

Corporate Human Rights Benchmark 2018 Company Scoresheet



Company Name Royal Dutch Shell
Industry Extractives
Overall Score (*) 55.1 out of 100

Theme Score	Out of	For Theme
5.0	10	A. Governance and Policies
17.9	25	B. Embedding Respect and Human Rights Due Diligence
5.4	15	C. Remedies and Grievance Mechanisms
8.1	20	D. Performance: Company Human Rights Practices
12.5	20	E. Performance: Responses to Serious Allegations
6.2	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	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: General HRs commitment: The Company states that they have the responsibility to society to 'To conduct business as responsible corporate members of society, to comply with applicable laws and regulations, to support fundamental human rights in line with the legitimate role of business, and to give proper regard to health, safety, security and the environment.' [Shell General Business Principles, 2014: shell.com] Met: UNGC principles 1 & 2: The Company is a signatory to the UN Global Compact. [Shell Sustainability Report, 2017: reports.shell.com] Met: UDHR: The Company states in their Code of Conduct 'We comply with applicable laws and regulations, including the United Nations Universal Declaration of Human Rights and the core conventions of the International Labour Organisation' [Shell Sustainability Report, 2017: reports.shell.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: UNGPs: The Company states in their sustainability report 'We recognise our responsibility to respect human rights and our approach applies to all of our employees and contractors. It is informed by the Universal Declaration of Human Rights, the core conventions of the International Labour Organization, and the United Nations Guiding Principles on Business and Human Rights.'

Indicator Code	Indicator name	Score (out of 2)	Explanation
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 in their Code of Conduct 'We comply with applicable laws and regulations, including the United Nations Universal Declaration of Human Rights and the core conventions of the International Labour Organisation' [Code of Conduct, 01/11/2015: shell.com] • Met: UNGC principles 3-6: The Company states that they support external voluntary codes promoting responsible business practices 'including, the UN Global Compact...' [Shell Sustainability Report, 2017: reports.shell.com] • Met: All four ILO apply to EX BPs: The Company states that their code of conduct applies to every employee, director and officer in every shell company. The Company also states 'Contract staff working for a Shell company must also follow the Code. Contractors and consultants who are agents of, or working on behalf of, or in the name of a Shell company (through outsourcing of services, processes or any business activity), are required to act consistently with the Code when acting on our behalf. Independent contractors and consultants must be made aware of the Code as it applies to their dealings with our staff. Where a Shell company has formally been designated the operator of a Joint Venture, that Shell company must apply the Code to the operation of the Joint Venture. ' [Code of Conduct, 01/11/2015: shell.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: All four ILO Core: The Company states in their 2016 Sustainability Report 'We respect the principles of freedom of association, the right to collective bargaining, non-discrimination and equal opportunity, along with adequate work conditions, adequate remuneration and the elimination of forced or child labour.' However, it is important to note that the Company does not highlight this in their 2017 Sustainability Report. [Sustainability Report, 2016: reports.shell.com] • Met: Respect H&S of workers: The Code of Conduct sets out the Company's commitment to respect the health and safety of workers. The Company states 'Our aim is to achieve Goal Zero, with No Harm and No Leaks. We are committed to the goal of doing no harm to people and protecting the environment, while developing energy resources, products and services in a way that is consistent with these objectives. ' [Code of Conduct, 01/11/2015: shell.com] • Met: H&S applies to Ex BPs: The company states 'Every Shell company, contractor and joint venture under Shell operational control is required to have a systematic approach to the management of Health, Safety, Security, the Environment and Social Performance (HSSE&SP), designed to ensure compliance with the law and to achieve continuous performance improvement, while promoting a culture in which all Shell staff and contractors share this commitment' [Code of Conduct, 01/11/2015: shell.com]
A.1.3.EX	Commitment to respect human rights particularly relevant to the industry (EX)	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"> • Met: VPs participant: The Company is a VPs participant, and publishes an annual report to the VPs detailing their implementation of the VPs in their operations. [The Voluntary Principles on Security and Human Rights - Overview of Shell's implementation in 2017, 2017: shell.com] • Met: UNDRIP: The Company states 'In some countries, for example in Canada, Australia, Bolivia and Philippines, indigenous peoples hold specific rights recognised by law that protect their cultures and ways of life. In line with Shell's General Business Principles, and in support of the UN Declaration on the Rights of Indigenous Peoples, our approach is to continue seeking the support and agreement of indigenous peoples potentially affected by our projects.' [Working With Communities, 05/07/2018: shell.com] • Not met: Expects BPs to respect these rights: It is not clear whether the company expects their contractors and joint venture partners to respect these rights. <p>Score 2</p> <ul style="list-style-type: none"> • Met: FPIC commitment: The Company discloses 'We recognise the principle of free, prior and informed consent (FPIC), as interpreted by the International Finance Corporation Performance Standards, as a safeguard for indigenous peoples' rights. ' The Company states ' In their 2016 sustainability report, Shell developed a public position statement on Free Prior Informed Consent (FPIC), which is based on a pre-requisite to engage in dialogue with local indigenous communities and come to a joint agreement on the way forward in project development.' [Working With Communities, 05/07/2018: shell.com & Sustainability Report, 2016: reports.shell.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Vol Guidelines on Tenure • Met: IFC performance standards: On the Company website the Company discloses 'When we work with local communities, we use international standards as our benchmark, including the International Finance Corporation's Environmental and Social Performance Standards – as well as our own standards. We develop a social performance plan for all our major projects and assets, which includes a summary of our impact assessment findings.' [Working With Communities, 05/07/2018: shell.com] • Not met: Zero tolerance for land grabs • Not met: Respecting the right to water • Met: Expects BPs to respect all these rights: The Shell General Business Principles applies to business partners. [Shell General Business Principles, 2014: shell.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 discloses 'Our projects can have an impact on neighbouring communities where we operate. Therefore, we work with subject matter experts (SMEs) to understand the effects that a project may have on land, livelihoods and culture. We also engage with communities to understand their priorities and concerns. We work to mitigate any possible negative consequences of a project, working alongside our technical and commercial teams.' In addition the Company states 'respectful engagement with local communities is critical to the success of projects and long-term operations. We need to understand the priorities and address the concerns or grievances people may have.' [Working With Communities, 05/07/2018: shell.com] <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 discloses 'Shell has dedicated in-house specialists who are experienced in engaging with communities, including indigenous peoples, managing impacts related to resettlement and livelihoods, and identifying and managing impacts on cultural heritage.' There is evidence that the Company regularly engages with stakeholders and their legitimate representatives. The Company provides the example of working with local communities in Colombia around safety concerns whilst fishing at sea. However, these examples are not clear how the regular stakeholder engagement influences the Company's human rights approach. [Working With Communities, 05/07/2018: shell.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: The Company states 'We have community feedback procedures in place to enable people living close to our operations to raise concerns about the impacts of our activities and remedy any issues'. However, the company does not have a broader commitment to remedy or published any commitment that mention not obstructing access to other remedies or collaborating in initiatives that provide access to remedy. [Human Rights, 06/07/2018: shell.com] <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
A.1.6	Commitment to respect the rights of human rights defenders	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: Zero tolerance attacks on HRs Defenders (HRDs) <p>Score 2</p> <ul style="list-style-type: none"> • 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	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: CEO or Board approves policy: The Code of Conduct, which includes human rights policy, has been signed by the CEO. [Code of Conduct, 01/11/2015: shell.com] • Met: Board level responsibility for HRs: One of the four Board Committees is Corporate and Social Responsibility Committee (CSRC). It reviews and advises on sustainability policies and practices including human rights to ensure that these are discussed, understood, owned and promoted at Board level. [Shell Sustainability Report, 2017: reports.shell.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 • Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: Board/Committee review of salient HRs: In 2017, the CSRC committee, which is a board level committee, meets regularly to review and discuss a wide range of sustainability-related topics and to assess the company's sustainability performance, audit results and the sustainable development metrics that apply to the Executive Committee scorecard. This includes human rights related issues. [Shell Sustainability Report, 2017: reports.shell.com] • Met: Examples or trends re HR discussion: In 2017, the CSRC committee discussed topics including Shell's operations in the Niger Delta, Nigeria and Groningen, the Netherlands and human rights. [Shell Sustainability Report, 2017: reports.shell.com] Score 2 • 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	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: Senior responsibility fo HR (inc ILO): The overall accountability for sustainability within Shell lies with the Chief Executive Officer (CEO) and the Executive Committee. This covers human rights, and the company commits to the core ILO. [Governance, 06/07/2018: shell.com] Score 2 • Met: Day-to-day responsibility: The CEO is assisted by the health, safety, security, environment and social performance (HSSE & SP) executive team. The Corporate and Social Responsibility Committee (CSRC) was established in 2005. The Committee's role is to review and advise on policies and performance against the Shell General Business Principles, the Shell Code of Conduct and mandatory HSSE & SP standards. A human rights working group (HRWG) of experts co-ordinates its activities for human rights across the Company which is overseen by the HSSE SP Executive. [Human Rights, 06/07/2018: shell.com] • Met: Day-to-day responsibility for EX BRs: These committees and working groups oversee human rights issues with its extractive business partners as well as its own operations. [Human Rights, 06/07/2018: shell.com]
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Senior manager incentives for human rights • Not met: At least one key EX HR risk, beyond employee H&S Score 2 • Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: HR part of enterprise risk system: The Company states 'We have embedded human rights into our policies, business systems and processes. We believe this integrated approach allows us to efficiently and effectively manage human rights within our existing ways of working. We focus on four areas where respect for human rights is particularly critical to the way we operate: labour rights, communities, supply chains and security' [Shell Sustainability Report, 2017: reports.shell.com] Score 2 • Met: Audit Ctte or independent risk assessment: The Company also states that they have collaborated closely with The Danish Institute of Human Rights since 1999 to assess and improve their human rights approach. In 2017, the institute developed an analysis to help us improve our transparency, advised us on industry benchmarking, and supported us to strengthen the application of internal metrics in some of our key areas.

