



Statement under the UK Modern Slavery Act for financial year ending 31 December 2021

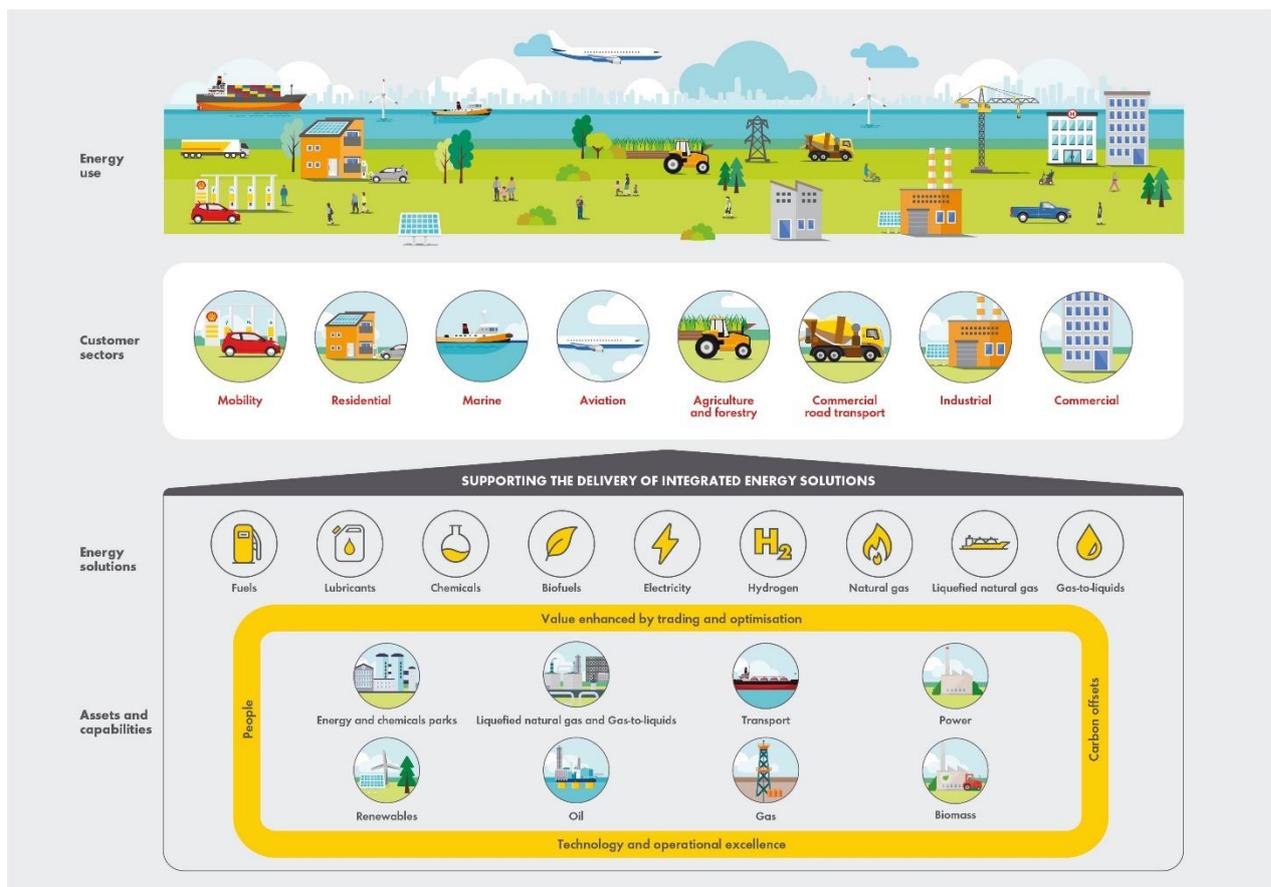
This statement is published by Shell plc and its relevant subsidiaries in compliance with the UK Modern Slavery Act 2015.

