WORKER WELFARE

Integrating Building Responsibly principles with our key contractors
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Shell’s operating plan, outlook and budgets are forecasted for a ten-year period and are updated every year. They reflect the current economic environment and what we can reasonably expect to see over the next ten years. Accordingly, Shell’s operating plans, outlooks, budgets and pricing assumptions do not reflect our net-zero emissions target. In the future, as society moves towards net-zero emissions, we expect Shell’s operating plans, outlooks, budgets and pricing assumptions to reflect this movement.
Why Worker Welfare is important

“Workers who feel cared for and work in good conditions, can perform at their best.”

Femi Oduneye
VP Health

“Respecting and promoting the rights and welfare of workers across our Supply Chain is the right thing to do. We need to raise the bar together.”

Clare Harris
EVP Supply Chain, Contracting and Procurement

“In order to create a level playing field on Worker Welfare we want to promote Building Responsibly with our contractor partners, in our industry and beyond.”

Harry Brekelmans
Projects & Technology Director
In line with Shell’s strategy, Powering Progress, we are powering lives and livelihoods through our products and activities, and by supporting an inclusive society. Our **approach to human rights and commitment to Worker Welfare** is an integral part of how we will do this and is informed by the UN Guiding Principles on Business and Human Rights.

Since 2014, Shell has run targeted programs to improve Worker Welfare. In 2018 we signed up in support of Building Responsibly, together with our key contractors, with the intent to **integrate these in our ways of working**. This booklet provides some **examples of what has been achieved** as a result.
In this booklet you will find

Worker Welfare in the Industry

Case studies presenting our story
- JGC, Fluor, and COOEC
- WOOD
- BILFINGER MULTISERWIS
- Saipem - Nigeria
- WORLEY - GULF COAST
- Shell

Links to more information

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Worker Welfare in the industry

We are working with industry partners like Building Responsibly, IOGP, IPIECA and Joint Qualification System (JQS) to create a level playing field and integrate Worker Welfare in industry practices.

Examples are:

- Shell is official supporter of Building Responsibly, and is actively supporting with practice sharing calls on how companies integrate Building Responsibly in their ways of working,
- IOGP integrated the JQS/JIP questionnaire on Human rights in the collection of Scope specific questionnaires of IOGP 423,
- IOGP and IPIECA have jointly released a IOGP423 InfoSheet We All Care, with Key documents and tips for worker and community welfare.

Building Responsibly is a group of leading engineering and construction companies working together to raise the bar in promoting the rights and welfare of workers across the industry.
• As part of the **Shell-Contractor Safety Leadership journey**, Shell’s top contractors signed up in support of the Building Responsibly principles in 2018.

• Reaching **>1,000,000 people**

* Note: Above you can see signatories as of Nov 2021

Shell-Contractor Safety Leadership group signing of “statement of intent to assess the Building Responsibly Worker Welfare principles against their practices and integrate them in their engagements with contractors’, 2018 Shell Pernis Refinery
Building Responsibly - growing over time

Building Responsibly continues growing the number of its members, reaching **13 Members, 2 Associated Members** and **2 Supporters** in 2021.

- **2017**: Nr of employees impacted >400,000
- **2018**: Nr of employees impacted >550,000
- **2021**: Nr of employees impacted >700,000
Implementing the BR principles on LNC Canada project
JGC, Fluor, and COOEC - CHINA

Challenge
Following the October 2019 Safer Together / Incident & Injury Free (IIF) Commitment Workshops, six Leadership Task Teams were formed to address the most critical challenges and opportunities for positive impact at the COOEC MFY. One of them was developed to address key Worker Welfare opportunities in line with the Projects commitment to implement the Building Responsibly (BR) Program.

Actions
- In the very beginning stages of the project, a Building Responsibly working team was created. The team was made up of the client, contractor and subcontractors and tackled some big-ticket items like ensuring that working conditions were safe and healthy.
- It started with new break rooms, new toilet facilities and a new canteen for the workers in China.
- Soon the “Perfect Day program” was formed, focusing on people and performance.
- Even during the pandemic, the project made sure that the Building Responsibly principles were followed and adhered to.

