

## Corporate Human Rights Benchmark 2018 Company Scoresheet



**Company Name** Canadian Natural Resources  
**Industry** Extractives  
**Overall Score (\*)** 10.5 out of 100

Theme Score	Out of	For Theme
2.0	10	A. Governance and Policies
0.9	25	B. Embedding Respect and Human Rights Due Diligence
1.3	15	C. Remedies and Grievance Mechanisms
3.1	20	D. Performance: Company Human Rights Practices
2.1	20	E. Performance: Responses to Serious Allegations
1.2	10	F. Transparency

(\*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also 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 2018 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

#### A. Governance and Policies (10% of Total)

##### A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 • 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 on website: <a href="http://cnrl.com">cnrl.com</a> ] Score 2 • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	2	The individual elements of the assessment are met or not as follows: Score 1 • 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 on website: <a href="http://cnrl.com">cnrl.com</a> ] • Met: All four ILO apply to EX BPs: See above [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> ] Score 2 • Met: All four ILO Core: See above [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> ]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Respect H&amp;S of workers: The health and safety statement indicates that the Company 'is committed to conducting its operations in a manner that will protect the health, safety and welfare of their employees, contractors and the public'. This statement discloses the different commitments made in relation to H&amp;S. [Health and safety statement: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a>]</li> <li>• Met: H&amp;S applies to Ex BPs: The code of conduct, which applies to business partners, states that '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'. [Code of integrity, business ethics and conduct: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a>]</li> </ul>
A.1.3.EX	Commitment to respect human rights particularly relevant to the industry (EX)	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"> <li>• Not met: Based on UN Instruments</li> <li>• Not met: VPs participant</li> <li>• Not met: Uses only ICoCA members</li> <li>• Not met: Respecting indigenous rights</li> <li>• Not met: ILO 169</li> <li>• Not met: UNDRIP: The Company states that 'Through the Canadian Association of Petroleum Producers (CAPP), Canadian Natural supports the federal government's decisions to implement the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) as a framework for reconciliation in Canada, and the implementation of its principles in a manner that is consistent with the Canadian Constitution and law'. However, no evidence found of this commitment being extensive to all the Company's operations. [Indigenous relations on website: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Not met: Expects BPs to respect these rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: FPIC commitment</li> <li>• Not met: Vol Guidelines on Tenure: The Company indicates on its website that it works closely with authorities to identify land owners and historic and cultural resources. It also carries out consultation processes including assessments that highlight any risk to be addressed. It also states that 'we support indigenous communities to document traditional land use and/or current use in order to mitigate potential impacts to the extent possible. However, no evidence found of commitment to respect legitimate tenure rights related to the ownership of land and natural resources, and to apply free prior and informed consent. [Indigenous relations on website: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Not met: IFC performance standards</li> <li>• Not met: Zero tolerance for land grabs</li> <li>• Not met: Respecting the right to water</li> <li>• Not met: Expects BPs to respect all these rights</li> </ul>
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"> <li>• Met: Commits to stakeholder engagement: The Company indicates that '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, and for our public reporting. We communicate and engage with stakeholders in a variety of ways such as one-on-one meetings and open houses, and we continually work to improve our consultation and communications efforts in order to maximize opportunities. [Working with communities on website: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Not met: Regular stakeholder engagement</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement: It also states that it has 'stakeholder and community relations advisors and area landmen who live and work in the communities where we operate. They connect regularly with stakeholders to provide updates, seek input regarding development plans, help identify opportunities and find solutions to help address potential environmental and social concerns. Their work is incorporated into our annual plans in support of the strategic priorities identified in each operating area. Our area landmen and stakeholder relations staff work closely with communities, follow-up on our commitments and report back to constructively respond to concerns and differences of opinion. Some of the topics addressed in 2016 near our major operating sites included environmental concerns such as emissions and noise, job opportunities for local residents, community investment programs, access to roads and potential impacts'. However, it is not clear whether this includes engagement</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			to develop and monitor human rights approach/issues. [Working with communities on website: <a href="http://cnrl.com">cnrl.com</a> ]
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Commits to remedy Score 2 • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with EX BPs to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Zero tolerance attacks on HRs Defenders (HRDs) Score 2 • Not met: Expects EX BPs to reflect company HRD commitments

