- Your supervisor will coordinate meetings with you and your co-worker(s) to help you understand their roles in the department. - Your supervisor will review Valero's Guiding Principles: Safety, Environment, Community, Employees, Governance. - Participate in the New Employee Integration Follow-Up Session with HR. - Review leave and local absence policies. - Review your Election Summary on myHR after you have elected your benefits. - Attend a Valero Volunteer Council (VVC) meeting to learn about volunteer opportunities. - Review and consider Thrift Plan (401(k)) contributions (auto enrollment after 60 days). - Review the New Employee/New Role Scorecard, department priorities and key projects with supervisor. - Review inclement weather procedures with your supervisor. - Apply for company credit card and enroll in Concur Expense Reporting System. - Order business cards. - Review Safety programs and committees: Voluntary Protection Program (VPP), peer to peer observation programs, Emergency Response Team (ERT), etc. - Meet with your supervisor at the end of your first month to discuss how things are going.

*Some integration activities may occur at different times depending on your role and start date.

KNOW VALERO

Download a copy of your New Employee Integration Guide at myValero > myHR > HR Resources.

FIRST 90 DAYS	FIRST SIX MONTHS	FIRST YEAR
- Enroll in and attend Welcome to Valero: The Culture to Take You Anywhere virtual training. - Attend Leadership Team Meet and Greet (HR will schedule). - Learn more about Valero's Energy Matters employee education program. - Meet with your supervisor at the end of your first 90 days to discuss how things are going.	- Participate in a Valero Volunteer event. - Attend Performance Management Virtual Training: - Building Accountability - Understanding Performance Expectations - Responding to Feedback - Responding to Coaching - Meet with your supervisor at the end of your first six months to discuss how things are going.	- Congratulations! Celebrate your one year anniversary with Valero. - Participate in the annual United Way Campaign. - Attend a United Way agency tour offered during the annual United Way Campaign. - Complete your Wellness Assessment. - View the following videos in the Understanding Our Core Business Series to learn about Valero's business: - The Basics of Refining - The Basics of Ethanol - Supply Chain: From Crude to You - Complete 1st Year Milestone Conversation with supervisor.

FIRST 18 MONTHS VALERO FRIENDLY REMINDERS

- Continue to seek timely, ongoing, meaningful "everyday feedback" from your supervisor.
- Meet with your supervisor to discuss your accomplishments.
- Explore the online Valero Library.
- Participate in **Total Wellness** events (when available):
 - Financial Habits that Matter
 - Total Wellness Or Fitness Activities
 - Total Wellness Fair
- Attend **Employee Appreciation Events** at your site, if your schedule allows. For example:
 - Family Day
 - Holiday Party
 - Site specific events

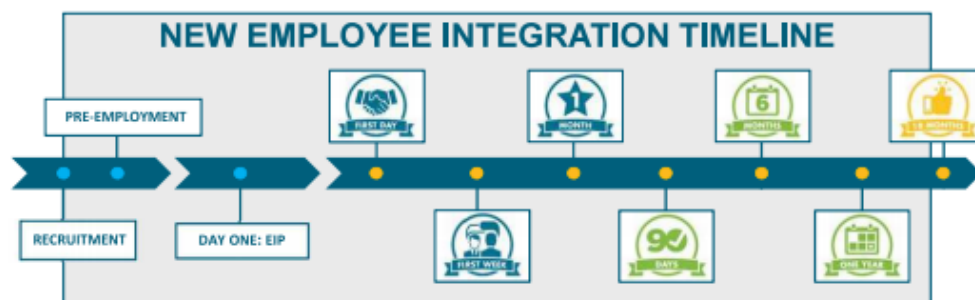
♦ = REQUIRED ♦ = RECOMMENDED ⚡ = IF APPLICABLE Terms and phrases in bold can be found in the Glossary of Integration Activities.



**NEW EMPLOYEE
INTEGRATION**

Program Overview and Timeline

- Enhance integration experience for new employees and their supervisors by:
 - Ensuring consistency in the new employee experience
 - Improving engagement with Valero's culture
 - Providing resources to help new employees integrate into their new role and Valero



NEW EMPLOYEE INTEGRATION

Receiving Structured Feedback During 1st Year Improves Performance and Integration into the Company

- **Integration Scorecard**
 - Provides guidance throughout first year of employment
 - Identifies gaps and opportunities in performance
 - Assesses integration into Valero's culture
- **Integration Scorecard Resources**
 - Setting Expectations Guide
 - Scorecard Completion Guide
 - Valero's Culture – Six Key Values

Resources located on myHR > Manager Center

NEW EMPLOYEE INTEGRATION

INTEGRATION SCORECARD

Employee:	Employee ID:	Job Title:
Supervisor:	Department:	
Employee Start Date:	Completion Date:	

1st Month:

Complete the *Detailed Performance Expectation(s)* section and set performance and cultural expectations with the new employee.

Prior to Conversation:

Complete the *1st Year Performance Feedback* section and include demonstrated behavioral examples throughout their first year. Review completed Scorecard with your next level manager and HR.

1st Year Milestone Conversation:

Provide feedback using the Scorecard on their progress during the first year. Engage the employee in conversation during the meeting by referencing the questions in the green column. Attach additional performance documentation if needed.

		COMPLETE WITHIN 1 st MONTH	COMPLETE AT END OF 1 st YEAR	
	Definition	Detailed Expectation(s) from Supervisor:	1 st Year Performance Feedback from Supervisor:	Consider asking during the 1 st Year Milestone meeting:
PERFORMANCE EXPECTATIONS	An expected level of employee performance; may include: job duties, roles and responsibilities, goals and objectives, company values, and Key Performance Indicators.			- How do you think your first year went? - What areas of your role are still unclear? - How did you execute on your performance expectations? - Which resources did you use to accomplish your performance expectations? - What accomplishments are you most proud of? - What do you want to focus on next in your role?
VALERO'S CULTURE	Culture is how an organization brings its workforce together to accomplish its goals. At Valero our culture is defined by our six key values: Safety, Teamwork, Accountability, Do the Right Thing, Excellence, and Caring.			- How do you think you have integrated into Valero's culture? - What was your greatest learning about Valero? - Provide an example of how you demonstrated Valero's culture. - Why is demonstrating Valero's values so important?

NEW EMPLOYEE/NEW ROLE SCORECARD COMPLETION GUIDE

Complete prior to the 1st Year Milestone Conversation

Download a blank New Employee/New Role Scorecard at [myValero > myHR > Manager Center > New Employee Integration > New Employee/New Role Scorecard](#). File > Save As in a confidential folder on your computer.

NEW EMPLOYEE/NEW ROLE SCORECARD

Utilize this scorecard in the following situations: New Hire, Transfer, Promotion to a Non-Supervisory Role, and New Supervisor.

Employee: John Valero	Check the situation that applies: ☒ New Hire ☐ Promotion to a Non-Supervisory Role ☐ Transfer ☐ New Supervisor	Employee ID: 1A2B3C
Supervisor: Billy Bob	Job Title: Assoc. Accounting Coordinator	Department: Accounting
Employee Start Date: 01/01/2021	Completion Date: 01/03/2022	

1st Month:

Complete the Detailed Performance Expectation(s) section and set performance and cultural expectations with the employee.

Prior to Conversation:

Complete the 1st Year Performance Feedback section and include demonstrated behavioral examples throughout their first year. Review completed Scorecard with your next level manager and HR.

1st Year Milestone Conversation:

Provide feedback using the Scorecard on their progress during the first year. Engage the employee in conversation during the meeting by referencing the questions in the green column. Attach additional performance documentation if needed.

		COMPLETE WITHIN 1 st MONTH	COMPLETE AT END OF 1 st YEAR
	Definition	Detailed Expectation(s) from Supervisor/Manager:	1 st Year Performance Feedback from Supervisor/Manager: Consider asking during the 1 st Year Milestone meeting:
PERFORMANCE EXPECTATIONS	An expected level of employee performance; may include: job duties, roles and responsibilities, goals and objectives, company values, and Key Performance Indicators.	STEP 1 Complete this section with examples of the employee's performance within their first year. John quickly picked up tasks related to journal entries and consistently performed on or ahead of schedule. John was introduced to the marketing team and external vendors and over the past year has built upon the foundations of a working relationship. He primarily communicates via email and phone. John identified a recent problem with a recording and brought it to management's attention; provided solution. John can perform month-end duties with little to no oversight.	How do you think your first year went in your new role? What areas of your new role are still unclear? How did you execute on your performance expectations? Which resources did you use to accomplish your performance expectations? What accomplishments are you most proud of? What do you want to focus on next in your role?
	Culture is how an organization brings its workforce together to accomplish its goals. At Valero our culture is defined by our six key values: Safety, Teamwork, Accountability, Do the Right Thing, Excellence, and Caring. *For Transfers, Promotions to Non-Supervisory Roles, and Supervisory Promotion, consider how Valero's culture applies in these situations.	STEP 2 Complete this section with examples of how the employee has <i>Integrated or Not Integrated</i> into Valero's culture within their first year. Reference Valero's Culture: <i>Integrated vs. Not Integrated</i> on Manager Center for guidance. John appeared to demonstrate safety and environmental concerns while at his work station and around campus. John is respectful of all team members and expresses a genuine interest in getting to know them. John is timely with his tasks and is quick to ask for project work. John volunteers with the Thanksgiving with the Troops and attended the United Way events with the team. John understands the importance of Valero's culture.	For New Hires: - How do you think you have integrated into Valero's culture in your new role? - What was your greatest learning about Valero? - Provide an example of how you demonstrated Valero's culture? For Transfers: - How are these values demonstrated within the new team? For Promotion to a Non-Supervisory Role: - Will demonstrating Valero's culture look any different in your new role? Why or why not? For New Supervisors: - How are you demonstrating Valero's culture for your team? - How are you setting expectations around Valero's culture with your team?

STEP 3

Complete this section by selecting red, yellow, or green to each question based on the employee's performance within the first year.

Review the questions below and select the appropriate radio button based on the employee's performance and integration during their first year.

INTEGRATION EVALUATION	NO DEVELOPMENT	IN DEVELOPMENT	FULLY DEVELOPED
Is the employee meeting the expectations you set?	☐	☒	☐
Does the employee consistently demonstrate Valero's culture?	☐	☐	☒
Has the employee taken ownership of their new role?	☐	☒	☐
Overall, is the employee fully developed in their role?	☐	☒	☐

Comments (optional):

- Document additional performance feedback to provide context on the evaluation and on the employee's strengths and accomplishments in their first year in this role and/or suggestions for development.

STEP 4

Use this section to document additional performance feedback if necessary.

Following this discussion:

- Finalize the New Role/New Employee Scorecard and provide a copy to employee.
- Send electronically to Local HR.
- Work with the employee to create an action plan based on this performance discussion.



YOUR NEW EMPLOYEE'S INTEGRATION TIMELINE



SUPERVISOR CHECKLIST | HELPING YOUR NEW



FIRST DAY

- Pick up the new employee from New Hire Orientation (NHO) session in HR.
- Take the new employee to lunch or make arrangements if you are unavailable.
- Introduce the new employee to members of your department, personnel and leaders.
- Provide new employee L&E and temporary network password.
- Add new employee to team email distribution list(s).
- Provide and review departmental meetings and add to meeting invite(s) (be sure to add the new employee to any standing meetings so that they appear on their calendar).



FIRST WEEK

- The Technical Training team will schedule a meeting to review new employee's required and recommended training.
- Provide a quick tour of departmental facilities including restroom, copy room, fax, storage area, break room, etc.
- Meet formally with new employee to review and discuss (can break this into a few meetings if needed):
 - Performance expectations/responsibilities
 - Expectations regarding required training, initial and ongoing
 - Network, electronic folder, email retention policy, and software access (i.e. Shared/Work drive access)
 - If new supervisor/manager, confirm Supervisor Toolkit meeting with HR is scheduled
 - Explain Chris Remote Access (DigiPass or key-fob)
 - Pay/Incentives
 - Site holiday schedule
 - Staff meetings
 - Department org chart
 - Training Expectations
 - Overtime
 - Work schedule/breaks in general
 - Monthly reporting
 - Contacts directory
 - Dress Code
- Assist new employee with setup: computer login, email, email signature, voicemail, local printer, Skype for Business, etc.
- Ensure employee logs in and signs Electronic Communications Policy Acknowledgment form.
- Ensure new employee has had a facility tour and Gym/Medical Center tour.
- Ensure new employee has reviewed Employee Guide and site specific policies (i.e. Standard Operating Procedures, Safety & Health Guidelines).
- Remind new employee about commitment to United Way (i.e. site's involvement, agency tours, contribution, etc.).
- Introduce new employee to their Informal Mentor.
- Ensure new employee has completed the compliance courses in their eLearning:
 - Site specific compliance safety training
 - Site specific Job specific

At your first week check-in, consider discussing the following questions with the new employee:

- How was your first week?
- What are some things you learned?
- Is there anything that you need from me?
- What are your goals for next week?



FIRST MONTH

- Coordinate meetings between new employee and co-workers to help them understand their roles in the department.
- Review Valero's Guiding Principles: Safety, Environment, Community, Employees, Governance with new employee.
- Ensure employee has participated in the New Employee Integration Follow-Up Session with HR.
- Review leave and local absence policies. Refer to Attendance Guidelines or reach out to local HR.
- Ensure new employee attends a monthly VWC meeting to learn about volunteer opportunities.
- Meet with new employee to review the New Employee/New Role Scorecard, department priorities and key projects.
- Review incident/weather procedures with new employee.
- Ensure new employee applies for company credit card and sets up Concur Expense Reporting System.
- Ensure new employee orders business cards.

At your one month check-in, consider discussing the following questions with the new employee:

- What do you like about your job and the organization?
- Do you have enough, too much or too little time to do your work?
- What is one quality you see in a team member that you'd like to cultivate in your own habits and actions?
- What could help us improve daily communication?
- What goal do you want to set to accomplish in six months?

*Some integration activities may occur at different times depending on new employee's role and start date.

EMPLOYEE GET TO KNOW VALERO

*Some integration activities may occur at different times depending on new employee's role and start date.



FIRST 90 DAYS

- Ensure employee enrolls in and attends Welcome to Valero: The Culture to Take You Anywhere virtual training within their first four months.
- Ensure employee attends Leadership Team Meet and Greet (HR will schedule).
- Encourage employee to learn more about Valero's Energy Matters employee education program.

At your 90 day check-in, consider discussing the following questions with the new employee:

- How are you adding value to our team?
- What topics or questions do you want to discuss in our next one-on-one meeting?



FIRST SIX MONTHS

- Ensure employee signs up for a Valero Volunteer event within their first six months of employment. If available, participate in the volunteer event with them to demonstrate your focus on communities.
- Encourage employee to attend Performance Management Virtual Training:
 - Building Accountability
 - Understanding Performance Expectations
 - Responding to Feedback
 - Responding to Coaching

At your six month check-in, consider discussing the following question with the new employee:

- Were you able to accomplish the six month goal you set for yourself during your first month? If so, how?



FIRST YEAR

- Celebrate employee's one year anniversary with Valero.
- Ensure employee participates in the annual United Way Campaign.
- Encourage employee to attend a United Way agency tour offered during the annual United Way Campaign.
- Recommend employee complete Wellness Assessment.
- Ensure employee views the videos in the Understanding Our Core Business Series to learn about Valero's business:
 - The Basics of Refining
 - The Basics of Ethanol
 - Supply Chain: From Crude to You
- Finalize New Employee/New Role Scorecard.
- Complete 1st Year Milestone Conversation.