Outcomes
- Over 20 Million safe work hours have been completed without an injury on the Project. No recordable injuries, no restricted work cases, and no lost time injuries have been recorded.
- Adopting the Building Responsibly Principles on the LNG Canada Project at the COOEC Module Fabrication Yard in China, has made a significant difference in overall project performance and is a beacon for other contractors to emulate for future years and projects to come.
- The workforce has mentioned many times that they appreciate being treated so well at work, many are working thousands of kilometers away from their homes and families, all are extremely happy to be working on the LNG Canada project, with their new work family.
Learning from the BR self assessment tool
WOOD

Challenge
Wood became a founding member of Building Responsibly, co-authoring the Worker Welfare Principles. The principles are no more than a sensible set of minimum standards by which all workers should be treated. But, like all standards, it is important to check their status of implementation periodically to give confidence they are working effectively. Wood worked with Building Responsibly to develop the Building Responsibly Assessment Tool – adapted from a Wood safety governance tool.

Actions
- The digital tool breaks down each principle into its component parts explaining what would be needed to ensure that the principle is in place.
- Each principles element is given an implementation level 1 to 4 and working through the assessment gives an overall indication of strengths and weaknesses. There are also prompts in the tool that enable you to develop an action plan to mitigate areas of weakness and more through the maturity levels.
- The tool sets an independent benchmark for the treatment of worker welfare from which we can measure the supplier and was useful to show that workers were well protected.

Outcomes
- The issues we have learned through using the Building Responsibly Assessment tool:
  - Worker Welfare Principles are a great benchmark wherever you work
  - Worker welfare standards need assurance in all projects in all regions not just where human rights are poorly protected in domestic law
  - The most effective way to implement the principles is through the client driving them as a requirement of the contract
  - Worker welfare standards are hugely important in driving down human rights risks and delivering against SDG 8
- Used to benchmarked projects with a total headcount of 53,050 (inclusive of EPC contractor/sub-contractors on Wood PM projects).
Managing labour rights for migrant workers in Europe
BILFINGER MULTISERWIS

Challenge
The labor shortage and demand for flexibility has led to employees migrating across borders. Bilfinger Multiservis is Bilfinger’s trusted partner providing our customers with qualified employees. Multiservis is present on six Shell plants, where they deliver employees in the insulation and scaffolding disciplines.

Actions
- For over 20 years, Multiservis has been providing Bilfinger’s customers with employees from Poland. To ensure the labor rights of migrating workers Multiservis has developed a standardized process ensuring that the employees always have the right conditions wherever they work.
- The employees have guaranteed employment while they work on different projects, services, contracts, and countries. Through collaboration between the Bilfinger entity contracted, Multiservis, and the customer, the employee is guaranteed the same conditions as they would have working for the customer
- COVID19 has forced everyone to change, in order to accommodate our customers while ensuring the health and safety of our employees, several precautions were implemented. Multiservis has created a network of test laboratories in Poland and abroad, where employees are tested in Poland and upon arrival in other countries.

“We are agile while maintaining the highest standard possible - in addition to ensuring the labor rights of all migrating employees, we invest in training for our employees in order to ensure a high standard of HSEQ and provide employees with the opportunity to expand their qualifications”

Marek Machoń - Head of Insulation Branch

Outcomes
This has ensured that throughout the pandemic Multiservis has been able to maintain the same standard of delivery to its customers.
Assessment of Nigerian subcontractors
SAIPEM - NIGERIA

Challenge
Prior to formalizing our associate membership of the Building Responsibly organization, Saiem decided to assess the Building Responsibly principles on workers’ welfare in a specific operative context. We performed an analysis of a selected group of subcontractors to establish baseline compliance and identify areas where Saiem could bring its leadership and support.

