

Company Name Canadian Natural Resources
Industry Extractives
UNGP Core Score (*) 8.0 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
1	2	A.1.1 Commitment to respect human rights
2	2	A.1.2 Commitment to respect the human rights of workers
1	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
1	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
1.5	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
1.5	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
8.0	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: General HRs commitment: The Human Rights statement on the website indicates that 'Canadian Natural believes in, supports and is committed to human rights and social justice'. [Code of Conduct and Human Rights 2020 website, N/A: cnrl.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: ILO Core: The Company states on its website: 'we recognize, respect and abide by all labour, child labour and employment laws and expect our contract service companies, contractors and other third-parties companies to meet the same standards. These include prohibitions on child labor, forced labor and discriminatory behaviour as well as recognition of the rights of freedom of association and collective bargaining'. [Code of Conduct and Human Rights 2020 website, N/A: cnrl.com] • Met: Explicitly list All four ILO apply to EX BPs: As indicated above, the Company states on its website 'we recognize, respect and abide by all labour, child labour and employment laws and expect our contract service companies, contractors and other third-parties companies to meet the same standards. These include prohibitions on child labor, forced labor and discriminatory behaviour as well as recognition of the rights of freedom of association and collective bargaining'. [Code of Conduct and Human Rights 2020 website, N/A: cnrl.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Explicit commitment to All four ILO Core: As indicated above, the Company states on its website 'we recognize, respect and abide by all labour, child labour and employment laws and expect our contract service companies, contractors and other third-parties companies to meet the same standards. These include prohibitions on child labor, forced labor and discriminatory behaviour as well as recognition of the rights of freedom of association and collective bargaining'. [Code of Conduct and Human Rights 2020 website, N/A: cnrl.com] • Met: Respect H&S of workers: In its Code of Integrity, Business Ethics and Conduct, which applies to directors, officers and employees of the Company, in addition to Contractors and Consultants, mentions the following in relation to health and safety: 'The Company is committed to conducting its operations in a manner that protects the health and safety of its Staff and the public and to provide a safe and healthful work setting for all Staff. In turn, each Staff Member should encourage and practice safety while on the job and observe appropriate standards of conduct.' [Code of Integrity, Business Ethics and Conduct 2019, 14/11/2019: webadmin.cnrl.com] • Met: H&S applies to EX BPs: See above [Code of Integrity, Business Ethics and Conduct 2019, 14/11/2019: webadmin.cnrl.com]
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to stakeholder engagement: The Company indicates that 'we are committed to working together with local communities and stakeholders to build long-lasting positive relationships based on mutual respect. (...) Our stakeholders are the individuals and groups we work with who have a broad interest in our operations, as well as those who live and work near, and are affected by, our operations and business. We engage with stakeholders on a regular basis and their input is important when making decisions related to our project design and implementation, and for our public reporting. We communicate and engage with

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			<p>stakeholders in a variety of ways, such as one-on-one meetings, open houses and participating in community and cultural events. We continually work to improve our consultation and communications efforts in order to maximize opportunities'. [Working together with communities 2020, N/A: cnrl.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement: The Company's 'teams work hard on an ongoing basis to build and maintain positive relationships with all stakeholders. [...] Our local field-based staff connects regularly with stakeholders to provide updates and seek input regarding development plans, as well as to help identify opportunities and find solutions to help address potential environmental and social concerns. Their activities are monitored, tracked and incorporated into our annual plans in support of strategic priorities identified in each operating area, so that the communities where we operate also benefit from oil and natural gas development.' However, it is unclear if the Company engages with stakeholders to develop or monitor its human rights approach. [Working together with communities 2020, N/A: cnrl.com]
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to remedy <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with EX BPs to remedy impacts