## A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Met: CEO or Board approves policy: Although the Code of conduct and Human rights statement have not been formally signed by the Board or the CEO, they are responsible for the administration and implementation of the code and human rights. The Health and Safety policy has been signed by the President. [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> & Health and safety statement: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a> ] • Not met: Board level responsibility for HRs: 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'. However, this Committee includes the CEO and senior managers, and it is not clear to whom is assigned the responsibility. [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> & Management on website: <a href="http://cnrl.com">cnrl.com</a> ] Score 2 • Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Board/Committee review of salient HRs: The Company indicates that the Health, Safety, Asset Integrity and Environmental Committee has the responsibility to review management's commitment, overall plans and strategies in the areas of Corporate Citizenship, ethics, social responsibility and community affairs'. However, no details found in relation to its responsibilities regarding human rights (or whether these are included in the topics of ethics, social responsibility or community affairs). [Health, Safety, Asset Integrity and Environment Committee charter: <a href="http://cnrl.com">cnrl.com</a> & Annual information form 2017, 03/2018: <a href="http://cnrl.com">cnrl.com</a> ] • Not met: Examples or trends re HR discussion Score 2 • Not met: Both examples and process
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Incentives for at least one board member • Not met: At least one key EX RH risk, beyond employee H&S Score 2 • Not met: Performance criteria made public

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Senior responsibility fo HR (inc ILO): 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 on website: <a href="http://cnrl.com">cnrl.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Day-to-day responsibility</li> <li>Not met: Day-to-day responsibility for EX BRs</li> </ul>
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Senior manager incentives for human rights</li> <li>Not met: At least one key EX HR risk, beyond employee H&amp;S</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Performance criteria made public</li> </ul>
B.1.3	Integration with enterprise risk management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: HR part of enterprise risk system</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Audit Ctte or independent risk assessment</li> </ul>
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Communicates its policy to all workers in own operations: The Company states that ‘the Code is distributed on a yearly basis and each staff member must acknowledge it electronically. The review and acceptance of the Code is an annual requirement’. ‘Each manager is responsible for seeing that all staff under his or her supervision are thoroughly familiar with the Code and are applying it consistently in all their business dealings’. Employment standards contained in the code include abiding by the human rights statements adopted by the Company. No evidence found, however, on whether the Company communicates the code in local languages where necessary. [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> &amp; Code of integrity, business ethics and conduct: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Communication of policy commitments to stakeholder</li> <li>Not met: How policy commitments are made accessible to audience</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Steps to communicate policy commitments to BRs: The Company indicates on its website that ‘we recognize, respect, and abide by all labour, child labour and employment laws and expect our contract services companies, contractors and other third-party companies to meet the same standards. These include prohibitions on child labor, forced labor and discriminatory behaviour has well as recognition of the rights to freedom of association and collective bargaining’. It also states that ‘we will inform them of our Human Rights Statement and Code of Integrity, Business Ethics and Conduct and expect they will comply with those principles’. Finally, it indicates that ‘all directors, officers, employees (permanent and part-time), contractors and consultants are required to acknowledge and sign the code when joining the company’. However, the Code does not contain the Company’s human rights policies included in the human rights statement’. [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> &amp; Code of integrity, business ethics and conduct: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a>]</li> <li>Met: Including to EX BPs: See above</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: How HR commitments made binding/contractual [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> &amp; Code of integrity, business ethics and conduct: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a>]</li> <li>Not met: Including on EX BPs</li> </ul>
B.1.5	Training on Human Rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Trains all workers on HR policy commitments: Although the Company indicates that the code is distributed on a yearly basis and all staff member must</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			acknowledge it electronically, no evidence found in relation to specific training on human rights issues (the Code only indicates that employees needs to abide to human rights statement). [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> & Code of integrity, business ethics and conduct: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a> ] <ul style="list-style-type: none"> <li>• Not met: Trains relevant managers including security personnel</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.1.6	Monitoring and corrective actions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Monitoring implementation of HR policy commitments</li> <li>• Not met: Monitoring EX BP's</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Describes corrective action process</li> <li>• Not met: Example of corrective action</li> <li>• Not met: Discloses % of supply chain monitored</li> </ul>
B.1.7	Engaging business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: HR affects selection extractives business partners</li> <li>• Not met: HR affects on-going business partner relationships</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> <li>• Not met: Working with business partners to improve performance</li> </ul>
B.1.8	Approach to engagement with potentially affected stakeholders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Stakeholder process or systems: The Company describes stakeholder engagement including local communities, however, no specific evidence found for engagement in the last two years including human rights issues.</li> <li>• Not met: Frequency and triggers for engagement</li> <li>• Not met: workers in SP engaged</li> <li>• Not met: communities in the SC engaged</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Analysis of stakeholder views and company's actions on them</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying 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"> <li>• 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 with communities on website: <a href="http://cnrl.com">cnrl.com</a> &amp; Stewardship report, 2016: <a href="http://cnrl.com">cnrl.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: identifying risks in EX business partners</li> <li>• Not met: Ongoing global risk identification</li> <li>• 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, according to each jurisdiction. However it is not clear whether this includes a process to identify human rights risks. [Indigenous relations on website: <a href="http://cnrl.com">cnrl.com</a> &amp; Stewardship report, 2016: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Not met: In consultation with HR experts</li> <li>• Not met: Triggered by new circumstances</li> <li>• Not met: Explains use of HRIAs or ESIA (inc HR)</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Salient risk assessment (and context)</li> <li>• Not met: Public disclosure of salient risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Action Plans to mitigate risks</li> <li>• Not met: Example of Actions decided</li> <li>• Not met: Including amongst EX BRs</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
	internally and taking appropriate action		Score 2 • 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 • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 • 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 • 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 BRs Score 2 • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