FIRST 18 MONTHS VALERO FRIENDLY REMINDERS

- Continue to provide timely, ongoing, meaningful "everyday feedback" to your employee. Elicit feedback from the employee and be available to answer questions.
- Review employee's accomplishments for the year.
- Discuss with employee projects for the next performance year.
- Encourage employee to explore online Valero Library.
- Encourage employee to participate in Total Wellness events (when available):
 - Financial Habits that Matter
 - Total Wellness or Fitness Activities
 - Total Wellness Fair
- Encourage employee to attend Employee Appreciation Events if schedule allows. For example:
 - Family Day
 - Holiday Party
 - Site specific events

➕ = REQUIRED ◇ = RECOMMENDED ⚡ = IF APPLICABLE Terms and phrases in bold can be found in the Glossary of Integration Activities.

VALERO CULTURE

VALERO CULTURE IS ROOTED IN SIX KEY VALUES

Our culture is made up of 6 values: Safety, Do the Right Thing, Teamwork, Accountability, Excellence, and Caring. These key values help define who we are and how we do our work.

We truly believe that our culture has made Valero a highly successful company and a great place to work.

As a supervisor, you are responsible for demonstrating Valero's culture and communicating culture behaviors to your team that drive performance.



SAFETY

Safety is the foundation of success at Valero. A safe workplace ensures Valero's greatest asset is protected, its employees.

DO THE RIGHT THING

Integrity indicates a deep commitment to do the right thing for the right reason, regardless of the circumstances. Being trustworthy and setting the example leads to open, honest and sincere communication.

TEAMWORK

Strong teams are the foundation of a successful organization and great teamwork requires collaboration, commitment and strong communication.

ACCOUNTABILITY

Creating an environment of accountability not only helps achieve company goals, but also results in increased employee performance.

EXCELLENCE

Valero has a well-known motto of "Treat every day like game day!" We come to work ready to work hard, stay focused, disciplined, and positive. We challenge the status quo as we drive for continuous improvement.

CARING

Through caring, we create opportunities to positively impact each other, the environment we share, the customers we serve, and the communities we live and work in.

NEW EMPLOYEE/NEW ROLE SCORECARD PROCESS

THE SCORECARD IS A TOOL TO...

- Help supervisors set expectations
- Evaluate an employee's integration progress
- Identify gaps and opportunities

THE SCORECARD IS NOT A...

- One-size-fits-all conversation
- Formal rating evaluation
- Disciplinary document used for performance issues

DOWNLOAD THE NEW EMPLOYEE/NEW ROLE SCORECARD AT MYVALERO > MYHR > MANAGER CENTER > NEW EMPLOYEE INTEGRATION > NEW EMPLOYEE/NEW ROLE SCORECARD. SAVE IN A CONFIDENTIAL FOLDER ON YOUR COMPUTER.



FIRST MONTH

Access the Setting Expectations Guide on Manager Center to set performance and culture expectations for the new employee.

Meet with employee to review performance and culture expectations. Provide examples to guide the employee towards successfully integrating into their role and the organization.



PREPARE FOR THE FIRST YEAR MILESTONE CONVERSATION

Review definitions and examples for each key value.

Think about feedback you plan to discuss with the new employee.

Prepare for the conversation by gathering examples of the performance and complete the Scorecard

Evaluate the employee's progress towards being integrated into Valero's culture.

Anticipate coaching opportunities.



FIRST YEAR MILESTONE CONVERSATION

Discuss integration and execution of performance expectations with employee. Utilize Scorecard to guide the conversation.

Create an Action Plan for year two performance.



COMPLETION

Finalize Scorecard

Provide completed copy of Scorecard to employee.

Send electronically to Local HR.

UTILIZE THE SCORECARD AND PERFORMANCE MANAGEMENT TOOLS & RESOURCES DURING THE NEW EMPLOYEE INTEGRATION MILESTONE CHECK-IN MEETINGS TO REINFORCE EXPECTATIONS ESTABLISHED DURING THE FIRST MONTH. YOUR HR REPRESENTATIVE IS AVAILABLE FOR SUPPORT.

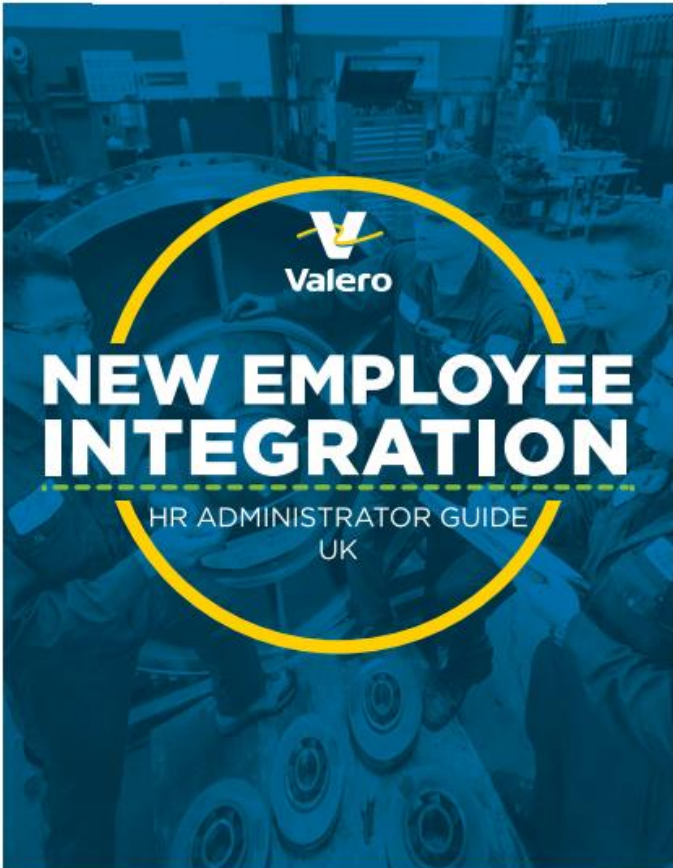


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HUMAN RESOURCES CONTACTS

WESTFERRY HR SUPPORT

Becky May	Natalie Wolfe
+44 207 513 3158	+44 207 513 3967

PEMBROKE HR SUPPORT

Melanie Gough	Helen Berry
+44 646649615	+44 646649651

OVERVIEW AND INSTRUCTION

NEW EMPLOYEE INTEGRATION PROVIDES SUPERVISORS WITH A STANDARDIZED PROCESS TO FOLLOW WHEN ONBOARDING A NEW EMPLOYEE. THIS PROGRAM IS DESIGNED TO HELP SUPERVISORS SUCCESSFULLY TRANSITION A NEW EMPLOYEE INTO THEIR ROLE AND TEAM VALERO.

CONTENT IN THE NEW EMPLOYEE INTEGRATION RESOURCES IS GROUPED AS FOLLOWS:

- | | |
|---|--------------------------------------|
| 1 New Employee Integration Timeline and Checklist | 4 Valero's Supply Chain |
| 2 Valero's Culture and Map of Operations | 5 Glossary of Integration Activities |
| 3 Integration Scorecard Process | 6 Valero Acronyms |

HR will introduce the resources to supervisors, steward the program, provide materials and address questions related to New Employee Integration. The expectation is all supervisors spend time reviewing the information with their new hires immediately.

This HR Administrator Guide provides you with the information you need to administer these resources.

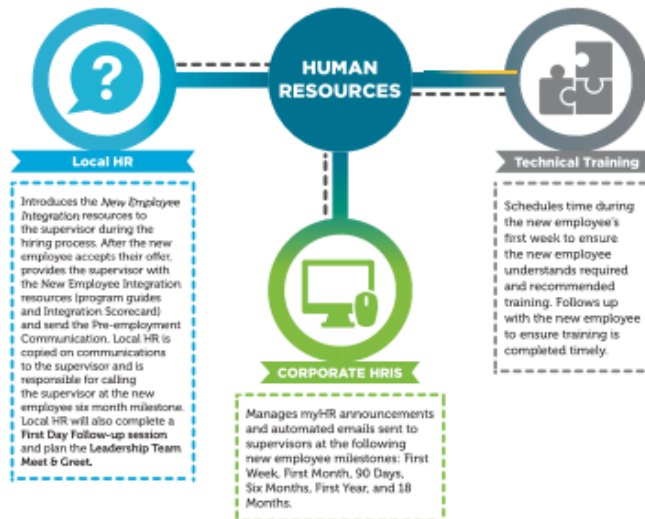
PROGRAM DATA

TOP 3 WAYS NEW EMPLOYEES LEARN VALERO'S CULTURE:



SUPERVISORS AND NEW EMPLOYEES AGREE THAT A NEW EMPLOYEE CHECKLIST IS AN ESSENTIAL RESOURCE WHEN INTEGRATING INTO VALERO AND THEIR ROLE.

HUMAN RESOURCES ROLES



FIRST DAY FOLLOW-UP

Schedule time to meet with each new employee within one month of their start date. This meeting is a follow-up from the new employee's first day. Ensure the new employee has no outstanding benefits questions and his/her career at Valero is off to a great start.

LEADERSHIP TEAM MEET & GREET

Coordinate time for your Leadership Team to meet with your site's newest employees on a quarterly basis to gain insight into business updates, gain organizational knowledge and continue to build relationships. Provide an on-site meal, snacks, light refreshments if possible.

⚡ = IF APPLICABLE

COMMUNICATIONS

SUPERVISORS WILL RECEIVE AUTOMATED EMAILS AND myHR ANNOUNCEMENTS AT NEW EMPLOYEE MILESTONES AND ONE PHONE CALL FROM HR AT THE NEW EMPLOYEE'S SIX MONTH MILESTONE. GUIDANCE AND TIMELINE FOR THESE COMMUNICATIONS ARE LISTED BELOW.

NEW EMPLOYEE INTEGRATION TIMELINE



AUTOMATED EMAILS AND myHR ANNOUNCEMENTS

- **Emails and announcements will be sent on date of milestone**
 - Announcements will stay up for nine days.
 - Emails and announcements will be personalized and include the supervisor's and employee's preferred names.
 - Pronouns will be assigned based on declared gender in SAP; if no gender is declared, pronouns will be their / they / them.
- **No attachments will be included in the email**
 - A link to the NEI supervisor edition PDF will be included in the email and announcement.
- **Sent From:** Emails are signed by Valero Human Resources.
- **Exceptions:** If a new employee transfers to another department before their 18 months of service, neither the previous supervisor nor the new supervisor will receive reminder emails or myHR announcements. The employee's HR Generalist will follow up with the employee directly.

SIX MONTH MILESTONE PHONE CALL

At the six month milestone, Local HR will call the supervisor. Consider the following questions to start the conversation:

- How are things going with your new employee?
- Are you using the New Employee Integration Guide as a resource?
- Are there any sections in the guide you would like to review? What questions or feedback do you have?
- What team-oriented projects is the new employee working on or what teambuilding events have you shared with the new employee?
- Have you utilized the Integration Scorecard to document performance expectations for the new employee?
- Remind the supervisor to provide ongoing coaching and feedback.
- Remember, I am here to help if you have any questions regarding integration or the New Employee Integration resource.



FIRST 90 DAYS OF EMPLOYMENT

From: (Employee's HR Generalist)
To: (Employee's Supervisor)
Subject: New Employee Integration - (New Employee Name)'s First 90 Days

(New Employee Name) has completed 90 days at Valero! Now is a good time to discuss experiences that have contributed to a positive work environment. **Ensure (New Employee Name) has signed up for or completed Welcome to Valero: The Culture to Take You Anywhere.** This class provides helpful information regarding Valero's culture, business and field operations.

By now (New Employee Name) understands (his/her) designated role and responsibilities, has begun to work independently and is adding value to Valero. Reference the Integration Scorecard and use it as a guide to check in and reinforce performance expectations set for (New Employee Name) during (his/her) first month.

I am here to help you and (New Employee Name). Please let me know how I can assist. Reference your New Employee Integration resource booklet for guidance.

(Your HR Generalist)



FIRST SIX MONTHS OF EMPLOYMENT

From: (Employee's HR Generalist)
To: (Employee's Supervisor)
Subject: New Employee Integration - (New Employee Name)'s First Six Months

(New Employee Name) has completed (his/her) six month milestone and is gaining momentum in producing deliverables and beginning to take the lead on some initiatives.

Continue to provide ongoing coaching and feedback to (New Employee Name). These conversations help drive employee success and overall performance. Reference the Integration Scorecard to determine how (New Employee Name) is integrating and executing on performance expectations halfway through (his/her) first year. As a reminder, you will be asked to have a more in-depth performance conversation with (New Employee Name) at (his/her) one-year mark. Promote teambuilding by encouraging (New Employee Name) to participate in group projects and volunteer events.

Remember, HR is here to help if you have any questions regarding integration or the New Employee Integration resource booklet.

(Your HR Generalist)

MESSAGES



FIRST WEEK OF EMPLOYMENT

From: (Employee's HR Generalist)
To: (Employee's Supervisor)
Subject: New Employee Integration - (New Employee Name)'s First Week

You are an integral part of welcoming (New Employee Name) to Valero, and in preparation for a successful transition into (his/her) new role, we want to provide you with resources to assist with the process. The **New Employee Integration resources** are designed to guide both the supervisor and new employee through the next 18 months and they include:

- ✓ Consistency in the new employee experience
- ✓ Engagement within the Valero culture
- ✓ Clarity around performance management, culture of excellence, and work expectations
- ✓ Resources to integrate (New Employee Name) into (his/her) role and Valero
- ✓ The Integration Scorecard, a tool to help you set expectations with (New Employee Name) in the first month and reference at the 1st Year Milestone Conversation.

Remember to introduce (New Employee Name) to (his/her) team and leadership, as developing relationships helps new employees integrate successfully. Thank you for assisting (New Employee Name) in building a foundation for strong relationships throughout the organization. HR is your trusted partner and has a vast array of tools to assist you. The New Employee Integration resource booklet and Integration Scorecard resources can be found on your Manager Center.

(Your HR Generalist)



FIRST MONTH OF EMPLOYMENT

From: (Employee's HR Generalist)
To: (Employee's Supervisor)
Subject: New Employee Integration - (New Employee Name)'s First Month

(New Employee Name) has completed one month with Valero. In the first month, you should have reviewed the Integration Scorecard and completed the "Detailed Expectations" section as it relates to job performance and Valero's culture. Schedule a meeting to review this with (New Employee Name). Consider how you can reference these expectations throughout (New Employee Name)'s first year at each milestone check-in.

Encourage (New Employee Name) to review the Valero's Supply Chain: From Crude to You timeline, found in the **New Employee Integration** resource on pages 7 - 8. Upon completing required and recommended training in the first month, ask (New Employee Name) about the most valuable lessons learned and how these lessons should be used every day at Valero. Remember, development and attending training are essential parts of successfully integrating into Valero's culture.

Continue to utilize the checklists found in your New Employee Integration resource booklet. Let me know how I can continue to support (New Employee Name)'s integration.

(Your HR Generalist)



FIRST 11 MONTHS OF EMPLOYMENT

From: (Employee's HR Generalist)
To: (Employee's Supervisor)
Subject: New Employee Integration - (New Employee Name)'s First 11 Months

(New Employee Name) has completed 11 months of service with Valero. Utilize the **Integration Scorecard** to prepare for the 1st Year Milestone conversation. This conversation should take place by (one month post employee anniversary date). Access resources on the Manager Center to help you complete the Integration Scorecard and prepare for the conversation. As you prepare, please consider the following:

- ✓ Review resources (Key Values, etc.)
- ✓ Think about feedback you plan to share with (New Employee Name)
- ✓ Prepare for the conversation by gathering examples of (New Employee Name)'s performance
- ✓ Evaluate (New Employee Name)'s progress in relation to integrating into Valero's culture
- ✓ Complete the Integration Scorecard
- ✓ Anticipate coaching opportunities

As your HR Generalist, I am here to assist you with questions and provide guidance to help (New Employee Name) become a valuable player within the organization. Continue to reference your New Employee Integration resource booklet for guidance.