Actions
- Saiem vendors’ qualification process already includes a framework for assessing vendors’ alignment to human and labor rights principles. In addition to this, we prepared a dedicated questionnaire reflecting the contents of international standards employment (such as the ILO core conventions) as well as the Building Responsibly principles.
- Our assessment involved a panel of 10 Nigerian construction companies of different size and nature with a total of about 38 thousand employees.
Included in the assessment were locally owned companies, international companies, and public companies. The questionnaire collected information concerning management of a large number of issues, including:

Outcomes
- The answers were mostly satisfactory, with some vendors fully compliant in most of the sections. A minimum score of 6.4 and a maximum score of 9.5 were recorded on a scale from 0 to 10.
- Nigerian companies that are part of international groups, demonstrated a comprehensive set of policies and procedures in place to manage these aspects, while locally owned companies have a reduced number of internal procedures in place. Nevertheless, small companies paid attention to their workers’ welfare as well, although in most of the cases such commitment was not reflected in dedicated procedures.
- This preliminary assessment showed a good understanding of the topic by all companies and general alignment with the BR principles.
- We are working to extend the initiative progressively to other projects globally.
Challenge

At Worley, we have a deep commitment to providing a respectful, safe, and healthy environment where we look out for and support each other. This commitment is embedded in life – our safety, health and wellbeing approach, which connects our health, safety and environment practices, systems and tools under one Worley program. Worley has established the Worley Industrial Hub - a large scale modularization and fabrication facility with complete onsite functional support in the energy capital of the world - strategically located in the heart of the Pasadena Industrial Complex, where Worley has a longstanding presence and experienced workforce.

Actions

- At the Worley Industrial Hub, our life approach to safety underpins all our business activities. Worley Life emphasizes the continuous process of self-examination, and open, honest conversations.
- Worley’s commitment to creating a more diverse work environment is achieved through our strategic recruiting initiatives, comprehensive outreach, upskill and retention approaches.
- The Worley Industrial Hub fosters a culture that allows our workplace family members the opportunity and the freedom to speak up.
- There are four distinct areas within the Building Responsibly Worker Welfare Principles that are exemplified at our Worley Industrial Hub:
  - Working Conditions are Safe and Healthy
  - Workers are Treated with Dignity, Respect and Fairness
  - Freedom to Change Employment is Respected
  - Grievance Mechanisms and Access to Remedy are Readily Available

Outcomes

- The Worley Industrial Hub is proud of our zero Total Recordable Incident Rate (TRIR).
Worker Welfare journey in Shell

Challenge
Building on the success of managing Worker Welfare at Pearl Gulf in Qatar (as an example), Shell started its global Worker Welfare journey with the Accommodation and Welfare guides alongside its Care for People program and focus on labour rights in the supply chain. In 2018 we adopted emerging industry standards from Building Responsibly, Joint Qualification System and IFC as the base for our Worker Welfare manual requirements and added guidance that will help ensure operations manage labour rights, working conditions and living conditions and realize additional opportunities through care. An example of this is our SCEPCo Changbei II Phase 1 project in China.

Actions
- We have incorporated the Building Responsibly principles, including a requirement to consider Worker Feedback into our management systems (HSSE&SP Control Framework), using a risk-based approach.
- For high Worker Welfare risk contracts:
  - a Contractor capability assessment is performed using the Joint Qualification System questionnaire,
  - contractors need to establish and maintain a Contract WW management plan based on the Building Responsibly principles, including worker feedback.
- WW is also integrated in Shell’s Mindset and Behaviours, and Safety Leadership to ensure leaders support the creation of a culture of care.
- As an example, the main construction contractor CPPC on SCEPCo Changbei II Phase 1 project implemented a worker welfare assessment based on the Building Responsibly principles in 2021 and established a CPPC worker welfare management plan. Based on workers’ feedback they improved living and working conditions, including better food, and rotational work schedules.

Outcomes
- Using a risk-based approach we are implementing these principles across our operations and contracted activities.
- On SCEPCo Changbei II Phase 1 project, the workers’ morale went up and workers commented to leaders during their site visits that they had never felt so cared for at work.
About Worker Welfare

- Visit our website
- Get familiar with our information pack for more details

About Building Responsibly

- Building Responsibly website
- Building Responsibly guidance notes
"We know that as we drive for higher standards and consistency, we may identify examples where our expectations are not met. We want to be transparent about our progress as well as the challenges we face in our operations and supply chain."