Indicator Code	Indicator name	Score (out of 2)	Explanation
			The Company reports how the CSRC (The Corporate and Social Responsibility Committee), which is a board committee, review and advise Shell on our strategy, policies and performance against the Shell General Business Principles, our Code of Conduct and our Health, Safety, Security, Environment and Social Performance (HSSE&SP) standards (which includes human rights). [Shell Sustainability Report, 2017: reports.shell.com]
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Communicates its policy to all workers in own operations: Employees and contract staff are required to complete Code of Conduct training and to confirm they understand their personal responsibilities under the Code of Conduct, which covers the Company's human rights commitment. [Shell Sustainability Report, 2017: reports.shell.com] Score 2 <ul style="list-style-type: none"> Not met: Communication of policy commitments to stakeholder: The Company describes how it communicates its policy commitments under the Voluntary Principles of Security and Human Rights to communities in Nigeria and Tunisia. However, the Company does not describe how it communicates its broader human rights policy commitments to stakeholders, including local communities and potentially affected stakeholders more broadly. [The Voluntary Principles on Security and Human Rights - Overview of Shell's implementation in 2017, 2017: shell.com] Met: How policy commitments are made accessible to audience: The Code of Conduct, which includes human rights policy, has been translated into 14 different languages. [Code of Conduct, 01/11/2015: shell.com]
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"> Met: Steps to communicate policy commitments to BRs: The Company states that 'Employees and contract staff are also required to complete Code of Conduct training and to confirm they understand their personal responsibilities under the Code of Conduct.' The Code of conduct includes human rights policy. [Code of Conduct, 01/11/2015: shell.com] Met: Including to EX BPs: The Company states that 'Employees and contract staff are also required to complete Code of Conduct training and to confirm they understand their personal responsibilities under the Code of Conduct. Contractors and consultants are also required to act consistently with the Code of Conduct when acting on our behalf.' The Company states that there were 424,580 training days for employees and joint venture partners in 2017. [Shell Sustainability Report, 2017: reports.shell.com] Score 2 <ul style="list-style-type: none"> Not met: How HR commitments made binding/contractual: The Company states that the Code of Conduct applies to contract staff, consultants and joint ventures. However, it is not clear how it's made binding/contractual. The Company discloses in their Modern Slavery Statement 'For certain contracted services in higher risk locations, we also developed an additional contractual obligation requiring contractors to develop a worker welfare plan that includes, among others, ethical recruitment practices and no use of forced labour.' However, it is not clear what is the process with all business relationships. [Statement under the UK Modern Slavery Act for financial year 2017, 2017: shell.com] Not met: Including on EX BPs
B.1.5	Training on Human Rights	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Trains all workers on HR policy commitments: All employees and contractors are required to complete code of conduct training, which covers human rights. [Shell Sustainability Report, 2017: reports.shell.com] Met: Trains relevant managers including security personnel: The Company discloses 'We provide a training supplement called Human Rights Dilemmas to help managers to understand their responsibilities and take action to support human rights.' The Company also discloses how they provide human rights training to security staff. For example the Company states 'worked with the Danish Institute for Human Rights to train staff and contractors in Nigeria since 2005 in managing difficult situations, like responding to conflict in local communities. With CLEEN Foundation a leading Nigerian NGO we are also training security staff on our security standards.' [Shell BHRC Survey Response, 09/07/2018: business-humanrights.org] Score 2 <ul style="list-style-type: none"> Met: Both requirements under score 1 met: The Company has demonstrated that it provides training on human rights to all employees, the company's relevant