(Your HR Generalist)



ONE YEAR OF EMPLOYMENT

From: (Employee's HR Generalist)
To: (Employee's Supervisor)
Subject: New Employee Integration - (New Employee Name)'s First 12 Months

Congratulations to (New Employee Name) for completing one year of service with Valero! Consider how you will recognize (New Employee Name)'s first year with Valero. What are some of (New Employee Name)'s major accomplishments?

Encourage (New Employee Name) to continue integrating into Team Valero by learning more through training.

As your HR Generalist, I am here to assist you with questions and provide guidance to help (New Employee Name) become a valuable player within the organization. Continue to reference your New Employee Integration resource booklet for guidance.

(Your HR Generalist)



FIRST 18 MONTHS OF EMPLOYMENT

From: (Employee's HR Generalist)
To: (Employee's Supervisor)
Subject: New Employee Integration - (New Employee Name)'s First 18 Months

(New Employee Name) has completed 18 months at Valero. Be sure to congratulate (New Employee Name) for contributing and adding value to Team Valero!

For your convenience, your **New Employee Integration** resource provides some **Valero Friendly Reminders**. These ideas will help (New Employee Name) continue developing within the organization and in (his/her) role. Feel free to reach out to me at any time to address questions, concerns, ideas, etc. Thank you for all you have done to help your new employee become a contributing member of Team Valero!

(Your HR Generalist)

PERFORMANCE EXPECTATION

An expected **level of employee performance**. May include: job duties, roles and responsibilities, goals and objectives, company values, and KPIs.

PERFORMANCE
MANAGEMENT



The palest ink is better than the best memory.

- Chinese Proverb

VALERO

SETTING EXPECTATIONS



The EXPECTATION

First, you must clearly define what is expected of your employees. This is vital.

- Prepare in advance – don't wing it.
- Be clear and direct – if you can't repeat your expectation clearly then you may not have it defined well enough for yourself.

REFLECT:

- Can I clearly and directly explain my expectation of the job description or scope of work?

ASK:

- What is your first step in tackling this performance expectation?
- Can you explain it back to me in your own words?



RESULTS

Clearly define the expected outcome or goal.

REFLECT:

- Can I describe what success looks like?
- What is the required result?

ASK:

- What does success look like to you?
- What is currently unclear about the required outcome?



TIMELINE

Now that you have clearly defined expectations in detail, it is important to determine deadlines and set milestones to ensure success.

REFLECT:

- When does this need to be completed?

ASK:

- When do you think you can have this job/project complete?
- What targets/milestones can you set to ensure success?



COMMITMENT

Finally, a key part to setting expectations is gaining mutual commitment to the desired outcome.

REFLECT:

- How will I know we have mutual commitment(s)?

ASK:

- Are these expectations/goals achievable?
- How can I support you?

PERFORMANCE
MANAGEMENT



Policy D155 – Discipline (UK Employees ONLY)

This policy applies to all employees of Valero Operations Support Limited.

It is Company policy, in compliance with the Advisory, Conciliation and Arbitration Service (ACAS) Code of Practice: Discipline and Grievance Procedures (2009) to have established rules for discipline in situations of misconduct, unsatisfactory job performance, poor attendance or where work rules are not adhered to. Disciplinary rules and procedures are necessary in the overall attainment of Company objectives, which include maintaining a safe and orderly workplace, fostering positive and productive working relationships, safeguarding Company property and equipment, as well as ensuring fairness and consistency in the treatment of individuals.

It is intended that the primary objective of any disciplinary action is to help and encourage improvement amongst employees whose conduct or standard of work is unsatisfactory. It will:

- be applied in a constructive manner that is practical as well as equitable and that, as far as possible preserves or improves employee morale
- be non-discriminatory
- be dealt with without undue delay
- be confidential (including the proceedings, witness statements and records)

The Employment Relations Act 2004 gives employees a statutory right to be accompanied by a single companion at any discipline hearing that may result in formal disciplinary action being taken by the Company. This policy complies with this right.

Responsibility

Employees are expected to adhere to prescribed work and rules and to perform in an efficient, productive manner during work hours.

Managers have a basic responsibility for developing and maintaining good discipline within the work group. Managers are also responsible for ensuring that employees are made aware of their job responsibilities, as well as appropriate work rules.

Informal discussions with an employee - coupled with constructive advice and guidance based on knowledge of the relevant facts and considered judgement will often maintain discipline. This represents one of the strongest means of doing this.

If the underlying reason for the need to discipline an employee appears to be the result of a physical or mental problem, the employee will be encouraged to seek assistance through the Occupational Health Provider Department or the Employee Assistance Programme (EAP).

The Corporate Security Department will be consulted regarding the anticipated disciplinary action in cases involving theft, embezzlement, unauthorised or illegal use or supply of drugs or alcohol, conflict of interest or other serious violations of ethical conduct.

In all cases where the formal disciplinary procedure is being invoked, Human Resources will be involved to provide guidance and to advise Managers on the legal requirements and guidelines. Where appropriate, Human Resources will seek guidance from the Legal Department.

6. Dealing with Poor Performance

Individuals have a contractual responsibility to perform to a satisfactory level and will be given every help and encouragement to do so. The Company will set realistic and measurable standards of performance and will explain these standards to employees. Where employees are found to be failing to perform to the required standard the matter will be investigated before any action is taken. Where the reason for the substandard performance is found to be a lack of the required skills the employee will, wherever practicable, be assisted through training or coaching and given reasonable time to reach the required standard. Where the substandard performance is due to negligence or lack of application on the part of the employee then some form of disciplinary action may be appropriate.

An employee will not normally be dismissed because of a failure to perform to the required standard unless warnings and an opportunity to improve (with reasonable targets and timescales) have been given. Where an employee commits a single error due to negligence and the actual or potential consequences of that error are, or could be, extremely serious then summary dismissal may be appropriate.

Performance Improvement Plan (PIP)

Supervisor: Review instructions on Page 3 before completing this form. For additional guidance, refer to your local Human Resources dept.

Section 1 – Employee Information		
Name:	Job Title:	Pay Scale Grade
Company / Department	Location	Current Date

The purpose of this Performance Improvement Plan (PIP) is to reinforce areas needing improvement and to help you attain performance goals. The PIP is expected to run for the time period stated below. Immediate and continuing improvement is expected during the PIP period and must be sustained once goals are met, both during and after the conclusion of the PIP. Assuming acceptable progress is made during the term of this plan, after this period is completed, a determination shall be made as to whether your overall performance has met the requirements.

Section 2 - PIP Timeframe	
Start date:	End date:

Section 3 – Performance Improvement Areas	
Section 3a – Area Needing Improvement	Section 3b – Recent examples (1-2 maximum for each Area Needing Improvement - include impact to business)

Section 4 – Action Plan				
Section 4a – Area Needing Improvement <i>(as indicated in Section 3a)</i>	Section 4b – Goals/Expectations /Actions required to meet expectations	Section 4c – Due Date	Section 4d – Metric(s)	Section 4e – Document Results and Indicate whether or not expectations were Met <i>(to be completed at conclusion of PIP)</i>
	•			
	•			
	•			

Performance under **Action Plan** will be regularly reviewed. The first review will be on Date: _____ Time: _____

Consequences

All performance improvement goals reached during this plan must be continuous and on-going. If you show no improvement, fail to meet required standards, fail to comply with company policies and procedures or otherwise fail to meet expected levels of performance and behaviour at any time during this 2-month period, the Company may implement further disciplinary action up to and including termination. You are not necessarily guaranteed the full period of this plan to improve on your performance issues.

The purpose of this plan is to help you succeed.

Section 5 – Initial PIP Discussion

Employee Name	Date cc provided to employee	Discussion conducted by (Supervisor's Name)	Supervisor's signature	Date

Section 6 – Periodic Review Meetings

Date	Record specific progress toward goals and metrics in each Area Needing Improvement, specifying whether satisfactory progress is being made

Section 7 – PIP Feedback and Evaluation

Assessment of overall performance during PIP timeframe:

☐ Performance met expectations ☐ Performance fell short of expectations*

**If performance fell short, provide narrative explanation, summary of discussion and action taken below, or separately on a Record of Discussion form with Employee or elsewhere.*

Comments / Action Taken:

Discussion conducted by (supervisor name)	Supervisor signature	Date	Employee acknowledgement signature	Date cc provided to employee

Supervisors: A PIP is an available tool for addressing deficient performance. A PIP may not be appropriate for all cases, and supervisors have discretion to tailor this form to their specific circumstances, or to use alternative forms of coaching. A PIP may be more useful when the employee is motivated to improve, and when the employee's deficiencies may be effectively addressed with specific action items and associated metrics. A PIP may be used whenever the supervisor believes there are opportunities for performance improvement. Relatedly, a PIP may also be used where an employee's performance falls short or is at the lower end of meeting expectations. Supervisors may obtain guidance on PIPs from their Human Resources business partner.

Section 1 – Employee Information (To be completed by supervisor)

Section 2 – Performance Improvement Plan (PIP) Timeframe (To be completed by supervisor)

Supervisor: The PIP timeframe generally ranges from two to four months but may be shorter or longer at the supervisor's discretion.

Section 3 – Performance Improvement Areas (To be completed by supervisor)

Section 3a – Area Needing Improvement

Supervisor: Document areas needing improvement such as written communications, working with others, meeting deadlines and specific technical skills.

Section 3b – Recent Example(s)

Supervisor: Document recent examples (1-2 maximum) in each area, describing the performance that did not meet expectations, including the impact on the business.

Section 4 – Action Plan (To be completed by supervisor) The Supervisor may consider employee suggestions for addressing performance gaps.

Section 4a – Area Needing Improvement

Supervisor: List each Area Needing Improvement (from Section 3a).

Section 4b – Required Goals/Expectations and Actions Required to demonstrate meeting goals/expectations

Supervisor: Explain goals/expectations, and actions required to demonstrate meeting expectations, for each Area Needing Improvement (for example, tasks/projects to be completed, behaviour that needs to be displayed). Explain what “doing it right” looks like.

Section 4c – Due date

Supervisor: Document specific deadlines for each required action and goal.

Section 4d – Metric(s)

Supervisor: Identify metrics to help measure whether or not performance meets expectations for each Area Needing Improvement.

Section 4e – Document Results and Indicate whether or not Expectations were Met

Supervisor: At the conclusion of the PIP timeframe, explain whether or not expectations have been met for each Area Needing Improvement.

Section 5 – Initial PIP Discussion (To be completed by supervisor)

Supervisor: Meet with employee to discuss the PIP timeframe, Areas Needing Improvement, and Action Plan (Sections 2, 3 and 4). Discuss a schedule for periodic review meetings. (You may consider factors such as the nature of tasks, how quickly results can be assessed and measured, and the PIP timeframe.) Provide a copy to the employee and indicate date provided.

Section 6 – Periodic Review Meetings (To be completed by supervisor)

Supervisor: Discuss accomplishments since the last review with the employee, and record progress toward goals and metrics for each Area Needing Improvement (listed in Section 4). If business requirements change, adjust the Action Plan as appropriate. Provide an updated copy of the PIP to your employee after each review meeting.

Section 7 – PIP Feedback and Evaluation (To be completed by supervisor)

Supervisor: Document results in Section 4e, indicating whether or not performance expectations were met during the PIP timeframe in each Area Needing Improvement. Document overall PIP performance assessment in Section 7. Be specific as to whether expectations were or were not met. You may wish to consult with your Human Resources business partner before the final review meeting.

At the final review meeting, discuss with the employee whether or not the PIP was completed successfully. Document the outcome and action taken either on the PIP or separately on a Record of Discussion with Employee form or elsewhere.

Supervisor: Upon completion of Section 7, obtain employee's signature, and send original PIP form to personnel file.

Retain for a minimum of 12 months. Provide a copy of the completed form to employee, your manager, and HR business partner.



Memorandum of agreement between Valero Energy Ltd, Pembroke Refinery
Hereinafter referred to as "THE COMPANY" &
the Union of Branch B3050 of Unite the Union representing hourly paid, Valero
Employees of Pembroke Refinery
Hereinafter referred to as "THE UNION"

The Company will have, at the centre of its industrial relations system: -

"The safe reliable operation and well-being for future success of Pembroke Refinery through flexible working practices and a commitment to excellence in management systems in alignment with the Valero Protection Programme".

All employees will be committed to this mission statement. Through this Agreement the Company will seek to secure from its employees the realisation of the following aims: -

Safety
Loyalty and Trust
Commitment and Motivation
Innovation and Vision
Teamwork
Flexibility
Development
Accountability

The Company, in return, will reward employees by seeking to secure competitive terms and conditions that market forces will allow.

The Company will achieve the above aims and conditions through development, education and continually improving communication systems.

Both the Company and the Union recognise that only through the aims of this agreement will there continue to be a successful and prosperous partnership into the future.

Principle of the Agreement

This agreement is “The Pembroke Refinery Reference Agreement”. It contains those conditions of employment and other matters agreed between the Company and the Union which are of an ongoing nature. The parties to it accept that it is binding in honour upon them, but expressly agree that it is not intended to constitute a legally enforceable agreement.

Rates of pay and any other matters agreed from time to time between the Company and the Union will be set out in short memoranda, signed and published as and when necessary.

All terms of this agreement shall become effective as of July 1st, 2016 and shall continue in force from year to year thereafter unless either party gives to the other party 90 days written notice of its desire to modify, amend or terminate this agreement. Updates have been made to this agreement following the 2019/20 pay talks.

If such notice is given, the notice will trigger a negotiation process and this agreement will remain in place and in force until the negotiations have been concluded.

The Company recognises the Union as the sole union entitled to represent the interests of these employees and negotiate on their behalf. Any ballots conducted in relation to activities within this agreement, will involve only Union members within the categories of employees covered by this agreement.

Membership of the Union is not a condition of employment with the Company. Any employee may join the Union, but they would not be represented in relation to pay and conditions unless working in one of the positions as specified in section A.

If, during the life of this Agreement, there shall be in existence any applicable law, regulation, guidelines or order issued by any governmental authority that shall be in conflict with any provision of this Agreement, such provision shall be modified and/or waived to conform with such law, regulation, guidelines or order. Such a modification or waiver may mean a change to previously negotiated terms and conditions or benefits. These shall be renegotiated prior to the change being implemented. Any such modification or waiver shall not modify or invalidate any other provision hereof.

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12. Operator Flexibility/Competency

All employees undertake to train as per agreed development plan for the next higher level and to fill positions as required when qualified to do so unless personal circumstances at that time do not warrant it. Salary will be adjusted to the position being held.

It will be possible to be classified into a higher grade when all the requirements of the higher grade have also been met.

Employees will work in any position where they have passed competency requirements, including lower graded positions. Refresher training may be requested where an employee feels he/she has not actively worked in that position over a 6-month period.

Additional minimum competencies required for each area to be accounted for when manning positions.

Cat Olefins

FCCU

- 1 Lead Operator
- FCCU Control Operator
- 2 Plant Operators
- 2 Cat Cracking Panel Qualified persons on shift at all times.