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to ILO core conventions: See indicator A.1.2 • Met: Senior responsibility for HR: The Company indicates that 'our human rights clauses and screening fall under Code of Integrity, Business Ethics and Conduct and our Statement of Human Rights'. It also states that 'the Company's Corporate Management Committee is responsible for the implementation and administration of the Code'. This committee is comprised by senior managers (and also includes the CEO). [Code of Conduct and Human Rights 2020 website, N/A: cnrl.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for EX BRs
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifying risks in own operations: Although the Company reports stakeholder engagement including landowners, municipalities, etc, it is not clear whether this is made in the context of human rights risk identification. [Working together with communities 2020, N/A: cnrl.com & 2018 Stewardship Report to Stakeholders, 2019: cnrl.com] • Not met: identifying risks in EX business partners <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders: The Company indicates that 'when developing project-specific consultation plan, Canadian Natural works with each indigenous community to understand their individual consultation and public engagement needs and requirements, along with provincial or federal jurisdiction.' However it is not clear whether this includes a process to identify human rights risks. [Indigenous Relations website 2020, N/A: cnrl.com] • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including amongst EX BPs • Not met: Example of Actions decided Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including EX business partners Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Code of conduct (which contains commitment to comply with human rights statement) applies to all employees. The Company indicates on its website 'For employees seeking advice on ethical/unlawful behaviour, human rights matters, or for those who have questions in relation to the Code or are aware of any irregularities, Canadian Natural encourages open dialogue through a variety of pathways, including Human Resources, supervisors, and members of the management team, and reporting via Canadian Natural's third-party managed integrity hotline, ConfidenceLine'. [Code of Conduct and Human Rights 2020 website, N/A: cnrl.com & Code of Integrity, Business Ethics and Conduct 2019, 14/11/2019: webadmin.cnrl.com] Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Met: Channel is available in all appropriate languages: The ConfidenceLine website is available in English and French, and these languages are relevant to the Company, as it is present in North America, North UK and Ivory Coast. [ConfidenceLine website, N/A: cnrl.confidenceline.net] • Not met: Expect EX BPs to have equivalent grievance system • Not met: Opens own system to EX BPs workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Grievance mechanism for community: The Code of Integrity allows for non-staff stakeholders to make a reports: 'Canadian Natural has established a third-party operated, confidential integrity hotline for reporting violations or suspected violations of the Code that is available to all Staff, contractors, vendors and other stakeholders on a 24/7 basis. Access to ConfidenceLine is available at the toll free numbers or via web portal'. The Code of Integrity covers non-discrimination, health and safety, and that staff members must ask in accordance with the highest ethical standards, including 'by respecting and abiding by the human rights statements adopted by the Company'. [Code of Integrity, Business Ethics and Conduct 2019, 14/11/2019: webadmin.cnrl.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes accessibility and local languages: The Company's Confidential Integrity Hotline is made available online, and is available in both English and French, which are two relevant languages for the Company. [ConfidenceLine website, N/A: cnrl.confidenceline.net] • Not met: Expects EX BPs to have community grievance systems • Not met: EX BPs communities use global system
C.7	Remedying adverse impacts and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> • Headline: Canadian Natural Resources accused of terminating six employees for organizing a union in Canada • Area: FoA & CB (Union busting) • Story: 1 November 2019, CBC News reported that Canada's largest private sector union is investigating allegations that six workers at a Canadian Natural Resources Limited (CNRL) work site were fired for trying to organise a union. The article states that all six men were fired without cause on October 23. One of the men quoted said he was asked to carry cards and be a contact for employees to approach if they wanted to join the union, ""I heard the stuff that was going on, like posters were going up in support of the union, they were being torn down and the company was putting up their side...It was hearsay and the next thing I know ... I get a call and they're terminating me. Me and five others...I think it's pretty obvious what happened, to anybody looking from the inside or outside." In response to the allegations, CNRL sent the following statement to CBC, "Canadian Natural respects the legal rights of its employees to collectively bargain, if they so choose...For privacy reasons, we decline to comment on employment matters." • Sources: [CBC-Radio Canada - 01/11/2019: cbc.ca]
E(1).1	The Company has responded publicly to the allegation	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Public response available: In response to the allegations the company stated, "Canadian Natural respects the legal rights of its employees to collectively bargain, if they so choose," the company said in an email...For privacy reasons, we decline to comment on employment matters." [Response to Jackfish oilsands union busting allegation, 01/11/2019: cbc.ca] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail: The company's response does not provide sufficient detail. [Response to Jackfish oilsands union busting allegation, 01/11/2019: cbc.ca]
E(1).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: On the company's website its Human Rights Position Statement states "Our employees, contractors and consultants agree to adhere to a Code of Integrity that reflects our mission statement. Canadian Natural Resources Statement of Human Rights:...We recognize, respect and abide by all labour, child labour and employment laws and expect our contract service companies, contractors and other third-party companies to meet the same standards. These include prohibitions on child labor, forced labor and discriminatory behavior as well as recognition of the rights of freedom of association and collective bargaining." [Code of Conduct and Human Rights 2019, 27/03/2019: cnrl.com] • Met: Policies apply to the type of business relationships involved: The Human Rights Position Statement applies to the company's workers and business operations. [Code of Conduct and Human Rights 2019, 27/03/2019: cnrl.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question: The company's policies don't put in place any specific measures to prohibit intimidation or retaliation against trade unionists. [Code of Conduct and Human Rights 2019, 27/03/2019: cnrl.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders: There is no evidence that the company has engaged with the affected stakeholders. [Response to Jackfish oilsands union busting allegation, 01/11/2019: cbc.ca] • Not met: Provides remedies to affected stakeholders: There is no evidence that the company has provided remedy to the affected stakeholders. [Response to Jackfish oilsands union busting allegation, 01/11/2019: cbc.ca] • Not met: Has reviewed management systems to prevent recurrence: There is no evidence that the company has reviewed its management systems. [Response to Jackfish oilsands union busting allegation, 01/11/2019: cbc.ca] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims: There is no evidence that the company has provided remedy to the affected stakeholders, nor that it is considered satisfactory. [Response to Jackfish oilsands union busting allegation, 01/11/2019: cbc.ca] • Not met: Has improved systems and engaged affected stakeholders: There is no evidence that the company has improved its systems or engaged with the affected stakeholders. [Response to Jackfish oilsands union busting allegation, 01/11/2019: cbc.ca]

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote

continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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