Indicator Code	Indicator name	Score (out of 2)	Explanation
			managers and some security personnel. The Company discloses in their report the VPSHR "We deliver training and awareness briefings on VPSHR – such as online modules, regional workshops, onsite training delivered by independent third parties, and train the trainer sessions – to both our own staff and our security providers. " [The Voluntary Principles on Security and Human Rights - Overview of Shell's implementation in 2017, 2017: shell.com]
B.1.6	Monitoring and corrective actions	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Monitoring implementation of HR policy commitments: The Company describes its screening for integrity and compliance, however, it is not clear whether this covers human rights compliance. The Company describes how they 'ask suppliers to undertake due diligence assessments prior to the award of a contract', which covers human rights. <p>The Company reports how on an annual basis the Company collects performance data against internal mandatory requirements such as the Shell General Business Principles and our Code of Conduct - which cover human rights. Senior Shell representatives are required to confirm such performance data where Shell is the operator or has a controlling interest. [Shell Sustainability Report, 2017: reports.shell.com]</p> <ul style="list-style-type: none"> • Met: Monitoring EX BP's: The Company has Supplier Principles. The Company has highlighted how " Certain areas of our supply chain may pose a higher risk to labour rights due to their location and the nature of the goods and services we procure. In these cases, we use a defined set of criteria to identify potential supply chain risks and, where we see risk, we ask suppliers to undertake due diligence assessments prior to the award of a contract. " The Company also describes how they implement a control framework for Joint Ventures and ensure compliance. The Company further describes "We periodically evaluate the health, safety, environment and community risks of the JV. If the JV is falling below expectations, plans will be put in place, in agreement with the other partners, to improve performance." [Shell Sustainability Report, 2017: reports.shell.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes corrective action process: The Company states 'If gaps are identified, we may work with suppliers and contractors to help them understand how to close these gaps, implement corrective action – which may include on-site audits from Shell – or we may consider terminating the contract.' [Shell Sustainability Report, 2017: reports.shell.com] • Met: Example of corrective action: The Company describes an example of identifying an opportunity to improve on-site and off-site welfare of workers and clarify worker recruitment practices in their Singapore operations after having this identified as an issue for the operation. The Company describes " An element of this included building awareness of worker welfare and the correlation to increased performance in safety, productivity, quality and retention with government and local industry bodies. Several changes have been made, including in on-site and off-site infrastructure, fatigue management, and transport, all done with a strong voice from the workers themselves." [Shell Sustainability Report, 2017: reports.shell.com] • Not met: Discloses % of supply chain monitored
B.1.7	Engaging business relationships	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: HR affects selection extractives business partners: The Company states 'Certain areas of our supply chain may pose a higher risk to labour rights due to their location and the nature of the goods and services we procure. In these cases, we use a defined set of criteria to identify potential supply chain risks and, where we see risk, we ask suppliers to undertake due diligence assessments prior to the award of a contract. We require our suppliers to declare whether they have a process in place to assess and manage social risks with their own suppliers.' [Shell Sustainability Report, 2017: reports.shell.com] • Met: HR affects on-going business partner relationships: The Company states, in relation to the Shell General Business Principles, and the Shell Supplier Principles, which cover the Company's requirements with regards to labour and human rights, 'If gaps are identified, we may work with suppliers and contractors to help them understand how to close these gaps, implement corrective action – which may include on-site audits from Shell – or we may consider terminating the contract.' The Company also describes in their Modern Slavery reporting 'Suppliers or contractors that are required to develop a corrective action plan may be subject to

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>onsite audits, which may be announced or unannounced, as part of Shell companies' monitoring efforts. Audits may be performed by either Shell personnel or third-party auditors. Allegations of practices running contrary to our Supplier Principles that are raised to us will be investigated and may result in suppliers being required to develop corrective action plans backed up by onsite audits. In addition, contracts may be terminated with immediate effect if suppliers breach, or we suspect they are in breach, of the Shell General Business Principles. ' The Company also describes how operated joint ventures must comply with the Company's human rights policies, and how non-operated joint venture partners are encouraged to 'apply materially equivalent business principles.' [Shell Sustainability Report, 2017: reports.shell.com & Statement under the UK Modern Slavery Act for financial year 2017, 2017: shell.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirement under score 1 met: As above. [Shell Sustainability Report, 2017: reports.shell.com] • Met: Working with business partners to improve performance: The Company also describes how in Shell contracts, suppliers agree to provide and maintain safe and healthy working conditions of all supplier personnel. In 2017, they ran a series of engagements with Shell procurement teams in higher-risk locations to raise awareness and improve understanding of contractor worker welfare. [Shell Sustainability Report, 2017: reports.shell.com]
B.1.8	Approach to engagement with potentially affected 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: Stakeholder process or systems: The Company describes in the diagram 'A guide to sustainability across the life of a project' that the Company has a process of identifying people who may be interested in or affected by the project. The Company states that they ' work with subject matter experts (SMEs) to understand the effects that a project may have on land, livelihoods and culture.' [Shell Sustainability Report, 2017: reports.shell.com] • Met: Frequency and triggers for engagement: The Company discloses 'The first stage of project planning involves carrying out an impact assessment to understand the potential effects on local communities, including people's health and the environment. Impact assessments are usually carried out by specialist external consultants, under the management of Shell's experienced impact assessment practitioners....Shell has dedicated in-house specialists who are experienced in engaging with communities, including indigenous peoples, managing impacts related to resettlement and livelihoods, and identifying and managing impacts on cultural heritage. The specialists work with our project and technical teams to investigate opportunities to first avoid or, where this is not possible, to minimise impacts.' The Company also discloses "Shell's network of around 100 community liaison officers act as a bridge between the local community and the project or asset. We have implemented community feedback mechanisms at all of our operations and projects to receive, track and respond to questions and complaints from community members." [Working With Communities, 05/07/2018: shell.com & Shell Sustainability Report, 2017: reports.shell.com] • Met: workers in SP engaged: The Company provides examples of engagements with the workers in their supply chain. For example, the case of improving worker health and safety in Singapore. [Shell Sustainability Report, 2017: reports.shell.com] • Met: communities in the SC engaged: The Company provides examples of engagements within the communities in their supply chain. For example improving the safety of fishing practices in Colombia. [Shell Sustainability Report, 2017: reports.shell.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them: The Company discloses an example of working together with communities on the coast of Colombia to improve safety fishing practices after engaging with the local community. "Several of our exploration locations off the coast of Colombia include Afro-descendants and Wayuu and Arahucos indigenous groups whose main livelihood is fishing using traditional methods. We identified them as vulnerable communities and recognised that we could impact their way of life or that they could impact our operations. We have worked to better understand the cultural norms and socio-economic needs of the region, with three Shell employees staying with communities over the last five years. However, it is not clear how this is link to Human Rights issues related to the company's operations. [Shell Sustainability Report, 2017: reports.shell.com]