Olefins

- 1 Lead Operator
- 2 Control Operators (Alky/ULSG) (Butamer/Sulphur)
- 4 Olefin Plant Operators
- 2 Alky/ULSG Panel Qualified persons on shift at all times.

Flexibility is required to allow for the second Control Operators to be released to the panel as required.

Refining

Blacks & Utilities: Min 8 Positions

- 1 Lead Operator
- 3 Control Operators (CDU/CDU Merox) (VBU/VDU & Cooling Towers) (Steam Plant/Utilities)
- 3 Plant Operators (As Above)
- 1 Floater Operator, who should be of CDU & Vac Plant Operator competency

White Oils: Min 6 Positions

- 1 Lead Operator
- 2 Control Operators (Unifiner/HTU1 & HTU2) & (CRU/CCR/LPGU/ISOM/HRU)
- 3 Plant Operators (Unifiner/HTU1) (HTU2/ISOM/HRU) (CCR/CRU/LPGU)

Utilities

- 2 competent Steam Plant Operators to be on shift at all times.

There must be provision to release that person e.g. If second steam plant operator is manning a Control Operator position, there must be another Control Operator available to release the individual as required.

Blending & Shipping.

In order to increase flexibility on shift and to allow Control Operators to maintain outside competency the following is the minimum allowable shift competence: -

Inshore, with one of the two Control Operators being:

- Lead Operator
- Control Operator Chair
- Control Operator Panel
- West Fieldsman
- East Fieldsman
- Day Plant Operator (phase 3 permit competency)
- Blending & Shipping Operations Technicians.

Jetty:

- Jetty Lead/Operator
- Berth Cover subject to shipping

Two people per shift will be allowed off and this should normally be booked as per agreement

Any leave requirements may be covered with the following support: -

- Optimizing shipping to release a berth operator to come inshore.
- Use of berth watchmen to release a berth operator to come inshore.

TFT, WWTP, RTW & Jetty Technician

- Technicians to train across all berths, Wastewater Treatment Plant, RTW and Tank Farm with a minimum £250 increment for each position trained and passed as competent, this payment will increase through annual merit increases.
- Business needs will dictate who is selected to be trained to a higher grade. (Best Candidate)

Across all areas, the Development position on the manning board will provide flexibility to the shift team leader for training and personal development. This position is above the minimum required level and competencies.

20. Training & Development

In most cases it is difficult to effectively rotate around more than four different unit positions. The normal route of development will be to complete three outside positions before progressing to Control Operator. In exceptional circumstances, an operator may be allowed to complete the minimum number of outside positions to progress to a Control Operator.

In the Blending and Shipping area, Technicians will progress through the Technician positions until selected to progress on to a Field position. Field Operators will be selected to progress on to the Chair or Panel as per business requirement.

The Lead Operator position is a selected role and will be appointed by the area Complex Manager together with the Operations Superintendent and Shift Team Leader.

Requirements for operational employees are to be competent in at least one Control Operator position and three outside positions and to develop to a second panel position as part of an agreed development route, taking into account experience and suitability and the business requirements.

In order to ensure skills and capabilities are recognised and that correct training and development can be made available, performance assessments will be carried out on individuals at regular intervals and recorded annually.

Employees who's training i.e., competency assessment, Operations Superintendent walkabout assessment etc. is less than 6 hours the employee has the opportunity to report to their areas Control Room and Shift Team Leader to assist in level one maintenance activities to bring this payment up to a minimum of 6 hours. If the employee elects to go home, then payment will be made for hours in work at the appropriate overtime rate.

The Refinery is committed to achieving higher levels of competency for all its employees. Operators will demonstrate their continuing competence through participation in competency-based training and assessments. Individuals will be responsible for maintaining their own competency records in alignment with the training department and where identified by management/supervision, become assessors within the scheme as required.

The training path will be decided and prioritised by management, based on individual and business area needs. Operators will train into positions required by management/supervision, where there is a justified business need and no other suitable candidate as per the decision matrix, or it could stop the opportunity of further development for other employees. However, the company recognise that it may be inappropriate at that specific time for certain individuals to start training at that precise time, therefore consideration by the Complex manager will be given after discussions with the employee. Note - Shift change payments will not be made applicable for any training and development requirements.

Employees will be required to re-certify in all qualified positions every three years.



Valero UK Employee Handbook

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VALERO OPERATIONS SUPPORT, LTD EMPLOYEE HANDBOOK

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NB: Policies referred to in this handbook can be found on the Valero & Me portal page.

Introduction

This handbook contains a summary of main the terms and conditions and benefits of your employment with Valero Operations Support, Ltd (collectively, “Valero” or the “Company”). It also includes a summary of the main policies and procedures that govern your employment. The contents of this handbook form part of your contract of employment with the Company. You are encouraged to read this handbook carefully and to refer to it when queries arise.

Should any policy or procedure in this guide conflict with an official, written local policy or procedure or a policy or procedure set forth in a Union/Management Agreement, the official, written local or CBA policy or procedure will apply.

VISION STATEMENT

Valero strives to be a world-class competitor in the global energy business, generating industry-leading returns on its investments in an employee-focused, socially conscious, community-minded, and safe, reliable and environmentally responsible way.

Our Commitment to Excellence

As a leading refiner and marketer, we are committed to following these guiding principles to achieve excellence in our business, our industry, and our relationships with our employees and communities.

Commitment to Safety

The safety of our employees, our operations, and our communities is our highest priority.

Commitment to Our Stakeholders

We are committed to delivering long-term value to all stakeholders – our employees, investors, and customers – by pursuing profitable, value-enhancing strategies with a focus on world-class operations.

Commitment to Our Employees

Our employees are our No. 1 asset. We are committed to providing a challenging, enjoyable and rewarding work environment, which fosters creative thinking, teamwork, open communication, respect and opportunity for individual professional growth and development.

Commitment to the Environment

We are committed to producing environmentally clean products, while striving to improve and enhance the environmental quality of our operations within our local communities.

Commitment to our Communities

We are committed to taking a leadership role in the communities in which we live and work by providing company support and encouraging employee involvement.

Salary & Allowances

[EV 9a]

Salary

It is the Company's aim to:

- *Attract and retain high caliber employee*
- *Stimulate and reward good performance*

You are paid according to the type of job that you hold and your performance in that job. The Company's intention is that your remuneration package, including relevant allowances, should be competitive.

You will be advised of your basic salary and any allowances to which you are entitled in your offer letter. You will also be advised of the salary and benefit band relating to your job. Thereafter you will be notified in writing of any changes to these details.

Payment of salary

Your salary payment is made by bank transfer to your personal bank account. To facilitate this arrangement, you are requested to provide the HR Service Centre with the necessary particulars of your bank account.

Your salary and allowances are paid monthly into your Bank or Building Society Account on the 25th of the Month. If the 25th falls on a Weekend or Bank Holiday the Pay Date is moved forward to the next available Working Day. Your payslip will show your salary, allowances and overtime (if applicable), together with any authorised deductions e.g., income tax, National Insurance, etc.

For the guidance of employees joining the Company other than on the first day of a calendar month or leaving other than on the last day of a calendar month and who are, therefore, not eligible for salary for the complete month, the method used in calculating salary entitlement for periods of less than the month is as follows:

$$\text{i.e., } \frac{\text{Monthly Salary} \times \text{Number of working days}}{\text{Planned working time in working days for the month}}$$

This formula is the standard calculation for the payroll system which processes payroll calculations automatically, ensuring a consistent approach to the application of the pay formula.

The only exception to this is where the first or last day of a calendar month falls at the weekend. In this event if a new employee joins on the first possible working day or an existing employee leaving the company has worked every possible day in a month, they will be paid for the complete month and date of joining / leaving the company will be considered to be the first / last calendar day of that month.

Review of salaries and allowances

The Company Salary Structure is reviewed annually using salary surveys and studies of economic data to ensure that they are competitive. Any change to salary normally occurs on 1 July each year and you will be advised in writing of any resultant salary change. A review of salaries does not imply an increase; any increase to salary is at the Company's discretion.

Individual salary actions consider information from current performance.

Probationary Periods

[EV 9b]

Every new employee undergoes a probationary period that is generally three-month duration from the date of commencing employment. The probationary period is designed to ensure that a new employee is suitable for the position in terms of conduct and performance and provides adequate time for a Line Manager to make any necessary provisions to address unsatisfactory performance. This period may be extended at management discretion and notified prior to the end.

Private Medical Insurance

[EV 9c]

Full details of the Company Private Medical Insurance arrangements are set out in a separate booklet. The following summary should be read subject to the details of that booklet, as amended from time to time.

The Company provides optional medical insurance for all employees. On joining the Company, you will be given an application form that should be completed and returned to the HR Service Centre. This will be a taxable benefit, as the Company will pay an employee premium each month. The employee can opt to include partners or dependants at an additional cost to the employee.

Employee Assistance Programme

[EV 9d]

The Employee Assistance Programme (EAP) provides independent and confidential counselling on:

- Domestic, financial, legal problems
- Stress
- Career issues
- Alcohol and drug dependency and

Other matters on which you may need help.

This benefit is open to all employees or members of your household. This is also available to all retiring employees and their partner/spouses during the first year of retirement.

The programme will be delivered on a completely confidential basis and is available 24 hours a day, 7 days a week. You can contact the EAP advisers by calling 0800 358 2258. (Calls from the UK are on the 0800 tariff which is free from most landlines- please check with your supplier for confirmation).

Service Awards

[EV 9e]

Service awards are presented to employees to express appreciation for long service with the Corporation.

Employees who are eligible for a long service award will receive a Love2Choose gift card on each five-year milestone, up to a value designated by the company for the number of years' service they have achieved.

These expenses are taxable, but the Company has an arrangement with the Inland Revenue to pay the tax on your behalf.

Prior to your service anniversary you will be contacted with further details and an activation code for your gift card.

Retirement

Any employee whose retirement date falls within the calendar year in which their service anniversary award is due, may be presented their award upon retirement, at the discretion of the Management.

Death in Service Cover

All employees hired prior to the 1st June 2013 are covered for death in service benefits through the Valero UK Pension Plan, and employees should refer to that Plan booklet for further details.

Any employee hired after the 1st June 2013 will automatically be covered for a Death in Service Lump Sum equal to 3.5 times base pay for single employees and 8 times base pay for any employee who is married or in a Civil Partnership.

Income Protection Scheme

After twenty-eight weeks on short term sickness absence, where the employee is deemed not medically fit (in accordance with the IP Provider's definition of incapacity) by the IP Provider's medical specialist(s) and the employee is considered to be eligible for IP, the employee will receive 67% of Covered Pay, defined as base pay plus pensionable shift pay if applicable. Although the IP benefit is insured through the IP Provider, the benefit will initially be paid through the Company payroll, provided the employee continues to meet the IP Provider's definition of incapacity.

If an employee is rejected by the IP Provider as not eligible for IP, the employee will not receive any IP benefits and will continue to be subject to the Company's usual sickness absence and sick pay procedures.

Any employee on IP leave will initially remain employed by the Company provided they comply with the eligibility requirements of the IP Scheme, the terms and conditions of the IP Provider and in no way abuse the basic principles underlying the scheme and there is no evidence to the contrary of their ability to work. Additionally, the Company will consider on an ongoing basis whether an ill health capability dismissal is appropriate. Each case is different, and the Company will monitor and regularly review each individual's situation. In the event that the Company considers the employee will be unable to return to work, their employment may be terminated on the grounds of capability. In the event of a capability dismissal, all employment benefits and any contractual relationship between the employee and the Company will cease.

During a period of IP leave, the Company also reserves the right to dismiss the employee for a fair reason other than ill health capability.

After an employee's dismissal for capability, if the employee continues to meet the IP Provider's incapacity criteria, IP may continue until age 65 or State Pension Age if higher. In these circumstances, the payments will be made directly by the IP Provider to the employee. Any such payment remains at all times subject to the rules of the IP Provider's scheme from time to time.

The above may be removed or amended from time to time in line with the IP Provider's formal terms and conditions. For further information and the employment conditions that apply while an employee is on IP leave and while they remain an employee of the Company, see the Policy S335 Short-Term Sickness Absence and Income Protection Policy which is available on the Intranet.

Personal Accident Insurance Plan

The personal accident insurance (PAI) plan is a separate benefit not related to the Valero UK Pension Plan and all employees of Valero Operations Support, Ltd are covered by the PAI Plan. The PAI Plan provides protection for you 24 hours a day, whether or not you are on Company business.

Level of Cover

The PAI Plan provides life assurance cover of up to three times basic salary in the event of accidental death, or loss of limbs or sight, resulting from an accident. Lower levels of cover are provided for total disablement (as a result of an accident).

The value of this benefit is taxable, but the Company has an arrangement with the Inland Revenue to pay the tax on your behalf. Any payment from the benefit is usually tax free.

In the event of an employee's accidental death, benefits will be paid to the employee's estate.

Valero Incentive Plan (VIP)

[EV 9f]

The Valero Incentive Plan (VIP), administered under the Valero Energy Corporation Annual Bonus Plan, provides employees with the opportunity to receive a cash award.

Plan Funding

The VIP is funded based on company performance measured against bonus metrics that are approved by Valero's Board of Directors during the first quarter of the year. Based on the results of the bonus metrics, the Company Performance Pay out % can range from 0% to 200% of the Employee's bonus target %. An overall budget is determined and allocated to each department which is the sum of the individual Employee's Target Awards.

The individual Employee's Target Award is based on the following calculation:

$$\begin{array}{ccccccc} \text{Employee's} & & \text{Employee's} & & \text{Employee's} & & \text{Company} \\ \text{Target} & = & \text{Eligible} & \times & \text{Bonus} & \times & \text{Performance} \\ \text{Award} & & \text{Earnings} & & \text{Target \%} & & \text{Pay out \%} \end{array}$$

Award Allocation

The payment of an employee's bonus is based on the employee bonus target and the Company Performance Pay out %. 100% of this payment is allocated at management discretion based on an individual's performance.

Eligible Earnings

For all employees except represented UK employees, eligible annual earnings are your base rate of pay, defined as your annualized base salary on 1st November of the plan year. Annualized base salary may be prorated for special situations including new hires and rehires.

For represented UK payroll employees, the eligible annual earnings include base pay and shift allowance. UK VIP uses actual earnings paid during the 1st January to 31st December of the plan year.

Share Incentive Plan

[EV 9g]

Full details of the Valero UK Share Incentive Plan (Valero SIP) are set out in a separate booklet. The following summary should be read subject to the details of that booklet, as amended from time to time.

The Valero SIP gives employees the opportunity to purchase shares in the Company tax-effectively and will also provide free matching shares on a two for one basis.

Employees are eligible to join the Valero SIP as long as they are a current employee of Valero Operation Support, Ltd.

Contributions can be up to 2.5% of Basic Salary (including pensionable shift allowance) up to a maximum of £125 per month and for every Share purchased (Partnership Shares), the employee will receive two additional Shares (Matching Shares).

Employees can purchase additional Partnership Shares on contributions in excess of 2.5% of Basic Salary up to a maximum of £150 per month but these will **not** be matched by the Company.

Under the current tax regulations Partnership Shares can be sold at any time, although it is more tax effective to retain them in the plan for 5 years. Matching Shares have to be held for a minimum of 3 years before they can be sold. However, as with Partnership Shares, it is more tax effective to retain them in the plan for 5 years.

Forfeiture of Matching Shares will apply in certain circumstances. Please refer to the Valero UK Share Incentive Plan – Explanatory Booklet for further information.

