Worker Welfare

“Worker Welfare risks are minimised while leveraging opportunities to enable human performance through care”
This pack aims to support contractors and suppliers to better understand Worker Welfare risks and Shell’s expectations in managing these risks. The pack can be used by Contract Holders to engage contractors or by contracting companies to engage their teams on the topic of Worker Welfare.

You can use the full pack to tell the Worker Welfare story, or navigate to the relevant topics using the buttons below.
Care for our workers reflects Shell’s core values and approach to safety. We also know that when people feel cared for, they perform at their best. Our ambition is to respect and promote the rights and welfare of our employees and contractors.

We are deeply committed to Care for People, and we expect you to do the same.

This means that we expect you to adhere to the Shell Supplier Principles and abide by the Building Responsibly Principles for Worker Welfare.
In accordance with our Shell General Business Principles and Group Code of Conduct, we seek to work with contractors and suppliers who contribute to sustainable development and are economically, environmentally and socially responsible.

We expect our suppliers to have a systematic approach to HSSE & SP management designed to ensure compliance with all applicable laws and regulations and to achieve continuous performance improvement. Worker Welfare is an integral part of HSSE & SP management.

To work with Shell, we require suppliers to complete the contractor capability assessment, in which Worker Welfare is one of the risk areas. Undertaking assessments of our suppliers’ capability to manage Worker Welfare risks within their operations and respective supply chains, ensures compliancy with the requirements set out in the Shell General Business Principles, and share our expectations with our suppliers through the Shell Supplier Principles.
The business case for focusing on Worker Welfare

Intentionally creating a caring environment and good worker conditions is an enabler of human performance with good evidence that it drives engagement, productivity and safety. Conversely, substandard worker conditions can lead to poor business outcomes and potential for reputational damage.

Where would you rather stay?

Realise opportunities through care

Managing risk / industry red line

Performance
Projects delivered on time and within budget
Quality of constructions
Employee attraction & retention

NAD rates
License to operate
Risk of accidents
To deliver on our Worker Welfare ambition, we focus on three key areas in our Worker Welfare Manual: labour rights, working conditions and living conditions. Underlying our Worker Welfare Manual are the HSSE&SP Control Framework and industry standards that are incorporated in the manual.

Worker Welfare is part of Shell’s overall approach to HSSE, which has been enforced by including the Worker Welfare Manual in our HSSE&SP Control Framework.
We align with industry standards from Building Responsibly and IFC

We have adopted emerging industry standards from Building Responsibly and IFC as the base for our Worker Welfare manual and added guidance that will help realise additional opportunities through care. Shell is also influencing the creation of an industry wide ‘level playing field’.

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. For more information and resources to support implementation of these principles, visit [www.building-responsibly.org](http://www.building-responsibly.org). The website also lists the construction companies that are members of Building Responsibly.

In the Worker Welfare booklet, you can find examples on how Shell and some of our top contractors are implementing the Building Responsibly principles in our businesses to raise the bar and drive consistency across the industry.
Below are the steps and the process that you need to follow. The next two slides go into more detail about each of the two steps, while slides 11-14 provide further details about Step 2.

1. Complete the contractor capability assessment
   - Worker Welfare capability assessment
   - Contract-specific Worker Welfare capability assessment
   - **Contractor** answers the questions in the capability assessment
   - **Contract holder** reviews the answers

2. Develop a Contract Worker Welfare Management Plan
   - **Contractor** establishes the plan, including identifying gaps and specification of controls, consideration of worker input and monitoring and reporting
   - **Contract holder** ensures the plan is reviewed
First, we require you to take a Contractor Capability Assessment to assess your company’s capability to manage Worker Welfare in your current systems and policies.

A risk-based approach has been adopted, based on a combination of the supplier’s trading address, country of service execution / goods manufacture and what services the supplier will be providing.

- If the supplier is identified as having an elevated risk from a worker welfare perspective, a detailed assessment of the supplier’s management systems and processes will be undertaken to ensure that the supplier is capable of effectively managing the risks within their own operations and respective supply chains.
- During this process, a supplier may be requested to respond to our Industry Standard Labour Rights questionnaire and provide the identified supporting documentation.
- A Shell Labour Rights Specialist will review the information and documentation provided and will assess the robustness of the supplier’s management systems.
- The supplier will be given feedback on any gaps identified and will be expected to work with the Shell contract holder to close the identified gaps.

Example questions:

- Does your company have a policy, procedure or process that prohibits modern slavery [slavery, servitude, forced labour and human trafficking] in your operations and in those of employment agencies or sub-contractors you use?
- Do you have a policy, procedure or process that prohibits discrimination in hiring, wages, equal pay, protections and conditions of employment, promotion, benefits and grievance management, termination / dismissal?
- Does your company have a policy, procedure or process which ensures that working hours and rest periods for all categories of workers are compliant with national laws?
- Does your company have a policy, procedure or process which ensures that accommodation is provided such that workers have: quality of sleep and food, and access to leisure activities and facilities to communicate with family and friends, compliant with international recommended practices?

