



# THE VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS: OVERVIEW OF IMPLEMENTATION BY SHELL IN 2024

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## INTRODUCTION

- 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 human rights risks when working with public and private security. Security providers and contractors have been, and are being trained in the VPSHR, and Shell has incorporated the principles into its core security-related processes and contracts.
- In 2024, implementation of the VPSHR continued across prioritised Shell companies (identified based on set threat assessment criteria). Practical implementation included: conducting and updating VPSHR threat and risk assessments and questionnaires; briefing key internal and external stakeholders on human rights risks; delivering VPSHR training to staff and contractors; including VPSHR (and use of force) legal clauses in contracts of private security providers; and ensuring that we monitor for any incidents, allegations or grievances related to our security operations. This report summarises our overall approach and key activities, with country-specific examples.

## COUNTRY IMPLEMENTATION

- Progress was made on the in-country implementation of the VPSHR throughout the Shell Group. Below are summaries of activities carried out by Shell companies in some of the VPSHR priority countries.

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<sup>1</sup> The companies in which Shell plc directly and indirectly owns investments are separate legal entities. In this VPSHR Annual Report "Shell", "Shell Group" and "Group" 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 VPSHR Annual Report refer to entities over which Shell plc either directly or indirectly has control. The terms "joint venture", "joint operations", "joint arrangements", and "associates" may also be used to refer to a commercial arrangement in which Shell has a direct or indirect ownership interest with one or more parties. 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.

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## Nigeria

- In Nigeria, Shell has interests in several companies that produce, distribute and export oil, gas, Liquefied Natural Gas (LNG) and other energy products. These entities are known as Shell Companies in Nigeria<sup>2</sup> (SCiN) and Government Security Agency (GSA) provide armed security for many of their facilities/activities. Shell also employs unarmed private security personnel. Staff in SCiN devote time and resources to ensure that the VPSHR continue to be a key focus area.
- Implementation of the VPSHR in Nigeria included the following steps:
  - The VPSHR Threat Assessment, Risk Assessment & Implementation Plan, and Armed Security Approval were reviewed, and the Annual Questionnaire updated.
  - Shell attended and actively participated in VPI-led Nigeria Working Group (NWG) meetings on a quarterly basis.
  - Shell collaborated with the National Human Rights Commission to advocate for Voluntary Principles Initiative (VPI) participation from the Nigerian government.
  - VPSHR and use of force (UoF) legal clauses were included in all contracts with private security companies. Private security personnel received VPSHR induction and refresher training. Signed-off attendance lists were kept as records and performances were continuously monitored.
  - GSAs deployed to support SCiN activities were briefed on VPSHR and the UoF upon arrival. Periodic refreshers were provided and a zero tolerance for non-compliance was maintained.
  - SCiN VPSHR commitments were stated in public security forces deployment letters.
  - Shell liaised with the Civilian Military Cooperation Unit of the Operation Delta Safe (OPDS) and engaged with senior GSAs on security and human rights topics.
  - A briefing pack for civilians working in proximity to GSAs continued to be rolled out to reduce VPSHR risks. This included train-the-trainer sessions for site security representatives.
  - Interactive VPSHR and UoF training sessions were given to SCiN staff, including the Corporate Security and Corporate Relations teams.

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<sup>2</sup> On 13 March, 2025, Shell completed the sale of The Shell Petroleum Development Company of Nigeria Limited (SPDC), to Renaissance. Completion followed approvals from the Federal Government of Nigeria.

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- Shell Corporate Relations – through the Global Memorandum of Understanding (GMoU) and Host Community Development Trust (HCDDT) – continued to engage with host communities around SCiN operations. In 2024, engagements centred around the resolution of community concerns over land ownership, benefit sharing, access to contracts, compensation for pollution, and the investigation of incidents.
- Shell did not provide GSAs with any equipment that could be used for lethal purposes, such as firearms or ammunition.
- The procurement of logistics support during GSA deployment (such as accommodation, vehicles, sentry posts, and fuel) was restricted to supporting company activities. SCiN makes use of contractors to provide these equipment/services.
- Shell does not make direct payment of salaries or statutory allowances to GSA personnel. Instead, designated reasonable allowances at agreed daily rates are paid to designated GSA institutional unit accounts. Cash payments are strictly prohibited.
- All transfers and payments were recorded and retained.