Training and Development

[EV 9h]

Training and development requirements vary and may take many forms from on-the-job coaching and counselling to attendance on external courses or seminars.

Training needs may be identified in a number of ways:

- *from the Company's goals and objectives*
- *from the personal performance management cycle*
- *by the individual themselves*

If you wish to attend any training courses, you should discuss them with your Line Manager. You may be required to attend Company approved courses.

Educational Assistance

[EV 9i]

It is the Company's policy to encourage and assist employees to continue their formal education or to take courses to increase their work effectiveness or overall development, the Educational Assistance Plan provides funds for the reasonable costs of tuition, textbooks, laboratory fees, registration and administration fees, after successful completion of approved courses undertaken in the employee's own time.

The Educational Assistance is generally a 75% contribution. However, in certain circumstances where employees may be requested by Management to enrol in courses which are considered to be of direct benefit to the Company or an employee-initiated course may be considered by Management to be of direct benefit to the Company, 100% of the cost of the course (and other related costs as detailed below) will be paid by the Company.

For further information please see Policy E180 Educational Assistance



A brace of awards for Valero's share scheme

In the space of one month, Valero has won two prestigious awards for its employee share scheme. In November the company won the award for the best all-employee share plan at the World Employee Share Ownership (Esop) Centre's 2017 awards.

Then in December Valero won another award, this time for the best overall performance in fostering employee share ownership (medium size company) at the ProShare Awards, beating Phillips 66 into second place.

Both awards recognise the success of the share plan take-up

across the UK and were awarded by organisations that promote employee share ownership – ProShare in the UK and Esop worldwide. *Left to right: Andy Kelsey, Garry Harding and Dan Cannon from Computershare, Dave Medler.*

Valero's UK Share Incentive Plan received high praise from both panels of experts. Esop commended the scheme as innovative, fair to all and for having great take-up among employees. While, ProShare felt the company's ethos of "putting share ownership at the heart of their recruitment and onboarding process" was central to its success.

Speaking on Valero's share plan, Esop chairman Malcolm Hurlston, CBE, said, "Companies perform better when workers are shareholders as well as employees. This plan gives Valero a productivity advantage over its competitors and other world-ranking companies."

David Medler, Manager Compensation and Benefits in Valero's London office, added, "Valero is proud to receive these awards as recognition of the effort we put into our benefit plan offerings, which form an integral part of our total reward strategy.

"Such high uptake among our employees underlines the faith that they have in the company, and the wealth created over the past six years has been a phenomenal reward that is enjoyed by all levels of employee."

As part of winning the award, ProShare will give a £5,000 donation to a charity of Valero's choice. The donation will go to Richard House Children's Hospice.

Valero's UK Share Incentives Plan scheme, launched in 2011, currently has a 99.86 percent uptake across the UK. Through the plan, employees make monthly contributions that are matched 2:1 by Valero and secure Valero stock.

Recognition and Reward Guidelines

Following review of the feedback received from the latest Safety Culture survey, a cross functional team was set up to review current reward and recognition initiatives at Pembroke. The programme detailed below will allow supervisors to instantly recognise those individuals and teams who exceed that which is expected of them. Recognition will be managed over 4 levels, as follows:

Level 1: Voucher entitling bearer to a free meal in the onsite canteen – Tier 2 leader approval. Any supervisor will be able to reward any individual in this manner. Supervisors to drop a note detailing recipient and reason for award to Melanie Gough who will keep a log.

Level 2: Cakes for team event – Tier 2 approval plus thank you letter to all team members, copied to RLT. Letter should state the reason for the celebration.

Level 3: Take away meal for significant team achievements (max value £15.00 per head) – RLT level approval with thank you letter to all team members detailing the reason for the celebration.

Level 4: Any other recognition should be managed via the matrix detailed below. Recommendations made via the appropriate form, to be escalated to RLT for approval before progressing.

Criteria	Vouchers £10-£40	✓	Vouchers £50- £500	✓	Concur £501-£1,000	✓	Concur £1,500- £4,000	✓
Recommendation level	Supervisor or Manager		Supervisor or Manager		RLT		RLT	
Impact/Scale	Minor		Moderate		Considerable		Major	
Scope	Individual		Team		Business Unit		Country/ Corporate	
Cost Reduction	Minor		Moderate		Considerable		Major	
Innovation	N/A		Adaptive		Original		Highly Creative	
Effort	Minor		Moderate		Considerable		Major	
Effect on Culture	Minor		Moderate		Considerable		Major	
Achievement	Commendable		Highly Commendable		Excellent		Outstanding	
Influence	Individual		Team		Business Unit		Country/ Corporate	
System/Process and Procedure Improvement	Minor		Moderate		Considerable		Major	

Retirement functions

To recognize and express appreciation for any employee retiring with 10 years or more service. Value is £200 for employees retiring after 10 years' service with increments of £100 every 5 years thereafter. Retirement functions for those employees with an excess of 10 years' service should take place at a dinner off site as elected by the recipient. The company contribution is to be used for food and beverages only. If the function costs less than the company contribution limit, the remaining contribution is forfeited and may not be used for any other purpose.

Service Awards

Service awards are presented to employees to express appreciation for long service with the Corporation. Employees who are eligible for a long service award will receive a Love2Shop gift card on each five-year milestone, up to a value designated by the company for the number of years' service they have achieved.

Service Award year	Voucher Value
5 years	£100
10 years	£200
15 years	£300
20 years	£400
25 years	£500
30 years	£600

Long Service Award Meals

Valero do not have a policy governing long service award meals. As a result, this should be handled by individual departmental Line Managers on a discretionary basis on what they consider to be reasonable and should be budgeted within the Line Manager's departmental budgets.

As a suggested guideline, it would be appropriate to expense a meal for employees celebrating larger milestones. This would be for 20, 25, 30, 35, 40 years. We would further suggest that employees can invite up to 10 co-workers, including the Employee's Line Manager/Supervisor who will meet the expense. The amount as previously explained should be spent at the manager's discretion, but should remain reasonable, and within the boundaries of credibility. Normal expense rules will apply, so the Line Manager/Supervisor should be prepared to justify his/her expense to the audit group should he/she be required to do so.

Service Award year	Company contribution for meal
20 years	Up to £400
25 years	Up to £500
30 years or more	Up to £600

Val-U Suggestion Programme

The VAL-U Suggestion Program is a company-wide incentive designed to find new and better ways of doing things at Valero. The name comes from two important parts of our organization: Valero and You. The program is a "win-win" for employees and for Valero. Good ideas not only earn an award, but contribute to the ongoing earnings of Valero, helping to secure a brighter future for all employees.

The following corporate approved Val-U Employee Suggestion procedure is outlined as follows:

- Suggestion Forms will be completed by the Line Manager/Supervisor, for a prospective candidate and will then be countersigned by an RLT member.
- The suggestion form will be forwarded to the HR Director who will set up a meeting with the Refinery Manager and the Val-U review team for Pembroke, to review the suggestion form.
- If approved, the Val-U review team will determine the value of award and the suggestion form will be approved and signed by the VP & General Manager and forwarded to the Executive Secretary, San Antonio for logging, to obtain a Val-U Suggestion number from Corporate.
- Final approval is reviewed by VP Refining Business Support & Analysis and confirmation is communicated to the Val-U Review team.

Policy W390 – Work Life Balance (UK Employees ONLY)

The Company acknowledges that employees at all stages of their lives work best when they are able to achieve an appropriate balance between work and other aspects of their lives. This policy outlines various approaches available to assist employees to manage their work/life effectively and efficiently to the benefit of both the employee and the Company. These approaches fall under two broad categories: 'special leave' and 'flexible working'. A chart at the end of this policy summarizes all the main provisions of this policy and the Maternity Policy and provides an 'at a glance' overview of the provisions.

Special leave includes:

1. Paternity Leave
2. Shared Parental Leave
3. Adoption Leave
4. Parental / Family Leave
5. Parental Bereavement Leave
6. Compassionate Leave (including Dependant Care Leave)
7. Marriage/Civil Partnership Leave
8. Moving House
9. Career Break

Flexible working includes:

1. Concentrated Hours
2. Part-time Employment
3. Home working

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About Valero

Operational Excellence

Locations

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Service Center

Community

Pembroke HR & Occupational Health

Refinery Operations - Pembroke

OCCUPATIONAL HEALTH

The Medical Centre is open Monday to Friday from 08:00 - 17:00hrs.

Out of working hours all first aid incidents are dealt with by Fire Technicians or on-site First Aiders.

Contact the Medical Centre on Ext. 2309

Did You Know?

...about the health programmes offered by Valero

Voluntary Health Programme

The Valero Health Programme (VHP), run by Health & Medical Services, has been in place for a number of years and was developed to encourage employees to be more pro-active about their health. Employees can get a full MOT – blood tests, cholesterol, heart rate, etc. – and are entitled to undergo a full medical every 5 years. The VHP can also complement our Private Health Insurance, with any medical referrals needed as a result of the VHP being progressed through the employee's GP.

Contact Elaine Clarke if you would like to make an appointment.

Private Health Insurance

Our private health insurance covers employees and family members, at a discounted cost, for medical referrals and treatments. Any employee that may be suffering a musculoskeletal condition can contact the AXA PPP helpline directly, rather than visiting their GP or Occupational Health advisor first, speeding up the recovery process. Did you also know that if you have a lifestyle change, such as the birth of a child or getting married, you can change your policy mid-term?

Eye Care

Valero will pay for eye tests for all employees that use display screen equipment and will refund up to £65 of the cost of any corrective lenses that are needed.

Employee Assistance Programme – Counselling & Health Support

The confidential employee assistance service offered by Unum Lifeworks provides a counselling service for all employees and is available 24 hours a day, 7 days a week. They can help with any issue that affects your health, including stress, alcohol and drug dependency, or career issues. They can also support managers with their Managerial Support Services if they have to deal with difficult situations in the workplace. Not only do Unum offer a counselling services, they have a dedicated legal and financial team who can assist with any support needed to resolve legal or financial issues.

Mental Health Support

For employees that may feel they need additional support during difficult periods and find it difficult gaining an appointment through their local GP, Valero offers employees support through either the confidential EAP services, Health and Medical or AXA PPP the private health provider. Please note that all these services are confidential and no information is passed back to the business.

Know Your Numbers and Influenza Vaccinations

Each year Health & Medical Services offer employees the chance to attend their *Know Your Numbers* session, checking overall health indicators such as blood pressure, cholesterol and BMI. They also give employees the opportunity to have a free influenza vaccination once a year.

Contact Details:

Health & Medical

Elaine Clarke – Occupational Health Adviser

Extn: 2309

Email: Elaine.clarke@valero.com

UNUM Lifeworks Confidential EAP Service

0800 0482702

Refinery

Select a Location

HR & Occupational Health Home

HR & HEALTH LINKS

Meet the Team

Occupational Health

MIND E-BOOKLETS

How to be mentally healthy at work

The Mind guide to seeking help for a mental health problem

Understanding anxiety

Understanding depression

How to manage stress

Understanding mental health problems

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Recognition & Reward Guidelines

Recognition & Reward Form

Smoking Policy

Unite Union Agreement 2020

Pembroke Total Wellness

Refinery

Select a Location

Refinery Operations - Pembroke

WELCOME TO TOTAL WELLNESS



Welcome to the Total Wellness Portal where your health is our top priority.

Our shared goal is positive wellbeing and a productive workplace by creating a work culture which promotes personal growth, mental health and resilience for all.

RESILIENCE & WELLBEING

Welcome to the Pembroke Refinery Resilience and Wellbeing Portal

Logging in for the first time

 48822815-0-Circadian—Working-Nights pdf.pdf

MIND E-BOOKLETS

How to be mentally healthy at work

The Mind guide to seeking help for a mental health problem

Understanding anxiety

Understanding depression

How to manage stress

Understanding mental health problems

MENTAL HEALTH

The following are qualified Mental Health First Aiders:

- John Luzenko-Hayes
- Billy Whelton
- Jamie Street

Further training for additional Mental Health First Aiders will take place throughout 2020



Refinery staff rally to their charity of the year

In these socially distanced times, employees at the Pembroke refinery took a rather un-teamly approach to fundraising for this year's charity of the year, the DPJ Foundation.

Rather than hordes of teal-clad employees getting together for one great effort, the Valero Volunteer Council (VVC) challenged them to raise money by completing a challenge of their choice in August and September.

Open to individuals and teams, activities ranged from walking the Pembrokeshire Coastal Path, completing the Ironman Triathlon, running at least two miles every day and travelling 1,000 miles using human power alone.

With some match-funding from Valero, the combined efforts raised £10,000 for the DPJ to continue its work.

The foundation was set up in 2016 in response to the suicide of Daniel Picton-Jones to address the lack of support for those suffering from poor mental health in rural communities and in agriculture. Workers in agriculture carry the highest rate of suicide.

The DPJ has three main aims in its work: support, through counselling, mental health awareness and bespoke training.

The Foundation's Manager Kate Miles said, "We cannot believe the amount that has been raised. This will make such a difference to us to enable us at the DPJ Foundation to keep helping the agricultural community in Pembrokeshire and in Wales with their mental health by providing counselling and mental health awareness training.

"We think it is particularly fitting that much of the funds raised were the result of a fitness challenge as exercise has been shown to improve mental wellbeing."

Refinery manager Ed Tomp (pictured left), presented a cheque to the charity's manager Kate Miles (pictured right). Tomp said, "The way the workforce embraced this challenge shows how everyone at the refinery pulls together to help others.

"The DPJ Foundation is a very worthy charity and it is vital that we all recognise the importance of mental health. The pandemic has shone a light on these issues and Pembroke refinery is delighted to help continue to raise awareness."

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Supporting line managers to deliver performance management activities

We currently have an apprentice on programme who is not meeting the required performance standard. While a performance issue of this nature would previously have been HR driven, the new Performance Management Guide states that the 'future state' is department driven. [EV 2]

The Manager raised several concerns in relation to the apprentice's performance – specifically his tardiness, attitude and capability. The Manager met with the apprentice to discuss the concerns and a record of discussion was placed on his file. [EV 15]

Although there were some initial improvements following the record of discussion, the behaviours and performance were not maintained. The Manager reached out to HR for further support. My role is to provide administrative support to the process, along with advice, guidance and support to the manager, ensuring that the process is managed with fairness, transparency and consistency. After an initial meeting with the Manager, I suggested putting a Performance Improvement Plan (PIP) in place as this can be used to manage, monitor and measure performance over an agreed period. [EV 7]

While a Forbes article boldly claims that PIPs are “part of the crusty, outdated management system” and that “a manager only puts you on a Performance Improvement Plan when they want to get rid of you”. (Ryan, 2016) it is important that managers reassure employees that a PIP is to help them succeed, while also highlighting the consequences of not meeting and maintaining agreed performance standards.