More information can be found here: Shell Supplier Requirements Explained
2. Contract Worker Welfare Management Plan

If the contracted work you perform has a high Worker Welfare risk, you need to establish and maintain a Contract Worker Welfare Management Plan. Where necessary, the Plan will address timely gap closure. You will need to periodically demonstrate the effectiveness of the Contract Worker Welfare Management Plan and update it when necessary, taking into consideration feedback from your workers where reasonable and appropriate. The Contract Worker Welfare Management Plan can be part of the Contract HSSE plan.

Content of a Contract Worker Welfare Management Plan:

a) A leadership commitment statement to Care for People and Worker Welfare.
b) Specification of the controls to manage the WW risks for Contractor employees, in line with the Building Responsibly principles (see slide 11).
c) Consideration of worker input (see slides 12-13).
d) A monitoring and reporting plan, including leading and lagging Worker Welfare KPIs (see slide 14).

Example templates for Contract Worker Welfare management plans:


What you can expect during a performance review:

- Review against agreed KPIs.
- Site Visits (or ‘Go-See’ visits) and a review using e.g. the BR Self-assessment Tool.
- Worker Welfare included in HSSE audits.
- Demonstrate the effectiveness of the Contract Worker Welfare Management Plan in contract performance reviews and include corrective actions in the updated Contract Worker Welfare Management Plan.
One element of the Worker Welfare Management Plan is identifying risks and gaps, and specification of controls. This can be done by using a variety of tools; however, we recommend using one of the two publicly available ones outlined below. Using these tools is optional and not mandatory. The Shell Contract Holder or Authorised Person is available for more information.

The **Building Responsibly Self Assessment tool** Externally accessible link coming soon

The **IPIECA Labour Rights assessment toolkit**
2c. Consideration of worker input

A crucial requirement is gathering and documenting worker feedback to ensure the Contract Worker Welfare Management Plan is effective and addresses the right issues. It is a process through which workers, on a confidential basis, can provide feedback.

Why consider worker input?

• Identify new or outstanding issues
• Helps management to verify whether WW interventions/plans have achieved their aim
• Enables workers to confirm, support or challenge WW effectiveness
• Worker Input builds worker engagement which leads to better productivity & safety performance

How to gather worker input?

• Engagements range from leadership visits and focus groups to worker surveys of all sizes, e.g. townhalls; engage face-to-face or through surveys; use of technology / apps or mentimeter; ‘go-see’ site visits and workforce discussions
• A combination of survey and at least one other modality is best
• Good pre-survey communications should cover survey aims, anonymity/confidentiality of responses, no retaliation, and leadership commitment to review and take actions where possible
• Be aware of the many different, culturally appropriate requirements and tools
• Ensure that surveys lead to improvement plans, and that these are communicated to the workers
2c. Example survey questions

Example questions to include in your method of gathering worker input:

• I feel I am treated fairly and can raise concerns if I have them
• My leaders care about my physical and mental health
• I have access to enough nutritious food when I need it
• I have enough rest to be able to perform my work at my best
• I can be contacted in the case of an emergency and feel able to connect with friends and family
• I have access to medical services if I feel physically or mentally unhealthy
• The quality of accommodations (comfort, noise, etc.) at my site allow me to receive adequate rest
• My worksite is protected from crime and danger and my belongings are safe
A monitoring and reporting plan needs to include leading and lagging Worker Welfare key performance indicators to verify (at least annually) the Contract Worker Welfare Management Plan is implemented and effective at managing the Worker Welfare risks. The monitoring and reporting plan can be integrated in the Contract HSSE monitoring and reporting plan.

**Leading indicators:**
- Worker Welfare management process is in place (e.g. risk assessment done, plan in place, actual vs. planned gap closures etc.)

**Lagging indicators:**
- Worker engagement / satisfaction scores (e.g. from survey results)
- Worker Welfare Related Complaints:
  - System in place for reporting (anonymous/named) (Leading)
  - # complaints reported
  - % complaints investigated
  - % complaints resolved
  - % change in complaints received from previous year
- Core HSSE Indicators:
  - Fatalities, LTI, TRC, FAC, NTC, PSE, ENCI, LOPC
  - % change from previous years
Worker Welfare resources to support you

First point of contact:
- Contact your Shell Contract Holder if anything is unclear.

Other available resources:
- Building Responsibly website
- Building Responsibly guidance notes
- Building Responsibly Self Assessment tool (Externally accessible link coming soon)
- IPIECA Labour Rights reference tool
- IPIECA Labour Rights assessment tool
- Building Responsibly / IPIECA Worker Welfare awareness training (coming soon)