## Iraq

- Shell's operations in Iraq centred on the Basrah Gas Company (BGC), a non-operated joint venture with the Iraqi government. Security is provided through a combination of armed government forces (the Oil Protection Force or OPF) as well as private security guarding, which is also armed.
- Implementation of the VPSHR in Iraq included the following steps:
  - The VPSHR Threat Assessment, Risk Assessment & Implementation Plan, Annual Questionnaire, and Armed Security Approval were reviewed and updated by the Country Security Managers.
  - The Intelligence & Assessment Team produced daily security threat updates that were disseminated to all relevant company personnel.
  - The BGC Security Team carried out daily engagements with OPF Officers in BGC's area of operations, through the BGC Security Integration Team Instructors. Content of these daily engagements included training needs, equipment on loan, and local security concerns.
  - More formal meetings between the Head of BGC Security and the two South Brigade Commanders were scheduled biannually.

- The Head of BGC Security also engaged with other public security forces as required. For example, engagements were held with the designated Public Order Forces and Iraqi Army Commanders over support during protests at Khor Al Zubair.
- Private security companies were screened for VPSHR compliance at the contract pre-qualification stage and their performance was monitored against a list of indicators. VPSHR and use of force clauses were included in their contracts. Training on VPSHR, use of force and use of weapons were part of their contractual obligations.
- The BGC Social Performance Team continued to liaise with local communities across the company's area of operations. Meetings were held with local tribal leaders to communicate security arrangements if and when needed. Community feedback was collected by Community Engagement Practitioners and internal grievance mechanisms.
- BGC have a signed Memorandum of Understanding (MoU) with the battalions supporting BGC, which covers VPSHR and the transfer of equipment. Prior to any equipment being loaned to the OPF, BGC Security carry out an Equipment Loan Risk Assessment (ELRA). Once approved, an Equipment on Loan Agreement (ELA) is signed by BGC Security and the relevant Battalion Commander.
- Equipment loaned in 2024 included vehicles, cabins, some basic furniture (such as tables, chairs and desks), and air conditioning units.
- BGC Security carry out training on security and human rights to BGC security personnel and members of the OPF in direct support of BGC through the Security Integration Team (SIT), which consists of expatriate Training Coordinators and Iraqi Instructors.

## South Africa

- Shell operations in South Africa consist of over 500 dealer- and Shell-owned mobility sites, two offices in Bryanston and Durban, and nine trading and supply depots. The Alberton Terminal is a so-called 'national key point' (or site of national strategic importance) that has armed security on site.
- Implementation of the VPSHR in South Africa in 2024 included the following steps:
  - The VPSHR Threat Assessment, Risk Assessment & Implementation Plan, Annual Questionnaire, and Armed Security Approval were reviewed and updated by the Country Security Manager.

- The Corporate Security Team held regular meetings to discuss the industry threat picture, in particular the threat of ATM bombings, cash management system (CMS) robberies, and cash-in-transit (CIT) incidents within the oil and gas industry.
- Emergency Response Plans and Security Operating Procedures were discussed during bi-quarterly meetings with retailers, in an effort to de-escalate potential confrontations between security guards and organised criminal groups.
- Regular engagements were held with the South African Police Service (SAPS) supporting the Alberton Terminal - a national key point – to discuss security oversight, regulatory compliance, incident response, security assessments and audits. Stakeholders involved were Shell Alberton management, private security providers, SAPS, community representatives and government officials.
- Shell Downstream South Africa engaged with local communities to understand their needs and concerns, including job opportunities, supporting local enterprises and investing in community development projects.
- Shell allocated resources to Community Social Initiatives on education, healthcare, infrastructure development, and other social services.
- Private security companies were screened for VPSHR compliance at the contract pre-qualification stage and their performance was monitored against a number of elements, including VPSHR training, incident and security guarding response, and guard force posting and behaviour.
- Clauses were included in contracts on contractor obligations to conduct activities strictly in accordance with the VPSHR.
- Armed private security personnel at Alberton Terminal are licensed and authorised to operate by the host nation and are Private Security Industry Regulatory Authority accredited.

## LESSONS LEARNED

- In South Africa, the term VPSHR is not familiar to many of our external stakeholders. However, stakeholders have been very appreciative and open to learning more about the VPSHR and guidelines on the use of force. The Corporate Security Team has driven efforts to create awareness of the VPSHR guidelines, such as incorporating them into safety moments, reviewing training material, and providing more input.
- In Nigeria, challenges related to logistics support for GSAs (in particular housing) can increase VPSHR risks. For example, the location to site houseboats or portacabins have

– in the past – created tensions between GSAs, vendors and communities (over issues of ownership or inadequate line of sight). By agreeing on the most suitable location to site houseboats or portacabins, exposure to VPSHR related risks decreased.