Introduction

Shell is opposed to all forms of modern slavery. Such exploitation is against Shell's commitment to respect human rights as set out in the Universal Declaration of Human Rights and the International Labour Organization's 1998 Declaration on the Fundamental Principles of Rights at Work. This is Shell's sixth published UK Modern Slavery Act statement setting out the steps we have taken against modern slavery in our business and supply chains.

Our business and supply chains

Our operations are divided into our businesses: Upstream, Integrated Gas and Renewables and Energy Solutions, and Downstream. Our Projects & Technology organisation manages the delivery of Shell's major projects and drives our research and innovation. Each of these organisations have supply chains that provide labour, goods, and services. We operate in more than 70 countries and employ around 82,000 staff.



Our Upstream organisation manages the exploration for and extraction of crude oil, natural gas and natural gas liquids. It also markets and transports oil and gas and operates the infrastructure necessary to deliver them to market.

Our Integrated Gas organisation manages our liquefied natural gas (LNG) activities and the production of gas-to-liquids (GTL) fuels and other products. It includes natural gas exploration and extraction, and the operation of the upstream and midstream infrastructure necessary to deliver gas to market. Shell markets and trades natural gas, LNG, electricity, carbon-emission rights, and also markets and sells LNG as a fuel for heavy-duty vehicles and marine vessels.

Renewables and Energy Solutions is the part of the business focused on finding commercial ways to meet the evolving energy needs of our customers. These solutions include hydrogen, power from renewable and low-carbon sources such as wind, solar and natural gas and decarbonisation options including nature-based solutions and carbon capture and storage. This part of the business also develops new business models such as clean power-as-a-service, which addresses how digital technology can better help customers with their energy needs.

Our Downstream organisation serves more than 30 million customers at about 46,000 retail service stations every day. It manages different Chemicals and Oil Products activities as part of an integrated value chain that trades and refines crude oil and other feedstocks into a range of products which are moved and marketed around the world for domestic, industrial and transport use. The products we offer customers include conventional fuels for road, aviation and shipping; low-carbon fuels such as biofuels, renewable natural gas (RNG), hydrogen and electric-vehicle charging. We also produce and sell lubricants, bitumen, sulphur and petrochemicals worldwide.

Our Projects & Technology organisation manages the delivery of our major projects and drives research and innovation to develop new technology solutions. It provides technical services, asset support and technology capability for our Integrated Gas, Upstream and Downstream activities. It is also responsible for providing functional leadership across Shell in the areas of safety and environment, contracting and procurement, wells activities and greenhouse gas management.

Shell's procurement team comprises some 2,700 people. In 2020 and in 2021, we spent \$35.5bln with around \$37.5 billion on goods and services from around 24,000 suppliers globally. Our focus, for the purpose of this statement, is on our direct suppliers.

Our procurement team aims to develop and strengthen relationships with contractors and suppliers who are committed to the Shell Supplier Principles or to equivalent standards through their own activities and the management of their own suppliers and subcontractors. Each of Shell's contractors and suppliers has its own supply chain and we recognise that each level in the supply chain is responsible for ensuring compliance with all applicable laws and regulations and for respecting human rights.

Our values and policies

We recognise our responsibility to respect human rights in all aspects of doing business and have embedded human rights in the Shell General Business Principles, Shell Code of Conduct, and the Shell Supplier Principles.

Our approach is informed by the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the 1998 Declaration on the Fundamental Principles of Rights at Work of the International Labour Organization (ILO), which covers; freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour, and the elimination of discrimination in respect of employment and occupation.

We believe that an integrated approach to human rights, by embedding it into our policies, business systems and processes, allows us to efficiently and effectively manage human rights within our existing ways of working. Our approach applies to all our employees and contractors. 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. We have community feedback mechanisms at all our major facilities. These mechanisms, along with our Shell Global Helpline operated by an independent provider, enable employees, people in the communities where we operate, contractors and any third party to raise concerns, so they can be resolved, enabling us to meet our commitment to provide access to remedy.