I set up a meeting with the Manager to discuss the issues in more detail prior to moving forward to the next step. [EV 16] Throughout this meeting it was evident that the manager was frustrated with the amount of time he was investing into managing this individual's performance. I understood his frustration but explained that when a PIP is introduced successfully, it can be beneficial to the individual and the company, and how “it is vital that appropriate resources to support the plan are put in place” to improve the chances of success. (Ashdown, 2018, p. 177)

With my Managers endorsement to proceed with the PIP meeting, I contacted the apprentice to invite him to the initial meeting and confirmed the arrangements with the Manager. [EV 17] [EV 18] [EV 19]

The manager opened the meeting by explaining to the apprentice that he had been invited to discuss his performance. The Manager highlighted the behaviours and performance issues that have given him cause for concern and gave examples to back up his concerns. The performance issues were discussed in detail, with the apprentice given an opportunity to respond. The performance goals were communicated to the apprentice and at the close of the meeting, the Manager reiterated the expected behaviours and performance standards. I notated the meeting to ensure a full and accurate account of the meeting was documented. The manager was satisfied with how the PIP meeting went. It gave him an opportunity to express his concerns and set the following milestones, along with timescales where appropriate:

1. Pass out in the next operator position 'Berths 7 and 8'. Training should be completed within 2 months, including successful completion of the written competency test, and walkabout test. Additional performance assessments will be carried out in accordance with the Union Agreement [EV 8]

2. Complete shift handover in accordance with the terms as set out in the Union Agreement, specifically that shift handover must be completed in the appropriate PPE and arrival at work should allow for sufficient time to complete a successful handover. [EV 20]
3. Ensure when berth loading and unloading that zero errors and incidents are recorded.

Regular meetings were held – giving the supervisor an opportunity to monitor and review progress against the targets set and provide valuable and constructive feedback and reinforce positive behaviours. All review meetings were documented and held on file. The manager and I also met regularly to review progress against the plan.

The Manager is well respected within the organisation and has a reputation for setting high expectations from his team. As a long-standing manager, he has considerable experience managing employees and their performance. However, I was concerned that he was ‘stuck in his ways’ and would be negative towards the PIP process. Throughout the process, the manager showed his frustration with the process and required coaching to fully appreciate the importance of the situation, particularly the potential legal implications. While ‘capability or qualifications’ is one of the five potentially fair reasons for dismissal, employers should take reasonable steps to improve employee performance to avoid unfair dismissal claims. As we progressed through the process, the Manager became more supportive.

Our managers complete Performance Management training as part of their role, as well as performance management Company Based Training (CBT) modules, designed to help them embrace Valero’s performance management philosophy. The courses focus on setting expectations and developing leadership strategies to drive performance. [EV 21]

In addition, new Supervisors are coached through the Supervisor Toolkit, which is designed to equip supervisors and managers with the tools they need to succeed. The Valero culture encourages the HR function and supervisors to work together to ensure successful people and performance management. While overall responsibility for people and performance management lies with the HR function, supervisors are responsible for day-to-day people management. [EV 22]

The CIPD highlights that “people managers are central to performance management” (Gifford, 2020) with their role extending to “assessing and recognising performance” (Gamba Quilliam, 2020) which includes setting goals, measuring performance, assessing performance, providing continual feedback, reviewing progress and identifying and addressing training needs.

921-22=899



Record of Discussion

Name of Employee:

Company:

Department/Division:

Job Title:

Date of Discussion:

Date Compiled:

Section or Location:

Service Date:

Reason for Discussion:

Summary of Discussion

Action Taken (if applicable, document necessary follow-up)

Discussion Conducted by:

Position:

Others Present:

Acknowledge Receipt (Employee Signature):

Date:

Copy Given to Employee: Yes / No

Original to Personnel File

Copy to Employee

Private Meeting - Meeting

File Meeting Insert Format Text Review Help Tell me what you want to do

Attach Item Cancel Meeting Scheduling Assistant Tracking Appointment Skype Meeting Meeting Notes Contact Attendees Address Book Check Names Response Options Recurrence Time Zones Categorize Office Add-ins

Enterpr... Actions Show Attendees Options Tags Add-ins

No responses have been received for this meeting.

From: Melanie.Gough@valero.com

To: Thomas, Keith

Subject: Private Meeting

Location: HR Meeting Room Rooms...

Start time: Wed 03/03/2021 10:30 All day event

End time: Wed 03/03/2021 12:30

In Shared Folder Calendar - Melanie.Gough@valero.com

Private Meeting - Meeting

File Meeting Insert Format Text Review Help Tell me what you want to do

Attach Item Cancel Meeting Scheduling Assistant Tracking Appointment Skype Meeting Meeting Notes Contact Attendees Address Book Check Names Response Options Recurrence Time Zones Categorize Office Add-ins

Enterpr... Actions Show Attendees Options Tags Add-ins

Attendee responses: 1 accepted, 0 tentatively accepted, 0 declined.

From: Melanie.Gough@valero.com

To: Thomas, Keith

Subject: Private Meeting

Location: HR Meeting Room Rooms...

Start time: Mon 08/03/2021 17:00 All day event

End time: Mon 08/03/2021 18:30

In Shared Folder Calendar - Melanie.Gough@valero.com

From: Thomas, Keith
Sent: 4 March 2021 09:07
To: Gough, Melanie <Melanie.Gough@valero.com>
Subject: RE: [REDACTED] – Performance
Sensitivity: Confidential

Mel,

That's great – thank you for sorting that. See you Monday.

Regards

Keith Thomas

Complex Manager – Blending & Shipping
Valero Energy Ltd
Pembroke Plant, Pembroke, Pembrokeshire, SA71 5SJ

Tel: + 44 1646 649330 Fax: 44 1646 641038
Mailto: keith.thomas@valero.com

Registered office: 27th Floor, 1 Canada Square, London E14 5AA, Company No. 8566216

From: Gough, Melanie
Sent: 4 March 2021 08:34
To: Thomas, Keith <Keith.Thomas@valero.com>
Subject: RE: [REDACTED] – Performance
Sensitivity: Confidential

Hi Keith

[REDACTED] has offered to come in early for his night shift on Monday 8th March to meet with us – 5.00pm in the HR corridor.

I will send a calendar invite shortly – lets catch up for half an hour before [REDACTED] is due.

Please let me now if you have any queries before Monday.

Kind regards

Mel

From: Thomas, Keith
Sent: 3 March 2021 15:47
To: Gough, Melanie <Melanie.Gough@valero.com>
Subject: Re: [REDACTED] – Performance
Sensitivity: Confidential

Hi Mel

As discussed, please could you check the shift calendar and ask [REDACTED] to meet with us next week so we can get a PIP in place.

Thank you for your time today, it is much appreciated.

Regards

Keith Thomas

Complex Manager – Blending & Shipping
Valero Energy Ltd
Pembroke Plant, Pembroke, Pembrokeshire, SA71 5SJ

Tel: + 44 1646 649330 Fax: 44 1646 641038
Mailto: keith.thomas@valero.com

Registered office: 27th Floor, 1 Canada Square, London E14 5AA, Company No. 8566216

From: Gough, Melanie
Sent: 1 March 2021 13:34
To: Thomas, Keith <Keith.Thomas@valero.com>
Subject: [REDACTED] – Performance
Sensitivity: Confidential

Hi Keith

Further to our discussion last week with regards to [REDACTED], I forwarded the record of discussion and performance notes to Jo to review, and she agrees that the best way forward is to proceed with a PIP. Please find attached the Performance Improvement Plan (PIP) and accompanying instructions.

I will set up a meeting for us to talk through the process and the PIP, but in the meantime, please familiarise yourself with the attached document and bring any questions to the meeting.

I will send a calendar invite shortly.

Kind regards,

Mel

Mel Gough
Human Resources
Valero Energy Ltd
Pembroke Refinery
Pembroke
Pembrokeshire
SA71 5SJ

Tel : 01646 649615

Email : Melanie.Gough@Valero.com

From: James, Joanne
Sent: 2 March 2021 10:09
To: Gough, Melanie <Melanie.Gough@valero.com>
Subject: RE: [REDACTED] – Performance
Sensitivity: Confidential

Hi Mel - thanks for this.

I agree that a PIP is the best way forward given the performance issues raised.

Happy for you to proceed.

Please keep me in the loop and let me know if you need any help from me.

Thanks, Jo

Jo James
Manager, HR
Valero Energy Ltd
Pembroke Plant
Pembrokeshire, UK, SA71 5SJ
Tel: +44 1646 649508 Fax: +44 1646 641187
Joanne.James@Valero.com

From: Gough, Melanie
Sent: 1 March 2021 14:17
To: James, Joanne <Joanne.James@valero.com>
Subject: [REDACTED] – Performance
Sensitivity: Confidential

Hi Jo,

I met with Keith earlier today with regards to the ongoing performance issues with [REDACTED] (4th year apprentice). Keith met with [REDACTED] on 25/11/20 to discuss a number of performance issues (documented on the attached ROD).

Keith said that there were some initial improvements following the meeting, but these have not been maintained and Tom also made another error on his second shift set in February. Keith is frustrated, but I have suggested that we progress to a PIP.

Please could you review the attached and let me know if you have any concerns with us proceeding to a PIP before I make contact with [REDACTED] to arrange the initial meeting.

Many thanks,
Mel

From: Gough, Melanie
Sent: 5 March 2021 09:31
To: [REDACTED] <[REDACTED]@Contractor.Valero.com>;
<[REDACTED]@btinternet.com>
Subject: RE: Meeting
Sensitivity: Confidential

Hi [REDACTED],

Thank you for your prompt response.

I can confirm that a meeting has been scheduled with Keith and myself on Monday 8th March at 5.00pm – we appreciate you coming in early for your shift to meet with us. Please report to the HR waiting area and I will come to meet you.

Please get in touch if you have any questions before Monday.

Please also remember to go through temperature testing before entering the main admin building.

Kind regards

Mel Gough
Human Resources
Valero Energy Ltd
Pembroke Refinery
Pembroke
Pembrokeshire
SA71 5SJ

Tel : 01646 649615
Email : Melanie.Gough@Valero.com

From: [REDACTED]@btinternet.com
Sent: 4 March 2021 21:09
To: Melanie.Gough@Valero.com
Subject: RE: Meeting
Sensitivity: Confidential

Hiya Mel

I can come in early for my night shift if that's okay. I normally get in for about 6.30 pm so shall I come in for about 5 pm.

[REDACTED]

Sent from my iPhone

From: Gough, Melanie
Sent: 4 March 2021 16:43
To: [REDACTED] <[REDACTED]@Contractor.Valero.com>;

<[REDACTED]@btinternet.com>

Subject: Meeting

Sensitivity: Confidential

Hi [REDACTED]

Further to your record of discussion with Keith on 25th November, he has requested to meet with you early next week.

According to the shift calendar you are scheduled to work Saturday and Sunday day shift, Monday and Tuesday night shift. Please could you confirm your availability to attend on either of these days so that I can make the necessary arrangements. Keith and I are currently working 13+1, 12-hour days to support the Turnaround so we will be available on the weekend and early evening if that is more convenient for you.

I look forward to hearing from you.

Kind regards,

Mel Gough
Human Resources
Valero Energy Ltd
Pembroke Refinery
Pembroke
Pembrokeshire
SA71 5SJ

Tel : 01646 649615

Email : Melanie.Gough@Valero.com

3. Shift Handover

- a) It is recognised that due to the nature of the Refinery operation, certain obligations fall upon the shift employee to ensure the safety of personnel and equipment. Shift handover is to be completed in appropriate PPE i.e., overalls, work boots etc. in case of emergency conditions arising.
- b) Shift employees have an obligation to cover absences caused by the failure of a relief employee to report for duty until such time as a relief is obtained. Under Fatigue Management policy the maximum working day is 14 hours, exception to above 14 hours can only be given by the Operations Director, no employee must work longer than 16 hours.
- c) Before leaving at the end of a shift, a shift employee will ensure that their relief is thoroughly briefed and fully informed about the condition of equipment in the appropriate area and of any abnormal work or hazard existing, or liable to develop.



Performance Management

SA-PLT-L-014-081
ADDED: 26/10/2017

[ENROLL](#)

About this item

Performance Management is a 2 hour instructor-led class with three major areas of focus;

1. Building a culture of accountability that begins with performance expectations set and creates ownership for success.
2. The setting of clear performance expectations that will ensure that each employee has an accurate understanding of their role, impact and measure of success.
3. Coaching as a process of ongoing development, course correction, and continual improvement as measured by the performance expectations.

Driving Performance Excellence – Delivering Tough Feedback Training



Driving Performance Excellence: Delivering Tough Feedback

SA-PLT-L-014-211
ADDED: 05/01/2010

[ENROLL](#)

About this item

Understand the meaning and purpose of feedback as well as the various types of feedback used in the workplace. You will also learn how to apply a four step process to be able to give and receive feedback to help your employees continually improve performance. CPE Credit: no prerequisites required

Driving Performance Excellence – Motivation and Engagement Training



Driving Performance Excellence: Motivation and Engagement

SA-PLT-L-014-151
ADDED: 02/07/2009

[ENROLL](#)

About this item

Understand and develop leadership strategies that will help to motivate and engage your employees. This workshop focuses on specific interpersonal and management skills you need to build, support, motivate and engage your team. You will also learn how to apply motivation and engagement theories and strategies with your team to increase employee performance. CPE Credit: no prerequisites required

Driving Performance Excellence – Coaching Training



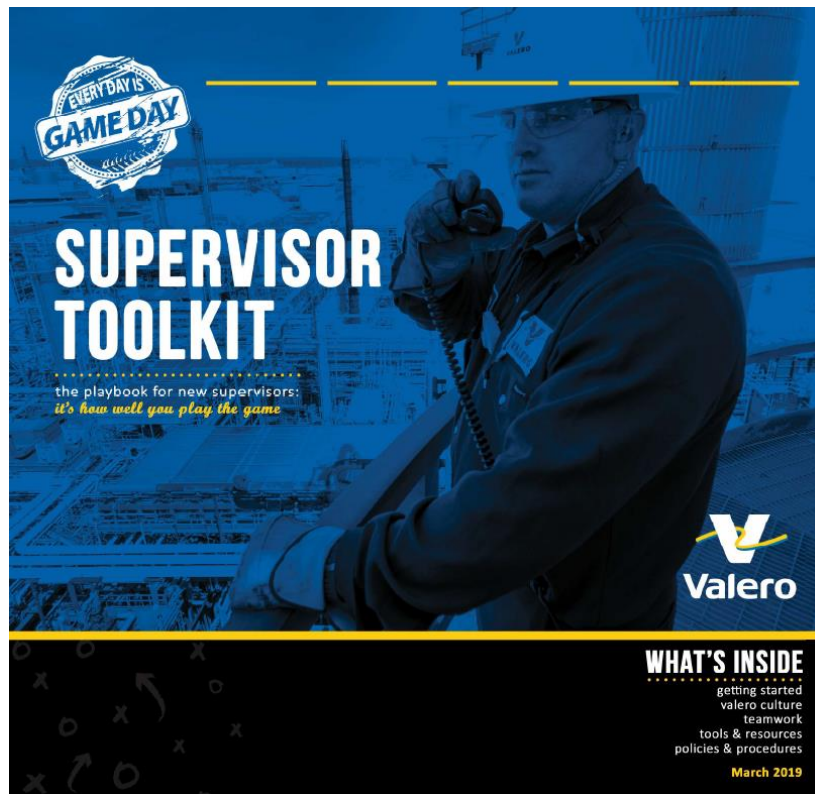
Driving Performance Excellence: Coaching

SA-PLT-L-014-141
ADDED: 10/06/2009

[ENROLL](#)

About this item

A necessary skill of successful managers is finding time to coach employees. Learn six qualities of an effective coach that will help you prepare and coach employees. This class also explores formal and informal coaching, coaching strategies to help you improve your coaching skills, and to recognize how individual employees want to be coached. CPE Credit: no prerequisites required



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HUMAN RESOURCES

Jo James, Manager Human Resources
01646 649508

Helen Berry, HR Business Partner
01646 649651

Mel Gough, Associate HR Business Partner
01646 649615

MANAGER CENTER

notes:

notes:

notes:

notes:

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[illegible]

- Toolkit topics
- Timeframe for completion



- Safety
- Do the Right Thing
- Teamwork
- Accountability
- Excellence
- Communities