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	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: Identifying risks in own operations: The Company states that they 'focus on four areas where respect for human rights is particularly critical to the way we operate: labour rights, communities, supply chains and security.' <p>The Company describes that they consult with international organisations, companies and civil society to understand and respond to current and emerging human rights issues relevant to our business.' The Company describes how they have collaborated with The Danish Institute of Human Rights, and in 2017 'the institute developed an analysis to help us improve our transparency, advised us on industry benchmarking, and supported us to strengthen the application of internal metrics in some of our key areas. [Shell Sustainability Report, 2017: reports.shell.com]</p> <ul style="list-style-type: none"> • Met: identifying risks in EX business partners: In their modern slavery statement the Company states 'Certain areas of our supply chain may pose a higher labour rights risk due to their location and the nature of the goods and services procured. Contractors and suppliers identified as being at higher risk for labour rights issues are engaged to undertake a detailed assessment, developed in consultation with the Danish Institute of Human Rights, of their management system prior to the award of a contract. This assessment requires suppliers to declare whether they have in place a process to assess and manage social risks with their own suppliers.' [Statement under the UK Modern Slavery Act for financial year 2017, 2017: shell.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Ongoing global risk identification: The Company conducts impact assessments when they plan new projects. The Company states that they 'We assess and manage the potential social impact of our projects as part of integrated environmental, social and health impact assessments. Our engagement is essential to identifying how we might impact people and to helping us design and apply impact monitoring and mitigation measures.' These impact assessment cover human rights elements- such as indigenous peoples rights. The Company describes how certain areas of their supply chain pose higher labour rights risks 'due to their location and the nature of the goods and services procured.' The Company states 'The number of assessments follows our risk-based approach and is dependent on the level of project activity and the number of new contracts awarded throughout the year.' <p>Furthermore, the Company also undertakes risk assessments and works with key stakeholders to mitigate risks identified with a view to reducing harm to people through their security provisions. The Company implements the VPSHR across Shell which covers security related human rights risk-identification process. [Shell Sustainability Report, 2017: reports.shell.com]</p> <ul style="list-style-type: none"> • Met: In consultation with stakeholders: The Company states 'We consult with international organisations, companies and civil society to understand and respond to current and emerging human rights issues relevant to our business. For example, we collaborate with The Danish Institute for Human Rights to assess and improve our approach. We are members of the Business for Social Responsibility human rights working group which enables us to engage with companies across industries.' [Shell Sustainability Report, 2017: reports.shell.com] • Met: In consultation with HR experts: The Company states that Contractors and suppliers identified as being at higher risk for labour rights issues are engaged to undertake a detailed assessment, developed in consultation with the Danish Institute of Human Rights, of their management system prior to the award of a contract. <p>The Company also discloses that they have collaborated closely with The Danish Institute of Human Rights since 199 to assess and improve their human rights approach. [Statement under the UK Modern Slavery Act for financial year 2017, 2017: shell.com & Shell Sustainability Report, 2017: reports.shell.com]</p> <ul style="list-style-type: none"> • Met: Triggered by new circumstances