Our contractors and suppliers are expected to conduct their activities in a manner that respects human rights as set out in the UN Universal Declaration of Human Rights and the core conventions of the ILO. The Shell Supplier Principles further clarify the expectations we have from our suppliers and contractors on labour and human rights, including (but not limited to):

- no use of child labour;
- no use of forced, prison or compulsory labour;
- no payment of recruitment fees by workers;
- compliance with all applicable laws and regulations on freedom of association and collective bargaining;
- a safe, secure and healthy workplace and not tolerating discrimination, harassment or retaliation;
- compliance with all applicable laws and regulations on working hours; and
- providing wages and benefits that meet or exceed the national legal standards.

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, integrity and respect for people. Joint ventures that we do not operate are encouraged to apply materially equivalent business principles in their operations.

Risk assessment

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. Our risk assessment is based on country and category risk. Supply chain country risk is derived from external indices provided by Verisk Maplecroft that indicate the potential for modern slavery risks both in country, as well as for migrant workers from these countries. Supply chain category risk has been determined by analysis of typical contract workscopes, identifying those such as branded merchandise and construction or maintenance services where there may be higher risks of unethical labour practices in the recruitment of migrant workers.

Shell continues to strengthen its risk assessment to identify risks of modern slavery in our supply chains or where mitigations may be needed in our businesses, including in areas of new business development.

In our trading and supply business we have run a risk assessment review programme to improve our modern slavery risk assessment and introduced a life cycle management programme in our nature-based solution activities. In our Downstream biofuels business where the biofuels and biofuels feedstock supply chain may pose an increased risk, the sustainability risk assessments we carry out on the feedstock and countries of origin also includes an assessment of modern slavery risks. Where the risk is high, a mitigation plan is developed. In addition, sustainability provisions are included in our biofuels purchase agreements, which include, amongst others, provisions relating to the prohibition of child labour and forced labour.

In our shipping business, all our vessels used for bulk transport of oil, chemicals or gas and their derivatives are subject to the Requirement for the Quality Assurance of Maritime Vessels, which includes verification that the vessel and operators comply with applicable industry legislative requirements, including those related to seafarer wellbeing, such requirements being additionally checked by Port State Control and Flag State Control. Furthermore, in 2012, we founded a programme called “Partners in Safety” which is a collaboration involving our shipping business partners that promotes seafarer wellbeing and safety.

In our Downstream Retail business, agreements with retailers, dealers, wholesalers, and licensees require all such counterparties to abide by all relevant legislation, which includes the UK Modern Slavery Act where applicable.

Due diligence

We recognize the role of counterparty due diligence in bringing our commitments to life.

In our supply chains, all direct suppliers undergo pre-contract screening, and this includes screening against sanctions lists and adverse media checks where evidence of modern slavery and human rights abuse could be identified.

Our manual on worker welfare in our management system, the HSSE&SP Control Framework, defines the steps we take with our suppliers to assess and mitigate labour rights risks, including those of modern slavery. The manual requires an assessment of worker welfare risks. Contractors and suppliers deemed to be at higher risk for labour rights issues are engaged to undertake a detailed assessment of their labour rights management system prior to the award of a contract. This assessment has been developed in collaboration with the Norwegian Oil and Gas Operators Association, NOROG, to include an addition to their Joint Qualification System (JQS), and it includes a declaration of suppliers’ own processes to assess and manage labour rights risks with their own suppliers. We continue to invite companies in the energy industry to join the initiative. IOGP is adding the JQS assessment questionnaire to their suite of pre-qualification questions. We are also promoting the initiative through our membership of IPIECA, the global oil and gas association for advancing environmental and social performance and energy transition.