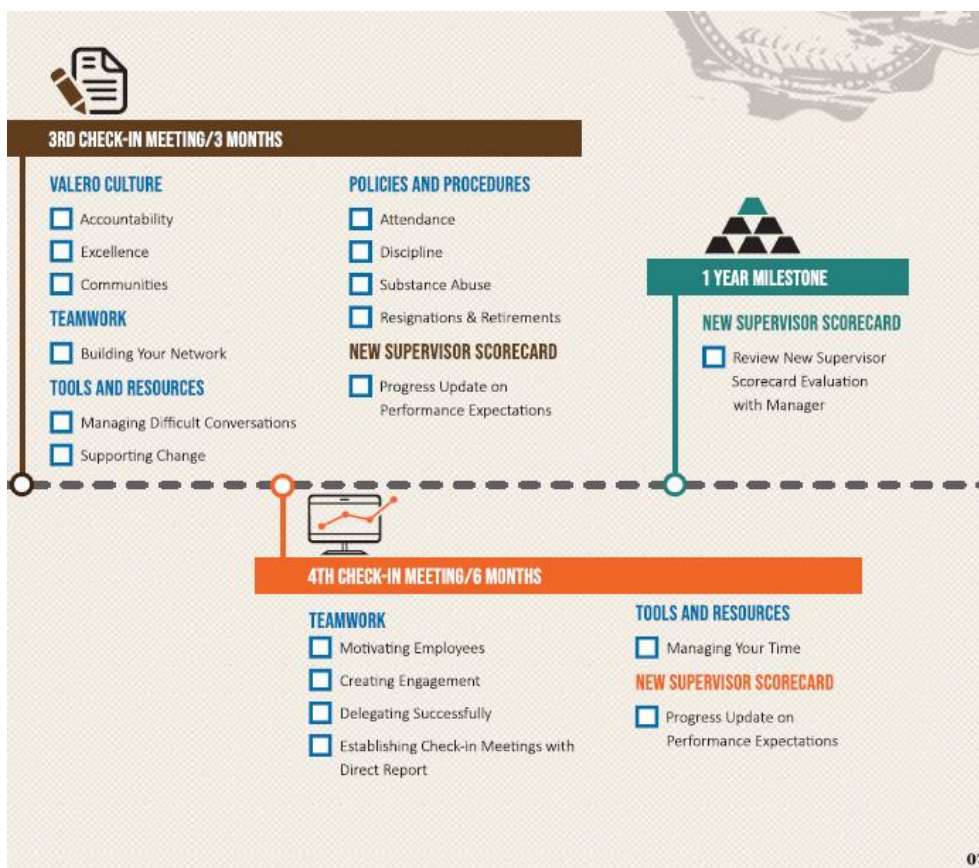
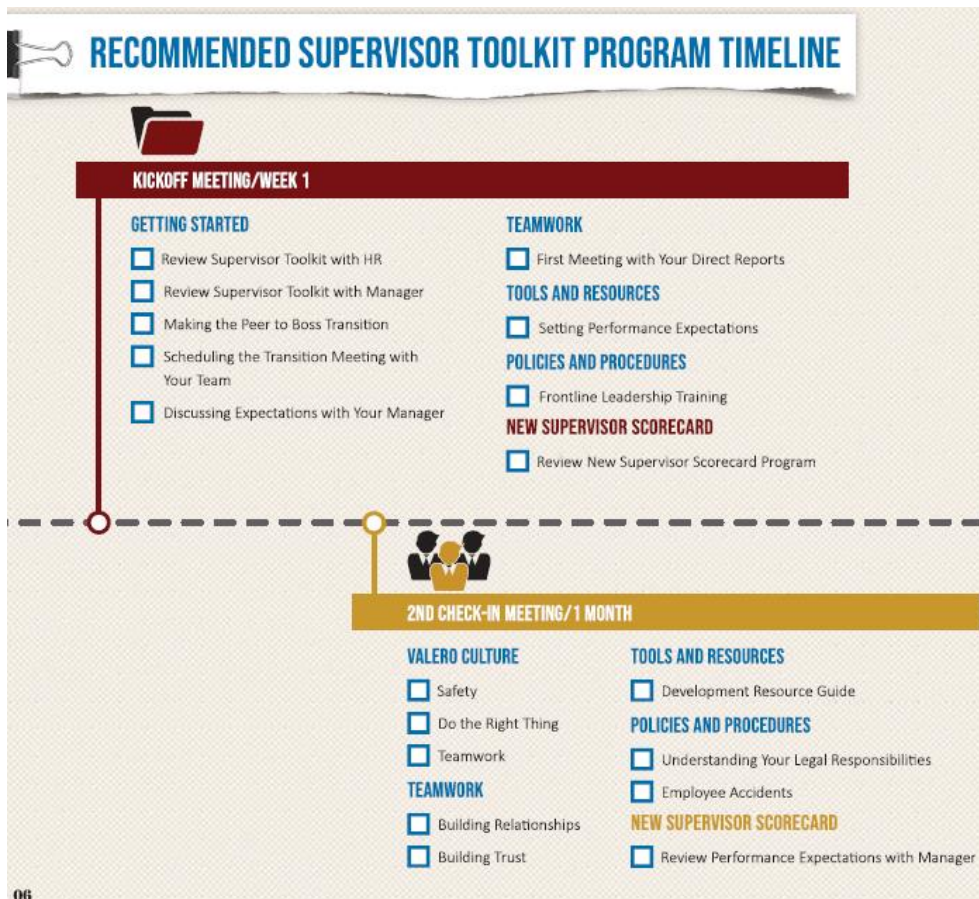


- Meetings with direct reports to discuss expectations
- Facilitating the transition meeting with your team
- Making the peer to boss transition (if applicable)



- Policies and Procedures
- Attendance
- Reporting
- Systems

05





CHALLENGING TASKS activity

As you transition from a peer to a boss, review the following topics and check which three may be the most challenging for you. Read the suggested content for guidance in these areas.



VALERO CULTURE

For more information, see page 17.



DO THE RIGHT THING

For more information, see page 20.



ACCOUNTABILITY

For more information, see page 22.



BUILDING YOUR NETWORK

For more information, see page 36.



MOTIVATING EMPLOYEES

For more information, see page 42.



DELEGATING SUCCESSFULLY

For more information, see page 46.



SETTING PERFORMANCE EXPECTATIONS

For more information, see page 55.



MANAGING DIFFICULT CONVERSATIONS

For more information, see page 58.



“It isn’t the changes that do you in, it’s the transitions. Change is situational – the new site, the new boss, the new role. Transition is the psychological process people go through to come to terms with the new situation.”

-William Bridges
Author, Speaker, and
Organizational Consultant

SETTING PERFORMANCE EXPECTATIONS

AS A SUPERVISOR, SETTING PERFORMANCE EXPECTATIONS IS CRITICAL TO YOUR TEAM'S SUCCESS AND CONTRIBUTIONS TO THE OVERALL BUSINESS.

four-step process

The lack of clearly understood expectations is the source of much conflict in organizational relationships. As leaders, we must strive to build clear expectations throughout our organization, and doing so starts with you.



THE EXPECTATION

First, you must clearly define what is expected of your employees.

This is vital.

- Prepare in advance – don’t wing it
- Be clear and direct – if you can’t repeat your expectation clearly then you may not have it defined well enough for yourself

Consider:

- Can I clearly and directly explain my expectation of the job description or scope of work?

RESULTS

Clearly define the expected outcome or goal.

Consider:

- Can I describe what success looks like?
- What is the required result?

TIMELINE

Now that you have clearly defined expectations in detail, it is important to determine deadlines and set milestones to ensure success.

Consider:

- When does this need to be completed?

COMMITMENT

Finally, a key part to setting expectations is gaining mutual commitment to the desired outcome.

Consider:

- How will I know we have mutual commitment(s)?

Please refer to the Performance Management Resource Guide for more information on Setting Performance Expectations. The guide can be located in the Manager Center section under myHR via the portal.

FRONTLINE LEADERSHIP TRAINING

VALERO'S EXPECTATIONS OF YOU AS A SUPERVISOR ARE DIFFERENT FROM WHAT THEY WERE OF YOU AS AN INDIVIDUAL CONTRIBUTOR.



☐ PRIOR TO CLASS:

Meet with your manager to discuss expectations for attending the training.

☐ POST CLASS:

Follow-up with your manager to discuss your top two to three takeaways.

frontline leadership training topics

Frontline Leadership is an instructor-led course designed to assist you in your transition by providing you a solid foundation of knowledge from which you can continue to grow. Topics covered are as follows:



CONFLICT MANAGEMENT

This course guides participants through the process of developing effective resolution strategies for different conflict situations.



COMMUNICATION STRATEGIES

Participants learn effective ways of communication.



PERFORMANCE MANAGEMENT

This section includes Valero's approach to Performance Management which includes Setting Performance Expectations, Coaching, and Feedback. Resources and guides provided.



HR & LEGAL RESPONSIBILITIES

Representatives from Labor Relations, Regulatory and Litigation Law, Labor and Employment, and Human Resources discuss important issues and topics a new supervisor needs to know.



HOGAN PERSONALITY ASSESSMENT

Participants will learn their underlying work style traits, core values, and derailment risks that may impact behavior. These insights allow supervisors to manage their behavior to increase workplace success.

frontline leadership timeline

Human Resources meets with new supervisor. They discuss classes, dates, and supervisor's availability.
WITHIN 0 - 6 MONTHS



Supervisor receives class information and confirms attendance to program administrator.
1 MONTH PRIOR TO CLASS



Upon return to work, supervisor meets with his/her manager to discuss lessons learned.
2 WEEKS AFTER CLASS



2 MONTHS PRIOR TO CLASS

Human Resources submits supervisor's name to class and awaits confirmation.



BEFORE ARRIVING TO CLASS

Supervisor reflects on time spent in role to identify areas of improvement and completes all pre work assigned prior to first day of class.



3 MONTHS AFTER CLASS

Supervisor provides feedback on class through confidential evaluation.

notes

References

Ashdown, L., 2018. *Performance Management: A Practical Introduction*. 2nd ed. London: Kogan Page Limited.

Gamba Quilliam, G., 2020. *Line managers' role in supporting the people profession*. [Online] Available at: <https://www.cipd.co.uk/knowledge/fundamentals/people/hr/line-managers-factsheet>

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Ryan, L., 2016. *The Truth About 'Performance Improvement Plans'*. [Online]

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[Accessed 09 01 2021].

The impact of performance management activities on organisational performance

Valero's new performance management process is aligned to Valero's performance management philosophy of "building key values by engaging in ongoing communication, goal setting, coaching and feedback, while also providing guidance on career development and pay decisions". (Valero, n.d.) [EV 2] The performance management process is used in conjunction with Valero's Performance Management Compensation Resource Guide, which embraces Valero's key values – safety, teamwork, excellence, do the right thing, accountability and communities. [EV 23]

The guide outlines the process with regards to:

- Job evaluation – ensuring employee base pay is based on qualifications and experience and aligned to current market data.
- Employee benefits – ensuring employees benefits, such as private medical insurance and private dental insurance are competitive.
- Administering Valero's compensation resource programmes, including:
 - Base pay
 - Valero Incentive Plan (VIP) bonus award
 - Promotions
 - Merit awards
 - Off-cycle adjustments
 - Long-term Incentive Pay (LTIP); and
- Administering Valero's compensation reward programmes, including
 - Defined contribution pension scheme
 - Share Incentive Plan (SIP)

The guide is distributed to all Supervisors, so they can be prepared for conversations with employees about their performance and compensation rewards. [EV 24]

Valero's financial compensation package is very generous, and the compensation resource guide is designed to help supervisors make appropriate pay decisions before, during and after performance discussions take place. With a "pay for performance compensation philosophy for professional employees that emphasizes differentiated pay based on employee performance and contributions to company success" (Valero, n.d.) it is evident that Valero places significant importance on financial rewards for high-performance.

However, a Forbes article argues that "employees are expecting regular, flexible and holistic benefits that add value to their personal and professional lives". (Skilbeck, 2019) While Valero do offer non-financial incentives for high-performance working, such as flexible working, training and development and xxx, more consideration should be given to promoting non-financial incentives, particularly employee health and well-being.

One of Valero's guiding principles is 'Employees' and fostering a culture that provides "a safe, healthy and rewarding work environment" (Valero, 2021) is a key priority. A culture that supports employee well-being in the workplace will benefit the employee and the organisation.

Stress can have a detrimental impact on a person's mental and physical health, and "stress-related absence continues to increase among UK employees". (Suff, 2020) Supporting

employees with their mental health is important as the Health and Safety at Work etc. Act 1974 legislates that employers must “ensure, as far as is reasonably practicable, the health, safety and welfare at work of all employees”. (Daniels.K, 2019, p. 249), which extends to “minimizing the risk of work-related mental health issues”. (CIPD, 2020)

The CIPD’s Health and Well-being survey reported that “44% of work-related ill health and 54% of working days lost” in 2018/19 was due to work relates stress, depression or anxiety. It is predicted that the COVID-19 pandemic will significantly impact mental health and employers are being urged to be prepared for the increase in mental health cases in the workplace. The Office for National Statistics (ONS) reported that almost 1 in 5 adults reported a form of depression during the pandemic. This is a significant increase to the 1 in 10 reported cases for the same period pre-pandemic.

Valero need to increase their investment in initiatives that promote employee well-being, with particular emphasis on raising awareness of mental health in the workplace, such as alleviating stress at work. With one of the main causes of stress at work being ‘juggling work and personal lives’ it is increasingly important to promote and support flexible working options – and more recently, remote working arrangements. Of Valero’s 500 employees, only 9 (1.8%) have a flexible working arrangement in place – unfortunately, this is representative of the longstanding culture at Pembroke Refinery, which has historically been criticised for being unsupportive of flexible working arrangements.

Forbes published an article that argues that “the pandemic has changed the workplace forever”, (Robinson, 2020) and goes on to predict four post pandemic mental health trends for 2021:

1. Remote working will become the norm
2. Employee mental health will get priority
3. There will be a shift in healthy lifestyle changes
4. The emphasis will be on compassionate leadership

Valero need to be open to making changes to the way they work so that they are ready to provide support to employee’s post-pandemic.

Overall, Valero’s performance management process is well established, with robust systems in place to monitor and measure performance. However, Valero should continue to identify opportunities for improvement.

As a multi award winning company, ranking high on the Fortune 500 list, Valero stand firm that their ongoing success is “a true reflection of employee performance”. (Valero, 2021)

Evidence

PERFORMANCE MANAGEMENT

COMPENSATION RESOURCE GUIDE

Valero's culture is the foundation for our company's success. *Safety, Accountability, Teamwork, Excellence, Community* and *Doing the Right Thing* are all important ways that we, as individuals and as teams, deliver on our commitments and help set Valero apart as an employer of choice.

**SAFETY****TEAMWORK****EXCELLENCE****DO THE RIGHT THING****ACCOUNTABILITY****COMMUNITIES**

Valero's Performance Management philosophy builds on these key values by engaging in ongoing communication, goal setting, coaching and feedback while also providing guidance on career development and pay decisions. At its core, Valero employs a pay for performance compensation philosophy for professional employees that emphasizes differentiated pay based on employee performance and contributions to company success.



PAY FOR PERFORMANCE

BOTTOM LINE

Making appropriate pay decisions requires you to manage employee performance by engaging in ongoing communication and feedback with each employee. This guide is intended to provide information on Valero's total compensation program, and support informed pay decisions before, during and after performance discussions occur.

