

## THE VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS

### Introduction

1. Since their development in 2000, companies in the Shell Group<sup>1</sup> have actively implemented the Voluntary Principles on Security and Human Rights (VPSHR), which guide companies in assessing risks when working with public and private security forces. The Principles are incorporated within Shell’s core security management processes, and adherence to them forms a key part of our commitment to maintain the security, and uphold respect for the human rights, of our local communities, contract staff, and employees.
2. This report contains an overview of Shell’s implementation of VPSHR through 2017, including country implementation examples.

### Commitment

3. Respect for human rights is fundamental to Shell’s core values of honesty, integrity and respect for people, and our overall approach is informed by the UN Guiding Principles on Business and Human Rights (UNGPR). Shell’s General Business Principles include an explicit commitment to human rights: to “*respect the human rights of our employees*” and to “*support fundamental human rights in line with the legitimate role of business*”. Shell’s Code of Conduct states that: “*conducting our 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 International Labour Organization supports our license to operate*”.
4. As a participant in the Voluntary Principles Initiative (VPI) and a member of IPIECA (the oil and gas industry association for environmental and social issues), Shell is actively engaged in discussions related to business and human rights. In 2017, Shell was a member of the VPI’s Steering Committee and chaired its Corporate Pillar. Working with the other two pillars (Government and NGO), we helped to share best practice and experience amongst VPI members. This included our contribution to the second VPSHR Strategy Retreat in The Netherlands, led by the Dutch Government Chair; and our participation, with other VPI representatives, at the Extractive Resources Conference organised by the Dutch Government. We also supported the VPI’s in-country

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<sup>1</sup>Royal Dutch Shell plc and the companies in which it directly or indirectly owns investments are separate and distinct entities. The collective expressions ‘Shell’ and ‘Shell Group’ may be used for convenience where reference is made in general to those companies. Likewise, the words ‘we’, ‘us’ and ‘our’ are used in some places to refer to the companies of the Shell Group in general. These expressions are also used where no useful purpose is served by identifying any particular company or companies.

implementation pilots, an initiative aimed to drive co-ordination and implementation at a country level.

### **Policies and Procedures**

5. In line with Shell’s Security Standards, security risk management is conducted in accordance with applicable national legal requirements and internationally recognised standards, including VPSHR. Requirements for the implementation of the VPs are included in the Security Standards and Security Manual section of Shell’s Health, Safety, Security, and Environment & Social Performance (HSSE & SP) Control Framework.
6. Shell Security provides support to our businesses on the VPs by developing policies, processes, guidance and training related to implementation. This includes a process for conducting country-level threat and risk assessments on security and human rights, and for developing appropriate plans to address risks of human rights infringements. Compliance with the security standards is reviewed through audits and business assurance processes. In addition, Shell has procedures for reporting and investigating security related incidents. Where appropriate, security related incidents with human rights implications are reported and investigated when they occur.
7. Language on the VPs and the Shell Group requirements on the Use of Force are included in our private security contracts. 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.

### **Country Implementation examples**

8. In 2017, we continued to make progress on the in-country implementation of the Voluntary Principles throughout the Shell Group. By way of example (and building on the cross-section covered in last year’s report), below are summaries of activities carried out by Shell companies in some of the countries we operate in.

#### **Nigeria**

9. The Shell Companies in Nigeria (‘SCiN’) have their main operations located in the Niger Delta. Staff of the various SCiN devote time and resources to ensuring that the VPs continue to be a key focus area.

### **Stakeholder engagements and training:**

- Quarterly engagement briefings were held with Government Security Agencies (GSA) at strategic and operational levels on the VPSHR.
- Senior management engagements with Service Chiefs were also held to further promote the VPSHR.
- Community engagement was carried out through community relations platforms to discuss security issues and allow communities to raise concerns that they may have.
- Engagement with a third party Human Rights Institute continued on a training program that includes VPSHR and Human Rights.
- Structured engagement plans were in place for civil society engagement.
- Shell participated in the in-country working group pilot with other Corporate, Government and NGO members of the VPI.
- VPSHR training continued for key staff and contractors.
- Pre-deployment briefings on VPSHR and human rights were provided to GSAs, with regular refresher briefings also conducted.

## **Tunisia**

10. Shell Companies in Tunisia operate and produce gas from the Miskar field at the Hannibal plant near Sfax.

### **Stakeholder engagements and training:**

- Weekly coordination meetings were held between the security management teams and the contracted security providers to brief on security and VPSHR.
- Monthly meetings were held with the Security Coordinator and the Local Public Security Force Commanders to discuss security requirements and VPSHR.
- Briefings were held for the oncoming Army and National Guard personnel during crew changes. Ongoing engagement with public security included discussion of VPSHR and appropriate use of force in response to an incident.
- Engagement with local communities around the operational assets was conducted by the community liaison officer and included the Shell Business Principles.
- VPSHR training was carried out for both relevant Shell personnel and private security contractors.

## **Philippines**

11. The Shell Companies in the Philippines (SCiP) include various companies operating in oil and gas exploration, production, oil refining, distribution and sales & marketing.

### **Stakeholder engagements and training:**

## VPSHR – Overview of Shell's implementation in 2017

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- New company personnel were provided with training and briefing on the VPSHR.
- During company events that were held in 2017, Law Enforcement officers supporting the event were briefed on VPSHR and Use of Force Requirements prior to the events beginning.
- Private security company personnel assigned to the SCiP received bi-annual training on the VPSHR and use of force requirements.
- VPSHR Awareness sessions were conducted with the public security personnel of the Joint Task Force Malampaya (JTFM) by the country security teams.