### C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	The individual elements of the assessment are met or not as follows: Score 1 • 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, Canadian Natural has made available internal and external phone lines. If we become aware of any violation of the Code or any applicable government laws, rules or regulations, or believe that a violation may take place in the future, we take appropriate action'. [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> ] Score 2 • Not met: Number grievances filed, addressed or resolved • Not met: Channel is available in all appropriate languages • Not met: Expect EX BPs to have equivalent grievance system • Not met: Opens own system to EX BP workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Grievance mechanism for community: 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, Canadian Natural has made available internal and external phone lines. If we become aware of any violation of the Code or any applicable government laws, rules or regulations, or believe that a violation may take place in the future, we take appropriate action'. However, it is not clear whether the channel is available to any external stakeholder, including communities, and no evidence found of the channels being available in the public domain. [Code of Conduct and human rights on website: <a href="http://cnrl.com">cnrl.com</a> ] Score 2 • Not met: Describes accessibility and local languages • Not met: Expects EX BP to have community grievance systems • Not met: EX BP communities use global system
C.3	Users are involved in the design and performance of the	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Engages users to create or assess system • Not met: Description of how they do this Score 2 • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance

Indicator Code	Indicator name	Score (out of 2)	Explanation
	channel(s)/mechanism(s)		<ul style="list-style-type: none"> <li>Not met: EX BPs in creation or assessment</li> </ul>
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	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"> <li>Not met: Response timescales: The Code of conduct includes procedures for complaints, but they should be 'relating to irregularities in accounting, internal accounting controls and auditing matters'.</li> <li>Not met: How complainants will be informed</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Escalation to senior/independent level: The Code of conduct includes procedures for complaints, but they should be 'relating to irregularities in accounting, internal accounting controls and auditing matters'. [Code of integrity, business ethics and conduct: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a>]</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Not met: Public statement prohibiting retaliation: The Company states that 'staff making in good faith, a report of a possible violation of the Code or who report any questionable accounting, internal accounting controls or auditing matters or assists in an investigation of these types of violations will not be discharged, demoted, suspended, threatened, harassed or in any other manner discriminated against in the terms and conditions of employment, or otherwise'. However, this refers only to staff members and it is not clear whether other stakeholders are covered by these commitments. [Code of integrity, business ethics and conduct: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a>]</li> <li>Met: Practical measures to prevent retaliation: The Code states that 'any attempt at reprisal against the reporting staff member will be punished severely which may include demotion or even dismissal'. In addition, it is indicated that 'to ensure that a reporting staff member is protected from reprisal, a request for anonymity will be respected to the extent that it does not result in the violation of the rights of another staff member'. [Code of integrity, business ethics and conduct: <a href="http://webadmin.cnrl.com">webadmin.cnrl.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Has not retaliated in practice</li> <li>Not met: Expects EX BRs to prohibit retaliation</li> </ul>
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	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"> <li>Not met: Won't impede state based mechanisms</li> <li>Not met: Complainants not asked to waive rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Will work with state based or non judicial mechanisms</li> <li>Not met: Example of issue resolved (if applicable)</li> </ul>
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"> <li>Not met: Describes how remedy has been provided</li> <li>Not met: Says how it would remedy key sector risks</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Changes introduced to stop repetition</li> <li>Not met: Approach to learning from incident to prevent future impacts</li> <li>Not met: Evaluation of the channel/mechanism</li> </ul>