The results of these supplier assessments performed by Shell’s procurement team are summarised in a rating depending on the number and significance of any gaps between our requirements and the supplier’s policies or performance. The most common shortcomings found during our supplier assessments typically relate to policy rather than performance gaps in the following areas:

- freely chosen employment;
 - child labour avoidance;
 - working hours, wages and benefits;
 - dormitory, housing and working conditions;
 - humane treatment, equal opportunities and freedom of association; and
- supply chain and performance management.

The number of suppliers assessed is dependent on the level of project activity and the number of new contracts awarded throughout the year.

Where necessary, on a risk-basis, we contractually require suppliers and contractors to develop a worker welfare plan to ensure compliance with the [Building Responsibly principles](#). That includes action to address ethical recruitment practices and no use of forced labour, as well as any gaps identified in the assessment of their management system. Building Responsibly has detailed [guidance](#) for every principle. In addition, we require industry recognised standards, such as the [IFC and EBRD's joint guidance note on Workers' Accommodation Processes and Standards](#), for the design of worker accommodation and facilities. We also have additional internal guidance that establishes minimum global standards with emphasis on the elements of worker welfare and respect for people.

We aim to deliver a standard of accommodation and facilities that improves quality of life and well-being, and as a result promotes safe and productive work.

In our model procurement contracts, contractors and suppliers agree to adhere to the Shell General Business Principles, the Shell Supplier Principles and the Shell Code of Conduct. Suppliers are required to comply with all applicable laws and regulations and agree to provide and maintain safe and healthy working conditions for all supplier personnel.

Effectiveness and performance management

Through our procurement team's supplier qualification process, contractors or suppliers may be subject to on-site audits, which could be announced or unannounced, and which may be performed by either Shell personnel or third-party auditors. In addition, we run HSE&SP Control Framework audits (self-assessments, peer reviews and independent audits) to verify compliance with our Worker Welfare Manual.

We investigate allegations of practices running contrary to the Shell Supplier Principles that are raised with us. These may result in suppliers being required to develop corrective action plans backed up by on-site audits. In addition, our model procurement contract allows for termination with immediate effect if suppliers breach Shell General Business Principles.

On an annual basis, we collect performance data against internal mandatory requirements such as the Shell General Business Principles and our Code of Conduct. Senior Shell representatives are required to confirm such performance data where Shell is the operator or has a controlling interest. We report annually through our Sustainability Report the percentage of countries in which we operate where we have procedures in place to prevent child labour and forced labour, and for 2021 we reported 100%.

The building responsibly worker welfare principles



Workers are treated with dignity, respect, and fairness



Workers are free from forced, trafficked, and child labor



Recruitment practices are ethical, legal, voluntary, and free from discrimination



Freedom to change employment is respected



Working conditions are safe and healthy



Living conditions are safe, clean, and habitable



Access to documentation and mobility is unrestricted



Wage and benefit agreements are respected



Worker representation is respected



Grievance mechanisms and access to remedy are readily available

Shell has specialists who investigate concerns or allegations about a breach of our Code of Conduct. If a violation is confirmed, we take appropriate action up to and including contract termination or dismissal. We maintain a stringent, no-retaliation policy to protect any person making a good faith allegation.

We are working closely with industry associations to raise the bar and drive consistency across the industry on Worker Welfare and labour rights in the industry. As an official supporter of Building Responsibly we continue to support them with running a practice sharing network with contractors, to enable a wide practice sharing across many companies and industries. We also work closely with IOGP. In addition to including the JQS questionnaire to their pre-qualification question set, IOGP will develop a strategy to demonstrate how health in the oil and gas industry will contribute to the United Nations Sustainable Development Goals road map and, in particular, to Goal 8 which recognizes the importance of a thriving workforce.

Shell is a member of the Business for Social Responsibility (BSR) human rights working group which provides an opportunity for a cross sector group of companies to openly share best practices, challenges, questions, and experiences implementing the UN Guiding Principles on Business and Human Rights across a diverse range of operational environments. In addition, BSR is a member of Shell's Human Rights Working Group, providing advice and challenge to our approach on human rights across Shell, including in our supply chains.