BACKGROUND

Team Valero is an exceptional blend of technical and professional employees, made up of hourly and salaried positions.

- Hourly (both union and non-union) employees are paid according to a structured base pay rate schedule assigned to each job type, by location (e.g., Employees working in the same job at the same location are paid the same).
- Salaried and hourly non-rate-scheduled employees are paid within a determined range associated with each employee's specific job/role.

Valero's Pay for Performance model allows for unique, individualized pay treatment as administered through Annual Bonus Awards, Annual Merit Pay, Promotions and Off-Cycle Pay Adjustments. An employee's total compensation should reflect his/her own performance and contributions to the company's success.

Valero's work culture of **Safety, Accountability, Teamwork, Excellence, Community** and **Doing the Right Thing** is the consistent thread that ties all employees together. Setting clear performance expectations for each cultural value tied to an employee's roles and responsibilities is the first step. When making important pay decisions, consider employee performance and how the employee has demonstrated the Valero culture, supported company objectives, and met or exceeded job specific performance expectations.

To see sample performance expectations for each cultural value, visit myValero:

[Manager Center > Performance Management > Valero Culture Performance Expectations](#)



BASE PAY

Valero utilizes a market-based compensation structure to ensure competitive base pay and allow for greater flexibility to respond to changes in the job market. Base pay directly impacts other components of an employee's total package including Merit, Bonus, Long Term Incentive (LTI), and Financial Benefits. As base pay grows, so do the award amounts for these components.

- Each job has a unique market midpoint that generally reflects the median salary of similar jobs in the market. (Excludes rate-scheduled jobs)
- Market data for every job is reviewed annually, and market midpoints are updated, as appropriate.
- Certain factors (qualifications, relevant experience and job performance) should be considered to determine the appropriate percent to market midpoint for an employee's salary. Salaries typically fall within a range of 80% to 120% of the midpoint.



When determining base pay, ensure decisions are fair and consistent by considering **experience, qualifications and performance**.

- To see your employees' market midpoint, visit Manager Center on myValero.

IMPORTANT DATES TO REMEMBER

- Annual salary as of May 1 is used for the Merit Award calculation.
- Annual salary as of November 1 is used for the Bonus Award calculation.

ANNUAL BONUS AWARDS

The Annual Bonus Award resource can be used to reward performance, a way to recognize team members who contribute to Valero's success, and discuss individual performance. The Bonus Award system is intentionally flexible and gives management discretion to make the Bonus Award commensurate with performance. For rate-scheduled employees, differentiation is prescriptive according to HR policy. For more information on this compensation resource, see the Bonus Resource Guide on myValero: [Manager Center > Performance Management > Bonus Resource Guide](#)

- **BONUS TARGET:**

Each employee has a bonus target that is based on job level. This target is a percentage of base pay or earnings.

- **COMPANY PAYOUT PERCENTAGE:**

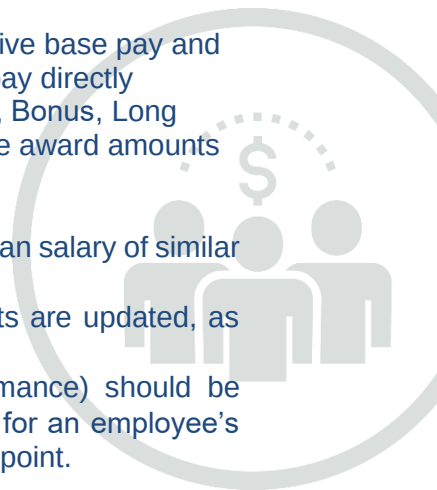
The Company's overall payout percentage is factored into all Bonus Award calculations. It is approved annually by the Board of Directors and based on the company's overall achievement in certain areas. Metrics currently considered: Financial (Earnings Per Share), Operational (Health/Safety/Environmental), Mechanical Availability, Refining Cash Operating Expense Management, and other Strategic areas.

- **BONUS AWARD FORMULA:**

For eligible employees, the Bonus Award is determined using the following formula:

BONUS* = Base Pay (or all eligible earnings for certain employees) **x Bonus Target x Company Payout Percentage**

*Actual Bonus Award may vary based on individual performance



INCREASES TO BASE PAY

MERIT AWARDS

Valero's Merit Award budget is established each year based on existing business and market conditions. Through a formal review process, all eligible employees are considered for a "Merit Increase." The purpose of the Annual Merit Award is to adjust employee base salaries for market competitiveness, performance, relation to peers, and cost of living. The merit target percentage is generally intended for all except poor performing employees. The Merit Award is typically recommended in May and becomes effective July 1.

This annual process allows managers to:

- Differentiate pay for key employees and top performers.
- Address pay inequity issues between employees (i.e., pay compression between a Supervisor and the senior member of his/her team).

ELIGIBILITY

- Active employee, as of May 1
- Employees not part of the Merit Award program:
 - Represented employees
 - Non-represented rate-scheduled employees (hourly)
 - Interns

AWARD CONSIDERATIONS

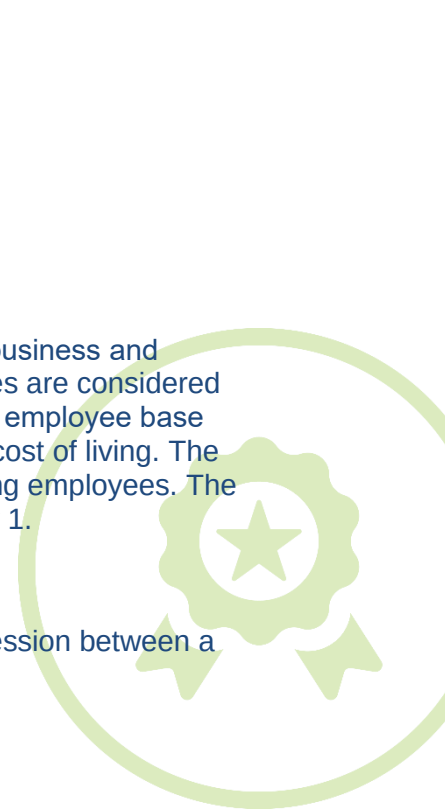
- Employee performance should be a factor when determining the Merit Award. Understand your next-level manager's expectations concerning Merit Award recommendations.
- Awards may be allocated as a percentage of salary increase or as a lump sum as determined by management.
 - Lump sums are generally considered for employees with a salary at or above 120% of the market midpoint and represents a single payment made to the employee in lieu of an annual salary increase.
- Employees with poor performance or attendance may receive a reduced or zero merit.

ADJUSTMENT AWARD

As part of the Merit Award program, the Adjustment budget is a tool to reward key employees and top performers by increasing their base salary in addition to their Merit Award. The adjustment budget also can be used selectively to move employees more in line with their market midpoints and/or address internal equity issues.

GENERAL INCREASE (RATE-SCHEDULED EMPLOYEES):

General Increases are intended for represented and non-represented hourly employees paid on a rate schedule. Each year, the non-represented hourly pay rate schedules are reviewed and considered for an annual general rate increase with senior refinery leadership. The rate increase is applied to the hourly pay for each specific job within the rate schedule and does not vary for individual employees. Base pay (hourly pay rate) changes occur when employees qualify for and progress to a new/different job on the rate schedule.



OFF-CYCLE ADJUSTMENTS

Exceptional employee performance may warrant an Off-Cycle Adjustment. This type of reward may also be used to address significant pay equity issues. Off-Cycle Adjustments can occur at any time throughout the year and are generally intended for top performers, but occasionally are needed for solid performers.

PROCESS FOR OFF-CYCLE ADJUSTMENTS

- Ensure your direct supervisor supports your recommendation.
- Contact local HR to begin the process.
- Verify a business need for the change.
- Review the salary recommendation with local HR and your direct supervisor to determine the new salary and effective date.
- HR will create and route the necessary e-PCR and assist you with the communication to the employee.

PROMOTIONS

Salaried and hourly non-rate scheduled employees may be considered for two types of promotions: “position based” promotions and “career path” promotions.

Promotions can occur anytime and are accompanied by an increase to base pay. Promotional increase amounts vary depending on factors such as work experience, job performance, internal pay equity when compared to current incumbents, and salary competitiveness versus the external market. Depending on the position and level, an increased Target Bonus or eligibility for the Long-Term Incentive (LTI) award program may also accompany a promotion.

PROCESS FOR PROMOTIONS

- Ensure your direct supervisor supports your recommendation.
- Contact local HR to begin the process.
- Verify a business need for the promotion.
- Review the salary recommendation with local HR and your direct supervisor to determine the new salary and effective date.
- HR will create and route the necessary e-PCR and assist you with the communication to the employee.

LONG-TERM INCENTIVE PAY (LTI)

This compensation resource is intended to reward employees for a high level of performance and contributions to the company. LTI is designed to increase ownership in the company for employees who have made the greatest impact on its future. It is an equity-based, long-term incentive pay that is awarded annually by senior management. Connect with your next-level manager on your involvement in this process.

**Rate schedule employees are not eligible*

FACTORS TO CONSIDER WHEN MAKING BASE PAY DECISIONS:

- *Experience*: How experienced is the employee in their role – New? Midlevel? Expert level?
- *Qualifications*: How qualified is the employee for the role? Does the employee meet some, all or significantly exceed qualifications? How does the employee compare to peers with similar qualifications & performance?
- *Pay History*: What is the employee's pay history in other roles?
- *Current Performance*: At what level is performance? Is there a gap in performance, are they solid performers or does their performance surpass expectations?

COMMUNICATING PAY AWARDS

DO	DO NOT
✓ Take the opportunity to re-emphasize the employee's contribution to the team and department goals. ✓ Anticipate questions, positive or negative, based on your ongoing employee performance discussions. ✓ Redefine and/or reset expectations. ✓ Thank the employee for their hard work. ✓ Support and understand the Compensation Award process and Valero's mission to reward ALL deserving employees for their contributions to Valero's overall success. MERIT ONLY: Remind the employee that Base Pay factors into Financial Benefits formulas and Bonus Awards. BONUS ONLY: Remind the employee that the Bonus Award is just one component of the overall compensation structure. LTI ONLY: Communicate that vesting of all awards is over three years, one-third per year.	✗ Simply drop off the merit/bonus letter without having a meaningful discussion. (i.e., Do NOT leave letters on the employee's chair or desk.) ✗ Compare employee performance to another employee's performance. ✗ Discuss another employee's merit, bonus, LTI or pay. ✗ Tell the employee that he/she cannot share compensation information with other employees (employees have a legally protected right to discuss their compensation). ✗ Commit or allude to future increases or promotions. ✗ Reference approved leave of absence, i.e., FMLA or other protected classes.

CAREER GROWTH AND DEVELOPMENT

Consider discussing the employee's career and development during pay discussions. To assist you and your employees, a Career Development Planning tool is available on myValero: [Manager Center > Performance Management](#).

In preparation for a career conversation with your employee, consider the following section, which is designed to help you facilitate a career discussion using key questions.

Alignment: Check in on the alignment of employee strengths, skills, goals, and job role. Greater alignment leads to higher employee performance and better engagement.

- What is going well (or not well) in your role?
- Which of your strengths are under-utilized in your current role?
- What makes you proud of the work you do?
- How does this job align with your future career goals?

Professional Development: Focus on opportunities for developing skills and increasing knowledge and performance. Supporting employee development leads to increased employee commitment.

- Which of your skills would you like to develop further?
- What obstacles are standing in the way of your development?
- What are you doing to improve your skills or knowledge?
- What was your last professional development experience? What did you learn?

Setting Goals: Explore goals to attain in the next month or quarter. Setting goals increases ownership for achieving performance expectations and team results.

- What are your goals for the upcoming month/quarter?
- How do you currently track your goals?
- What kind of support do you need to achieve your goals?
- How will you keep yourself accountable for meeting goals, deadlines and results?

Career Advancement: Dig into career path and advancement opportunities. Understanding an employee's long-term career goals leads to thoughtful decisions when considering development activities.

- In the past six months, what have you done to move toward your ideal role/position?
- In the next six months, what could you do to move toward your ideal role/position?
- What skills are you developing to meet your long-term career goals?
- What are you specifically doing to achieve your long-term career goals?

Retention: Discover what elements will lead to high commitment and long-term retention. Understanding employee motivations/drivers allows you to engage employees more effectively

- What do you enjoy most about your job/role/position?
- What motivates you in your job?
- What attracts you to Valero?
- What makes you stay in this job at Valero?

PREPARING FOR EMPLOYEE QUESTIONS

A large, stylized speech bubble icon with the letters 'FAQ' inside. The bubble is white with a grey shadow and a small tail pointing towards the bottom left.

FAQ

Pay discussions are most successful when the supervisor/manager takes time to prepare, anticipate possible questions and do homework about each employee's history and situation. The following Frequently Asked Questions represent some possible topics that may arise during your discussions. Review these potential questions and seek guidance from your manager or HR on how to respond during pay and performance discussions.

1. HOW IS MY PAY DETERMINED?

Employee pay is based on factors such as qualifications, experience and job performance. These factors are considered along with market midpoints to determine an appropriate base pay.

2. AM I BEING PAID FAIRLY?

Each year, Valero's Compensation team reviews updated market data for every job and revises the market midpoints, as appropriate, to remain competitive. This information, along with your qualifications, experience and job performance, helps determine your pay.

3. WHY DON'T I MAKE AS MUCH MONEY AS MY PEER?

Take caution in comparing your situation with others. There may be individually unique variables factored into pay decisions for each employee.

4. I THOUGHT I WOULD RECEIVE A HIGHER MERIT INCREASE.

(Solid Performance): The merit budget can change year to year based on market conditions. Merit Awards are based on performance and key contributions throughout the year. You have been a solid performer and there may be opportunities in the future to continue growing your career. As that happens, there are compensation components associated with good/solid performance. Including salary adjustments, promotional opportunities, job enrichment, etc. **(Performance Gap):** The merit budget can change year to year based on market conditions. Merit Awards also are based on your performance. This past year, you had some performance gaps (focus on the facts and provide specific examples such as attendance, conduct, work mistakes, etc.). Let's continue discussing how you can improve your performance over the next year. Also see the Performance Tracker resource to determine the target area for performance improvement. The document is located on myValero:

Manager Center > Performance Management > Performance Tracker

5. I'D LIKE A RAISE/PROMOTION.

Your career progression is important to me, and I know pay raises and promotions are a natural part of employee expectations. As you know, with Valero's performance management philosophy, raises and promotions have a lot to do with job experience, individual performance, leadership and drive to do excellent work and take on new challenges. At the moment, there are a few areas I'd like to see you develop and grow over the next year. But I also want to understand your position on this too. What areas of your performance over the last six months support this request?

6. WHAT IS INCLUDED IN MY COMPENSATION PACKAGE?

You can review your total compensation package on your Annual Benefits Statement. This resource includes your base pay, annual bonus, long-term incentives, if eligible, health and welfare benefits (Valero Provided Dollars), and retirement stability (401(k) and Pension).

For additional questions regarding Performance Management or Compensation, please contact your local HR.

From: Gough, Melanie
Sent: 19 October 2021 13:34
To: GMFG - PEM Supervisors <GR-PEMSupervisors@valero.com>
Subject: Compensation Resource Guide
Cc: James, Joanne <Joanne.James@Valero.com>
Sensitivity: Confidential

Dear all

Please find attached the Valero Compensation Resource Guide in readiness for upcoming performance management conversations.

Please take time to review the guide and if you have any queries or require any support, please don't hesitate to get in touch.

Kind regards,

Mel

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