## D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	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"> <li>Not met: Living wage target timeframe</li> <li>Not met: Describes how living wage determined</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Pays living wages</li> <li>Not met: Reviews living wages definition with unions</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Member of EITI</li> <li>• Not met: Reports of taxes beyond legal minimums</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Reports taxes and revenue by country: Company discloses payments (including taxes, royalties, fees) to governments in Canada and UK as well as production entitlements for the Ivory Coast (this last one on the EITI website). The Company reports payments to governments in these countries following EITI requirements (UK and Côte d'Ivoire) and the UK Payments to Government Act, and in Canada following the ESTMA (Extractive Sector Transparency Measures Act). [Payment to governments on website: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Not met: Steps taken re non EITI countries</li> <li>• Not met: Disclosures contract terms where not a requirement</li> </ul>
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation</li> <li>• Not met: Discloses % covered by collective bargaining</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
D.3.4	Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Injury Rate disclosures: Total Recordable Injury Frequency (TRIF) disclosed for the last five reporting years. [Stewardship report, 2016: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Met: Lost days or near miss disclosures: Lost Time Incident (LTI) frequency for the last four reporting years. [Stewardship report, 2016: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Met: Fatalities disclosures: Figures disclosed for the last four reporting years, including both employees and contractors. No fatalities in the last two years. [Stewardship report, 2016: <a href="http://cnrl.com">cnrl.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Set targets for H&amp;S performance: Although the Company that it has the goal of 'no harm to people; no safety incidents', no specific targets found in relation the indicators mentioned above. [Stewardship report, 2016: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Not met: Met targets or explains why not</li> </ul>
D.3.5	Indigenous peoples rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Process to identify indigenous rights holders: The Company states that when developing new projects, its approach includes: 'Title search – this identifies ownership of the lands for proposed development, as to whether or not our proposed development is on crown land, freehold land, in a provincial or federal park, etc.'. 'Review of the provincial "listing of Historic Resources" to determine if a proposed development may affect historic or cultural resources, including [...] indigenous traditional use sites, of a historic resource nature (burial, ceremonial sites, etc.)'. 'In some cases we are required to consult with respective Indigenous Communities for development on these lands'. [Indigenous relations on website: <a href="http://cnrl.com">cnrl.com</a>]</li> <li>• Met: How engages with communities in assessment: The Company indicates that 'for major projects, to support Canadian Natural's understanding of the potential project related impacts on treaty or traditional lands, our consultation plans commonly include assessments to measure potential impacts. Environmental and socioeconomic impact assessments highlight any regional risks to be addressed in project planning. We also support indigenous communities to document traditional land use and/or current use in order to mitigate potential impacts to the extent possible'. [Indigenous relations on website: <a href="http://cnrl.com">cnrl.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Commits to FPIC (or ICMM)</li> <li>• Not met: Gives recent example FPIC or dropping deal</li> </ul>
D.3.6	Land rights (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Approach to identification of land tenure rights holders</li> <li>• Not met: Describes approach to doing so if no recent deals</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: How valuation and compensation works</li> <li>• Not met: Steps to meet IFC PS 5 in state deals</li> <li>• Not met: Describes approach if no recent deals</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.7	Security (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: How implements security (inc VPs or ICOC)</li> <li>• Not met: Example of respecting HRs in security</li> <li>• Not met: Ensures Business Partners follow security approach</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Assesses and involves communities</li> <li>• Not met: Working with local community</li> </ul>
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Action to prevent water and sanitation risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Water targets considering local factors</li> <li>• Not met: Reports progress in meeting targets and shows trends in progress made: Although the Company discloses figures related to water used and recycled, no evidence found of figures reporting against targets that take into consideration local users needs. [Stewardship report, 2016: <a href="http://cnrl.com">cnrl.com</a>]</li> </ul>