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> Met: Explains use of HRIAs or ESIA (inc HR): The Company conducts an environmental, social and health impact assessment for every major project. The Company states 'We assess and manage the potential social impact of our projects as part of integrated environmental, social and health impact assessments.' The Company also states that they train project teams to understand how to use impact assessments to embed sustainability into project decisions, and they cover areas such as indigenous peoples rights, cultural heritage and resettlement. [Shell Sustainability Report, 2017: reports.shell.com]
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	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: Salient risk assessment (and context): The Company discloses that they have a human rights working group within Shell where representatives from across Shell's businesses meet to discuss and evolve our human rights approach. Furthermore, the Company consults with international organisations, companies, civil society, and relevant bodies to understand and respond to current and emerging human rights issues. The Company has grouped their human rights risks in four key areas - 'communities, security, labour rights and supply chain'. [Human Rights, 06/07/2018: shell.com] Not met: Public disclosure of salient risks: Human rights within Shell focuses on four key areas: communities, Security, Labour Rights and the Supply Chain. The Company discloses how they mitigate and assess human rights risks in these four categories, but do not publish a list of the risks that they consider salient within each of them. [Human Rights, 06/07/2018: shell.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Both requirements under score 1 met [Human Rights, 06/07/2018: shell.com]
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	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: Action Plans to mitigate risks: The Company describes "We assess and manage the potential social impact of our projects as part of integrated environmental, social and health impact assessments. Our engagement is essential to identifying how we might impact people and to helping us design and apply impact monitoring and mitigation measures." The Company describes their impact assessments and their Health, Safety, Security, Environment and Social Performance (HSSE&SP) Control Framework which provides mandatory requirements to ensure the performance of these impact assessments. [Shell Sustainability Report, 2017: reports.shell.com] Met: Including amongst EX BRs: The Company describes how they work with suppliers and contractors to help them understand how to close the gaps between the Company's policies (covering human rights) and their own processes. The Company also has a set of criteria to identify potential supply chain risks, and where they see risk, they ask suppliers to undertake due diligence assessments prior to the award of a contract. The Company states 'we may work with suppliers and contractors to help them understand how to close these gaps, implement corrective action – which may include on-site audits from Shell – or we may consider terminating the contract.' [Shell Sustainability Report, 2017: reports.shell.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Both requirements under score 1 met: As above.
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	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: System to check if Actions are effective: The Company states 'We have collaborated closely with The Danish Institute of Human Rights since 1999 to assess and improve our approach. In 2017, the institute developed an analysis to help us improve our transparency, advised us on industry benchmarking, and supported us to strengthen the application of internal metrics in some of our key areas.' [Shell Sustainability Report, 2017: reports.shell.com] Met: Lessons learnt from checking effectiveness: The Company states 'We investigate all incidents and aim to learn from them. Since 2014, around 100,000 employees and contractors have taken part in learning sessions. The sessions focus on how an incident with a potential safety risk could have been prevented and teach participants how to apply the lessons learned in their line of work.' The Company utilises the example of Nigeria, and how they are working to reduce health and safety incidents there. [Shell Sustainability Report, 2017: reports.shell.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Both requirement under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.5	Communicating : Accounting for how human rights impacts are addressed	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"> • Met: Comms plan re identifying risks: The Company has demonstrated communicating how it identifies its human rights risks and impacts including its own activities and business partners (see b.2.1) • Not met: Comms plan re assessing risks • Met: Comms plan re action plans for risks: The Company has demonstrated that it has a system to take action to prevent, mitigate ore remediate its salient issues including its own activities and business partners (see b.2.3) • Met: Comms plan re reviewing action plans: The Company has demonstrated that it has a system to track actions taken to prevent, mitigate ore remediate its salient issues including its own activities and business partners, and provides an example of lessons learned (see b.2.4) • Met: Including EX BRs: See above <p>Score 2</p> <ul style="list-style-type: none"> • 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	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Company has a third-party operated grievance mechanism for reporting and addressing 'suspected violations of the law or the Shell General Business Principles (SGBP) is of critical importance in protecting our reputation and the value of the Shell brand.' The Shell General Business Principles covers human rights. The Helpline is available to customers, suppliers, partners, advisors and employees of Shell. The Company reports that 100% of the countries that the company operates in has staff access to a grievance procedure, staff forum or other support system. [Shell Global Helpline, 29/06/2018: shell.com & Shell Sustainability Report, 2017: reports.shell.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved: The Company discloses "Internal investigations confirmed 261 substantiated Code of Conduct violations in 2017 compared with 341 in 2016. We dismissed or terminated the contracts of 73 employees, contract staff or contractor employees, compared with 114 in 2016." However, it is not clear how many of these are human rights specific. [Shell Sustainability Report, 2017: reports.shell.com] • Met: Channel is available in all appropriate languages: The Shell Global Helpline is available in 11 different languages. [Shell Global Helpline, 29/06/2018: shell.com]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	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: Grievance mechanism for community: The Royal Dutch Shell Global Helpline allows employees and stakeholders to raise concerns and report instances of potential non-compliance with Shells principles. The Company states that 'The Shell Global Helpline, is also accessible to third parties with whom Shell has a business relationship (such as customers, suppliers, agents) if they observe wrongdoing by a Shell company or employee'. <p>The Company also states ' Complaints can be filed for a variety of issues, including bribery and corruption, concerns related to the activities of the company that affect human rights and/or the wellbeing of communities within which the company works, and concerns related to the activities of the company that affect society and environment. [Shell Global Helpline, 05/07/2018: accessfacility.org]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes accessibility and local languages: The Company states 'Both employees and other individuals as described above can report concerns through the Shell Global Helpline. The Helpline is open 24 hours a day, 365 days a year through two channels: <ul style="list-style-type: none"> -local telephone number in each country. Complainants can call the helpline from any country in which Shell operates without a charge. Local telephone numbers can be found here. If requested, an interpreter can be brought into the call to assist the English-speaking interviewer. -Global Helpline website. The complainant can fill in a form to submit their query or concern. The website is available in 14 languages' [Shell Global Helpline, 05/07/2018: accessfacility.org] • Met: Expects EX BP to have community grievance systems: The Company states that Joint Venture companies not under Shell control are encouraged by Shell to adopt similar principles and standards. [Code of Conduct, 01/11/2015: shell.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> Met: EX BP communities use global system: The Global Helpline allows employees and stakeholders to raise concerns and report instances of potential non-compliance with Shells principles. The Shell Code of Conduct states that 'Contractors or consultants who are our agents or working on our behalf or in our name, through outsourcing of services, processes or any business activity, will be required to act consistently with the Code when acting on our behalf. Independent contractors or consultants will be made aware of the Code as it applies to our staff in their dealings with them.' [Code of Conduct, 01/11/2015: shell.com]
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	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 users to create or assess system Not met: Description of how they do this <p>Score 2</p> <ul style="list-style-type: none"> Not met: Engages with users on system performance Not met: Provides user engagement example on performance Not met: EX BPs in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	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"> Not met: Response timescales: Calls and reports over the Helpline are received on behalf of Shell by an independent third party specialist Helpline provider. The Company states that 'Reports are passed to a Regional Coordinator who will assess the report and allocate it to a Case Manager to decide the appropriate action. If the report is a query, or perhaps a dilemma for which advice is sought, it will be passed to someone qualified to provide that advice. If the report is in the nature of an allegation that requires careful investigation, an investigator or investigation team will be assigned. This will usually involve a suitably-trained investigator from the country to which the report refers, who has local expertise.' [Shell Global Helpline, 05/07/2018: accessfacility.org] Met: How complainants will be informed: The Company states 'At the end of the telephone interview or submission of a web report, the complainant will be given a report number and PIN code in order to be able to call back or access the website to check if there is a response from the company, or to provide additional information. Reported concerns will be logged and handled in accordance with consistent case management and investigation guidelines.' [Shell Global Helpline, 05/07/2018: accessfacility.org] <p>Score 2</p> <ul style="list-style-type: none"> Met: Escalation to senior/independent level: The Company states 'If the report is in the nature of an allegation that requires careful investigation, an investigator or investigation team will be assigned. This will usually involve a suitably-trained investigator from the country to which the report refers, who has local expertise. If the reported incident requires expertise not available within Shell, an outside expert may be involved under similar strict confidentiality.' [Shell Global Helpline, 05/07/2018: accessfacility.org]
C.5	Commitment to non-retaliation over complaints or concerns made	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Public statement prohibiting retaliation: The Company states in their UK Modern Slavery ACT 'We have a Global Helpline in place for all employees and contract staff in Shell and for third parties with whom Shell has a business relationship (such as customers, suppliers, agents) to raise concerns and report instances of potential non-compliance with our values and principles, in full confidence and without fear of retaliation'. Elsewhere it discusses how other external stakeholders can utilise the Global Helpline. <p>The Company states in their sustainability report, In the 2017 Sustainability Report, the Company discusses how shell has specialists who investigate concerns or allegations about a breach of 'our code of Conduct.' The Company states 'We maintain a stringent no retaliation policy to protect any person making a good faith allegation.' [Statement under the UK Modern Slavery Act for financial year 2017, 2017: shell.com & Shell Sustainability Report, 2017: reports.shell.com]</p> <ul style="list-style-type: none"> Met: Practical measures to prevent retaliation: The Company states that 'a complainant can communicate anonymously, by identifying themselves and asking to communicate with just one person without their name being recorded, or they can provide name and contact details.' The Company also states 'Details of the case, and especially the identity of the person who made the report and any persons mentioned in the report, are kept confidential and only shared on a strict need-to-know basis.' Furthermore, the helpline is operated by a third party provider. [Shell Global Helpline, 05/07/2018: accessfacility.org]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> Not met: Has not retaliated in practice: The Company states that they 'maintain a stringent no retaliation policy to protect any person making a good faith allegation', however it is not clear whether the Company has not retaliated in practice. [Shell Sustainability Report, 2017: reports.shell.com] Met: Expects EX BRs to prohibit retaliation: The Modern Slavery Statement describes how The Global Helpline is in place for all employees, contract staff, and third parties, allows concerns to be raised 'in full confidence and without fear of retaliation.' Furthermore, the Company describes in the Modern Slavery Statement how 'All Shell companies and Shell operated joint ventures must comply with local legislation and regulations, and must conduct their activities in line with the Shell General Business Principles and our core values of honesty' and they 'encourage joint ventures we do not operate to apply materially equivalent business principles.' [Statement under the UK Modern Slavery Act for financial year 2017, 2017: shell.com]
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"> Not met: Won't impede state based mechanisms Not met: Complainants not asked to waive rights <p>Score 2</p> <ul style="list-style-type: none"> Not met: Will work with state based or non judicial mechanisms Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	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"> Not met: Describes how remedy has been provided: The Company states 'Our Community Feedback Mechanism and Global Helpline enable us to meet our commitment to provide access to remedy.' However, the Company does not describe how remedy has been provided. [Shell Sustainability Report, 2017: reports.shell.com] 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 Met: Evaluation of the channel/mechanism: The Company has described in their Goals, Performance and Plans for 2017 that they made progress in 2017 by :We conducted a full evaluation of our online community feedback tool to understand how it has been used across our projects and facilities. Following the evaluation, we identified a number of areas for improvement, which are now being considered to enhance the tool. We developed the CFM self-check to assess the effectiveness of the mechanism based on UN Guiding Principles and Human Rights criteria for implementation in all major facilities and projects." [Shell Sustainability Report, 2017: reports.shell.com]