We use our memberships of bodies including IPIECA, IOGP, the IOE (International Organisation of Employers), The Conference Board, the United Nations Global Compact Action Platform on Decent Work in Supply Chains, and our attendance and participation at the UN Annual Forum on Business and Human Rights, to test our approach, learn from others and contribute to the development of good practice that may be used both in our own business and with our suppliers.

Training

With limited exception, Shell staff undertake regular refresher training on our Code of Conduct and associated Ethics and Compliance policies. Training participation is documented, repetition cycles are clearly defined, and follow-up is automated. Both the Code of Conduct and Shell General Business Principles are available on our website in a number of languages.

As described above, attention to modern slavery and related human rights issues are an integral part of our contracting and procurement process. There is training provided for contract personnel to gain visibility on up-to-date accurate supplier information. Following the completion of assessments on their suppliers, our staff who manage contracts with a higher labour rights risk may be given individual coaching and support on how to manage supplier corrective action plans.

In 2021, we continued to deliver a rolling programme of training for Shell staff on our global procurement process, including guidance on when and how to undertake assessments of suppliers. In addition, we have an e-learning tool on human rights that is available to all employees and contractors. It includes both a specific supply chain and worker welfare module to further enhance understanding of our risk-based due diligence processes to manage labour rights and modern slavery in the supply chain. More than 500 staff have been nominated to complete this training. In 2020, we rolled out specific Worker Welfare training for staff at site that are responsible for contractors, as well as for worker welfare assessments and plans. For our suppliers we have developed a [Worker Welfare information pack](#) to enhance their understanding of how to manage Worker Welfare and Labour Rights when working for Shell. We have supported Building Responsibly and IPIECA in the joint development of labour rights training which we plan to promote among our suppliers when it becomes available.

For more information, please visit our webpages:

[Shell General Business Principles](#)

[Shell Code of Conduct](#)

[Shell Supplier Principles](#)

[Shell Sustainability Report](#)

[Human rights in Shell](#)

[The Shell Global Helpline](#)

/s/ Ben van Beurden

Ben van Beurden, Chief Executive Officer

For and on behalf of Shell plc

Date: 10/03/2022

This statement has been approved by the Board of Shell plc and of each of its relevant subsidiaries, as listed in Annex 1, in compliance with the UK Modern Slavery Act. It was approved by the Board of Shell plc on 09/03/2022

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The companies in which Shell plc directly and indirectly owns investments are separate legal entities. In this Statement "Shell", "Shell Group" and "Shell" are sometimes used for convenience where references are made to Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to Shell plc and its subsidiaries in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular entity or entities. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this Statement refer to entities over which Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to as "joint ventures" and "joint operations", respectively. Entities over which Shell has significant influence but neither control nor joint control are referred to as "associates". The term "Shell interest" is used for convenience to indicate the direct and/or indirect ownership interest held by Shell in an entity or unincorporated joint arrangement, after exclusion of all third-party interest.

ANNEX 1

A/S Norske Shell
BG Delta Limited
BG Delta Limited - Egypt Branch
BG Great Britain Limited
Enterprise Oil Limited
Enterprise Oil Middle East Limited
Limejump Energy Limited
Shell Catalysts & Technologies Limited
Shell Clair UK Limited
Shell Energy Europe Limited
Shell EP Offshore Ventures Limited
Shell Information Technology International B.V.
Shell Information Technology International Limited
Shell International Limited
Shell International Petroleum Company Limited
Shell International Trading and Shipping Company Limited
Shell Lubricants Supply Company B.V.
Shell Olie OG Gas Holding B.V.
Shell Pension Reserve Company (UK) Limited
Shell Research Limited
Shell Trading Rotterdam B.V.
Shell Trinidad and Tobago Limited
Shell Trinidad and Tobago Limited - Trinidad branch
Shell U.K. Limited
Shell U.K. North Atlantic Limited