### E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity thresholds were found, and so the score of 8.42 out of 80 points scored in themes A-D & F has been applied to produce a score of 2.11 out of 20 points for theme E.

### F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	1.16 out of 4	Out of a total of 38 indicators assessed under sections A-D of the benchmark, Canadian Natural Resources made data public that met one or more elements of the methodology in 11 cases, leading to a disclosure score of 1.16 out of 4 points.
F.2	Recognised Reporting Initiatives	0 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> <li>• Not met: Company reports on GRI</li> <li>• Not met: Company reports on SASB</li> <li>• Not met: Company reports on UNGPRF</li> </ul>
F.3	Key, High Quality Disclosures	0 out of 4	Canadian Natural Resources met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.2 : Board discussions</li> <li>• Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>• Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>• Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s)</li> </ul> Discussing challenges openly <ul style="list-style-type: none"> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned</li> </ul> Demonstrating a forward focus <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</li> <li>• Not met: Score 1 for D.3.1 : Living wage (in own extractive operations, which includes JVs)</li> <li>• Not met: Score 2 for D.3.4 : Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)</li> </ul>

#### 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 2018 Key Findings report for more details of the research process.

The Benchmark is made available on the express understanding that it will be used solely for general information purposes. The material contained in the Benchmark should not be construed as relating to accounting, legal, regulatory, tax, research or investment advice and it is not intended to take into account any specific or general investment objectives. The material contained in the Benchmark does not constitute a recommendation to take any action or to buy or sell or otherwise deal with anything or anyone identified or contemplated in the

Benchmark. Before acting on anything contained in this material, you should consider whether it is suitable to your particular circumstances and, if necessary, seek professional advice. The material in the Benchmark has been put together solely according to the CHRB methodology and not any other assessment models in operation within any of the project partners or EIRIS Foundation as provider of the analyst team.

No representation or warranty is given that the material in the Benchmark is accurate, complete or up-to-date. The material in the Benchmark is based on information that we consider correct and any statements, opinions, conclusions or recommendations contained therein are honestly and reasonably held or made at the time of publication. Any opinions expressed are our current opinions as of the date of the publication of the Benchmark only and may change without notice. Any views expressed in the Benchmark only represent the views of CHRB Ltd, unless otherwise expressly noted.

While the material contained in the Benchmark has been prepared in good faith, neither CHRB Ltd nor any of its agents, representatives, advisers, affiliates, directors, officers or employees accept any responsibility for or make any representation or warranty (either express or implied) as to the truth, accuracy, reliability or completeness of the information contained in this Benchmark or any other information made available in connection with the Benchmark. Neither CHRB Ltd nor any of its agents, representatives, advisers, affiliates, directors, officers and employees undertake any obligation to provide the users of the Benchmark with additional information or to update the information contained therein or to correct any inaccuracies which may become apparent (save as to the extent set out in CHRB Ltd's appeals procedure). To the maximum extent permitted by law any responsibility or liability for the Benchmark or any related material is expressly disclaimed provided that nothing in this disclaimer shall exclude any liability for, or any remedy in respect of, fraud or fraudulent misrepresentation. Any disputes, claims or proceedings this in connection with or arising in relation to this Benchmark will be governed by and construed in accordance with English law and submitted to the exclusive jurisdiction of the courts of England and Wales.

As CHRB Ltd, 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.