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"> Not met: Living wage target timeframe Not met: Describes how living wage determined <p>Score 2</p> <ul style="list-style-type: none"> Not met: Pays living wages Not met: Reviews living wages definition with unions
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	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: Member of EITI: Shell is a member of the EITI. [Royal Dutch Shell: EITI Website, 05/07/2018: eti.org] Met: Reports of taxes beyond legal minimums: The EITI website states 'From 2016 onwards, Shell makes mandatory disclosures under the Reports on Payments to Governments Regulations 2014, and files its 'Report on Payments to Governments' with the UK's Companies House. On the 13th of June 2017, Shell has published the second report. The report includes the detailed payments on a project by project basis in 31 countries. Full details including the basis of reporting and a breakdown by country are available at shell.com.' However, this does not include information regarding revenue, however it still extends beyond legal minimums. [Royal Dutch Shell: EITI Website, 05/07/2018: eti.org & Report on Payments to Governments for the Year 2017, 2017: shell.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Steps taken re non EITI countries: Shell contributed USD 60,000 to the EITI in 2018. Shell participates in the multi-stakeholders groups', (MSG) in several countries. Most recently Shell joined the MSG in the Netherlands. [Royal Dutch Shell: EITI Website, 05/07/2018: eiti.org]
D.3.3	Freedom of association and collective bargaining (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"> • Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation • Not met: Discloses % covered by collective bargaining <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
D.3.4	Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)	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: Injury Rate disclosures: The Company records the Lost Time Injury Frequency and the Total Recordable Case Frequency. [Shell Sustainability Report, 2017: reports.shell.com] • Met: Fatalities disclosures: The Company reports the Fatal Accident Rate (FAR) of fatalities per 100 million working hours. [Shell Sustainability Report, 2017: reports.shell.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Set targets for H&S performance: The Company states their goals of 2017: TRCF < 0.9 <p>Achieve total recordable case frequency (TRCF) – the number of injuries per million working hours – below 0.9 for employees and contractors. Goal Zero has been our ambition for personal safety since 2007. [Shell Sustainability Report, 2017: reports.shell.com]</p> <ul style="list-style-type: none"> • Met: Met targets or explains why not: The Company states their goals for 2017, discloses the progress made in 2017 and priorities in 2018. The Company states whether they have achieved their goals, and also has a qualitative breakdown on their safety performance. [Shell Sustainability Report, 2017: reports.shell.com]
D.3.5	Indigenous peoples rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	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"> • Not met: Process to identify indigenous rights holders: The Company states ' In line with Shell's General Business Principles, and in support of the UN Declaration on the Rights of Indigenous Peoples, our approach is to continue seeking the support and agreement of indigenous peoples potentially affected by our projects. We do this through mutually agreed, transparent and culturally appropriate consultation and impact management processes. It requires open dialogue, good faith negotiations, and, where appropriate, the development of agreements that address the needs of indigenous peoples' However, it is not clear what the Company's process is to identify indigenous rights holders. [Working With Communities, 05/07/2018: shell.com] • Not met: How engages with communities in assessment <p>Score 2</p> <ul style="list-style-type: none"> • Met: Commits to FPIC (or ICMM): In 2016, Shell developed a public position statement on Free Prior Informed Consent (FPIC), which is based on a pre-requisite to engage in dialogue with local indigenous communities and come to a joint agreement on the way forward in project development. <p>The Company states on their website 'We recognise the principle of free, prior and informed consent (FPIC), as interpreted by the International Finance Corporation Performance Standards, as a safeguard for indigenous peoples' rights. We believe our approach is consistent with the application of this principle, while respecting the laws of the jurisdictions in which we operate.' [Shell Sustainability Report, 2017: reports.shell.com]</p> <ul style="list-style-type: none"> • Not met: Gives recent example FPIC or dropping deal: Shell is an active member of the FPIC Solutions Dialogue steering committee of RESOLVE. It is an initiative to develop practical guidance and to support FPIC community processes relating to mining and oil and gas projects. However, the Company has not provided a recent example of FPIC. [Shell Sustainability Report, 2017: reports.shell.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.6	Land rights (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"> • Not met: Approach to identification of land tenure rights holders • Not met: Describes approach to doing so if no recent deals <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How valuation and compensation works • Not met: Steps to meet IFC PS 5 in state deals • Not met: Describes approach if no recent deals
D.3.7	Security (in own extractive operations, which includes JVs)	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: How implements security (inc VPs or ICOC): The Company publishes an annual report to the VPSHR. The Company describes how they actively implement the VPSHR and contains an overview of Shell's implementation of VPSHR through 2017, including country implementation examples. [The Voluntary Principles on Security and Human Rights - Overview of Shell's implementation in 2017, 2017: shell.com] • Met: Example of respecting HRs in security: The Company provides an example of how the Shell Companies in Nigeria ensure the VPSHR continue to be a key focus area. The Company describes their stakeholder engagements and trainings related to security and human rights. [The Voluntary Principles on Security and Human Rights - Overview of Shell's implementation in 2017, 2017: shell.com] • Met: Ensures Business Partners follow security approach: The Company describes how Language on the VPs and the Shell Group requirements on the Use of Force are included in our private security contracts. The Company also states 'We continuously work to maintain the safety, security and human rights of our employees, contract staff, and local communities. The Voluntary Principles on Security and Human Rights (VPSHR) are implemented across Shell operations where there are identified threats of infraction.' The Company also states 'More than half of Shell's joint ventures (JVs) are not operated by Shell. For these ventures, our Shell JV representatives and the Shell-appointed member(s) of the JV board require our partners to adopt the Shell commitment and policy on health, safety, security, environment and social performance (HSSE&SP) or one materially equivalent to our own.' [The Voluntary Principles on Security and Human Rights - Overview of Shell's implementation in 2017, 2017: shell.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Assesses and involves communities: The Company describes how they involved community within the stakeholder engagements and training related to security and human rights in Nigeria and Tunisia [The Voluntary Principles on Security and Human Rights - Overview of Shell's implementation in 2017, 2017: shell.com] • Met: Working with local community: The Company describes how they involved community within the stakeholder engagements and training related to security and human rights in Nigeria. The Company describes how they conducted community engagement through their community relations platforms to discuss security issues and allow communities to raise concerns that they may have. [The Voluntary Principles on Security and Human Rights - Overview of Shell's implementation in 2017, 2017: shell.com]
D.3.8	Water and sanitation (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"> • Not met: Action to prevent water and sanitation risks: The Companies described how in 2017, a partnership with SNEPCo provided around 50,000 internally displaced people in the Dikwa area of north-east Nigeria with humanitarian aid in the form of health, water, sanitation, hygiene and nutrition services. The Company describes how the integrated nature of services provided was one of the contributing factors to containing the cholera outbreak in Dikwa. However, it is not clear how the Company has identified specific risks to the right to water in its own operations. [Shell Sustainability Report, 2017: reports.shell.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Water targets considering local factors • Not met: Reports progress in meeting targets and shows trends in progress made

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		<ul style="list-style-type: none"> • Area: right to livelihood • Headline: Niger Delta oil spills • Sources: Amnesty International, 07/11/2013 - amnesty.org The Guardian, 07/11/2013, 05/09/2013, 20/06/2014 and 07/01/2015 - theguardian.com and theguardian.com and theguardian.com Amnesty International, 01/06/2009 Friends of the Earth website, 15/01/2010 Shell Nigeria website, 04/08/2011 Wall Street Journal, 07/01/2015 • Allegation: The Shell Petroleum Development Company of Nigeria Limited (SPDC) has been criticised for frequent oil spills in the Niger Delta, which have caused serious damage to the environment, human health and livelihoods. In November 2013, Amnesty International (AI) and the Centre for Environment, Human Rights and Development (CEHRD) published a report entitled 'Nigeria: Bad information: Oil spill investigations in the Niger Delta' that alleged specific cases in which the SPDC joint venture had falsely reported the cause of oil spills, the volume of oil spilt, or the extent and adequacy of clean up measures or compensation. <p>In June 2014, a ruling by the London Technological and Construction Court ruled that where there are inadequate systems in place, the Company would be responsible for the resulting pollution caused by criminals. In January 2015, it was reported in the press that the Company had agreed to pay approximately USD 80m (GBP 55m) to compensate a Nigerian community for the two spills in 2008 and 2009. GBP 35m was to be split between individual villagers and GBP 20m would go to the Bodo community to build health clinics and refurbish schools. In 2017, Shell tried to strike out the lawsuit alleging that some members of the community had obstructed the clean up. The Court dismissed the claim. Later that year the company sought to prevent the community from going back to court by requesting to include a clause in the settlement, according to which any disruptive act by any resident of the Bodo community would lead to termination of the lawsuit. However, on 24 May 2018, a UK judge ruled that the Bodo community should retain the right to revive the claim for another year with no conditions attached, in the event of the clean-up not be completed to an adequate standard.</p>
E(1).1	The Company has responded publicly to the allegation	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: Public response available <p>Score 2</p> <ul style="list-style-type: none"> • Met: Response goes into detail: he Company has responded publicly to the allegation. <p>In January 2011 at a hearing in The Hague the Company said about 70% of oil spills averaged over the previous five years were caused by sabotage while the remainder could be blamed on SPDC; 80% of 2010 spill volume was due to sabotage and theft.</p> <p>In response to the 2013 AI report, a Shell spokesman said: 'SPDC firmly rejects unsubstantiated assertions that they have exaggerated the impact of crude oil theft and sabotage to distract attention from operational performance. We seek to bring greater transparency and independent oversight to the issue of oil spills, and will continue to find ways to enhance this. These efforts include publishing spill data online since January 2011 and working with Bureau Veritas, an independent third party, to find ways to improve the immediate response to a spill. It must be emphasised that the joint investigation process is a federal process that SPDC cannot unilaterally change, involving as it does representatives of regulatory bodies, the ministry of environment, the Nigerian police force, state government and impacted communities.'</p> <p>In terms of compensation, SDPC welcomed the January 2015 compensation agreement as a resolution of the case but blamed oil thieves for most of the many spills that occur every year in the delta.</p> <p>It has provided detailed information on each spills (including volume) in the recent years but does not respond to each allegations, namely those related to 'wrongly reporting the cause of oil spills, the volume of oil spilt, or the extent and adequacy of clean up measures'. The report also alleged systemic weaknesses in the way the cause of a spill and the volume are determined, with some significant errors in the volumes that are recorded as spilt', related to the effects of the spills on local livelihood and human health, etc.</p>
E(1).2	The Company has appropriate policies in place	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: Company policies address the general issues raised • Met: Policies apply to the type of business relationships involved

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The Company has a commitment to preventing spills and leaks of hazardous materials and they state: 'we work hard to make sure our facilities are well designed, safely operated and appropriately inspected and maintained. We invest in the equipment and human expertise we need to deal with any spills that happen'
E(1).3	The Company has taken appropriate action	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"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Met: Provides remedies to affected stakeholders: SPDC agreed to pay for the clean up following a court case. However, at a later stage, they attempted to prevent the community from pursuing legal action if the clean-up was not performed to an adequate standard. Therefore it cannot be considered to provide remedy satisfactory to the victims. In addition, SPDC has indicated: 'SPDC is pleased that after significant engagement in 2016 and 2017 with the communities and other stakeholders managed by the BMI, the clean-up and remediation activities commenced in September 2017. (...) Should activities continue uninterrupted it is expected to take approximately three years. Phase 1 of the clean-up is expected to be completed in early 2018 as per plan. However, for clean-up and remediation to be successful, the repeated re-contamination of cleaned-up sites due to crude oil theft and illegal refining must end. A coordinated approach among all stakeholders, particularly federal and state government agencies is essential to address the ongoing problem of re-pollution'. • Not met: Has improved systems and engaged affected stakeholders <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> • Area: Health and safety • Headline: Pakistan orders Shell to pay USD 2.4 million following tanker fire that killed 218 people • Sources: reuters.com and shell.com • Allegation: In June 2017 A tanker contracted by Royal Dutch Shell's Pakistan subsidiary exploded killing more than 200 people. On July 7, 2017, Pakistan ordered Shell Pakistan to pay at least USD 2.4 million in compensation to victims of the accident. The tanker crashed on a main highway in central Punjab province while carrying some 50,000 litres of fuel from Karachi to Lahore. It exploded minutes later, sending a fireball through crowds from a nearby village who had gathered to scavenge for the spilled fuel, despite warnings by the driver and police to stay away. According to media reports, the Pakistan Oil and Gas Regulatory Authority (OGRA) found Shell Pakistan responsible for the accident. The OGRA's investigation reportedly found that Shell never checked if the private tanker it had hired complied with safety standards. The report said that Shell had informed the authority previously that its lorries met technical standards and that they upgrade contracted vehicles, but the tanker involved in accident had four axles instead of the five recommended to carry such a load. The report also claimed the tanker's fitness certificate was "fake", and that Shell Pakistan "failed to provide the pre-loading checklist". It lambasted Shell Pakistan's emergency response as "casual".
E(2).1	The Company has responded publicly to the allegation	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: Public response available <p>Score 2</p> <ul style="list-style-type: none"> • Met: Response goes into detail: The Company reports in a detailed way on its position to the case. Following the accident Jawwad Cheema, Managing Director Shell Pakistan stated on the company's website: 'We were extremely shocked and saddened to learn of the devastating road-tanker fire near Bahawalpur. Our hearts go out to the families of the victims and our prayers are with the injured. The tanker is owned by Marwat Enterprises which was transporting fuel from the Shell Oil Terminal in Kemari, Karachi to Vihari. Shell Pakistan has mobilised resources and is working with the authorities to assist the local emergency teams and will cooperate fully with subsequent investigations. Road safety is a priority at Shell and we have already started our own investigation into the cause of the incident'. In response to questions by AFP, a Shell Pakistan spokesperson said that the Company was still investigating the incident. "Shell Pakistan is presently reviewing the Oil and Gas Regulatory Authority Investigation report in detail. It would be unhelpful to speculate on factors that may have contributed to the incident whilst other investigations are still ongoing, but we respect the role of the regulator and

Indicator Code	Indicator name	Score (out of 2)	Explanation
			will consider the report as we cooperate with investigations by authorities and as we conduct our own investigation," the spokesperson said.
E(2).2	The Company has appropriate policies in place	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Company policies address the general issues raised • Met: Policies apply to the type of business relationships involved Score 2 <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The Code of Conduct states that human rights policy, which covers health and safety, applies to extractive business partners. In addition, the Company states that 'company-wide security requirements help keep staff, contractors and facilities safe in a way that respects human rights and the security of local communities'. In addition, the Company has a public commitment to respect indigenous people's rights. The Company also has a public policy on managing land access and resettlement.
E(2).3	The Company has taken appropriate action	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders: In a speech in 2018 the company's CEO mentions 'Shell Pakistan is implementing a long-term relief plan for those affected' but there are no further details available • Not met: Has reviewed management systems to prevent recurrence Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Met: Has improved systems and engaged affected stakeholders

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	2.95 out of 4	Out of a total of 38 indicators assessed under sections A-D of the benchmark, Royal Dutch Shell made data public that met one or more elements of the methodology in 28 cases, leading to a disclosure score of 2.95 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> • Met: Company reports on GRI: The Company reports in line with guidelines developed by in accordance with the Global Reporting Initiative (GRI) version 4. [Shell Sustainability Report, 2017: reports.shell.com]
F.3	Key, High Quality Disclosures	1.2 out of 4	Royal Dutch Shell met 3 of the 10 thresholds listed below and therefore gets 1.2 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> • Met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly <ul style="list-style-type: none"> • Met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.3.1 : Living wage (in own extractive operations, which includes JVs) • Met: Score 2 for D.3.4 : Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)

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.