



Powering lives

We power lives through our products and activities, and by supporting an inclusive society.

50	Our approach to powering lives
50	Providing access to energy
51	Working with our suppliers
53	Contributing to communities
56	Diversity, equity and inclusion
57	Worker welfare
58	Respecting human rights
60	Managing our impact on people
62	A just transition

Our approach to powering lives

Shell is dedicated to making a positive impact on people around the world, and powering lives explains how we do that. It includes providing the energy people need, championing inclusion, respecting human rights and contributing to local communities.

People's lives are better with energy. It provides warmth and light, cooked food and transport. We deliver this for millions of people around the world every day and are working to provide energy to those who do not yet have it.

We also want to help communities benefit from having us as their neighbour. We generate jobs, pay billions in tax each year and support start-ups, local businesses and education programmes. And we promote human rights in the communities, companies and organisations we work with. This includes activities such as advancing worker welfare and shaping an inclusive world so that everyone can be themselves.

Embedding a people-centred approach

Respecting people has been integral to the way we do business for many years. Shell's HSSE & SP Control Framework [A] sets out how we identify, assess and manage our impacts on communities where we operate, including any impact on human rights. The framework also defines how we should share the benefits arising from our presence, such as by providing local employment and contractual opportunities.

[A] We are transitioning from the HSSE & SP Control Framework to our new Safety, Environment and Asset Management (SEAM) Standards as part of the Shell Performance Framework. The SEAM Standards will come into effect in mid-2024.


As part of our aim to become one of the most diverse and inclusive organisations in the world, our CEO and Executive Committee are accountable for our progress against our diversity, equity and inclusion goals.

The importance of respecting people also extends to our suppliers. Shell's Supplier Principles outline our expectations for business integrity, including safety, security, labour and human rights, and environmental and social performance. We expect all suppliers to understand and implement the principles in their supply chains when working with Shell.

Open dialogue

Our commitment to continuous improvement means we have several mechanisms to encourage people to raise issues of concern. This includes the opportunity to report them anonymously through, for example, the Shell Global Helpline; and our community feedback mechanism and network of 148 community engagement practitioners, who act as a bridge between the communities where we operate and our activities. We also have reporting mechanisms for workers to speak freely about injustices or poor facilities. By encouraging people to raise their concerns and ideas for improvement, we hope to make a positive impact on people's lives and livelihoods.

 **More in this report** [Providing lower-carbon electricity](#) | [Letter from the CEO](#) | [Our Powering Progress targets](#)

 **More on Shell websites** [Our approach](#) | [Working with communities](#) | [Diversity, equity and inclusion](#)

Providing access to energy

Around 760 million people in the world have no electricity, according to the International Energy Agency [A], and millions more have unreliable power supply.

[A] International Energy Agency, SDG7: Data and Projections, 2023.

Shell works to bring a reliable and affordable supply of electricity to those who do not have it. We do this commercially, by investing in businesses that supply energy access in emerging markets; and socially, by investing funds and expertise in access to energy programmes.

Investing in energy access

Through our commercial investments, we are working to improve the reliability of existing power supply to on-grid customers and to provide first power to off-grid customers and communities.

We are seeking strategic partnerships with governments, utilities, developers, banks and investors to address local challenges and opportunities.

In 2022, we acquired Daystar Power, a provider of solar power to businesses in West Africa. The investment helps expand our energy business into developing markets like those in Africa where more low-carbon electricity is needed. Daystar is now expanding its operations into South Africa. Daystar Power is present in seven countries and runs more than 400 power installations. It has installed more than 50 megawatts of solar power for commercial and industrial customers.

In 2024, we took a further step towards providing access to energy for those without. We pledged \$200 million as part of a broader initiative to help people get access to energy in the near and medium term. The initiative aims to help millions of people in underserved communities in sub-

Saharan Africa, India and South-east Asia get access to electricity and improved cooking conditions (as defined by the World Bank Multi-Tier Framework).

Read more about our commercial energy access business at www.shell.com/emerging-markets-power.

Social programmes

Separate from our commercial activities, we invest in social programmes that benefit communities where we work. Through these voluntary initiatives, we work with partner organisations to help individuals and communities access reliable electricity.


In 2023, we continued to implement programmes to improve access to energy. Through these programmes, around 42,000 people – in India, Malaysia, the Philippines and South Africa – gained access to either electricity or improved cooking conditions. The programmes also provide micro-enterprises with reliable supplies of renewable electricity to power equipment that can generate income, such as water pumps, welding machines or refrigerators to keep agricultural produce fresh.

For instance, in India, we partnered with Care India to promote the use of improved cooking solutions in 25 villages in South Gujarat. Around 5,800 households, two-thirds of those reached by the project, are now using an improved cookstove, compared with none before the project.

And in Nigeria, we worked with Pact in 2022 and 2023 to help micro-enterprises switch from diesel generators to electric motors to power their businesses. The project enabled a 30% reduction in energy consumption and a 60% increase in recorded income.

Read more about how our social investment programmes help to increase access to energy at www.shell.com/sustainability/communities/access-to-energy.

 **More in this report** [Providing lower-carbon electricity](#) | [Letter from the CEO](#) | [Our Powering Progress targets](#)

 **More on Shell websites** [Our approach](#) | [Working with communities](#) | [Local employment and enterprise](#)

Working with our suppliers

Supply chain

Our standard contract terms require adherence to the Shell Supplier Principles or equivalent principles that include statements on complying with environmental laws and regulations, using energy and natural resources efficiently, and minimising waste, emissions and discharges. We continue to explore how we can source responsibly in our supply chain.

Shell aims to work with suppliers, including contractors, that behave in an economically, environmentally and socially responsible manner, as set out in our [Shell General Business Principles](#) and [Shell Supplier Principles](#). Our standard contract terms require adherence to these or equivalent principles. They require contractors and suppliers to:

- protect the environment in compliance with all applicable environmental laws and regulations;
- use energy and natural resources efficiently; and
- continually look for ways to minimise waste, emissions and discharges from their operations, products and services.

In 2023, we worked with around 25,000 suppliers globally.

Collaboration with suppliers is crucial to achieving Powering Progress. By delivering, learning and improving together with honesty, integrity and mutual respect, we can accelerate our shared progress towards achieving net zero.

In 2023, our operated and non-operated ventures spent around \$48.6 billion on goods and services from suppliers around the world [A].

[A] Non-GAAP financial measure. See [Reconciliation of non-GAAP financial measures](#) where non-GAAP reconciliation is provided.

Decarbonising the supply chain

We work closely with our suppliers to promote decarbonisation. This involves using digital technology to establish transparency in energy consumption and emissions throughout our supply chains.

We encourage our suppliers to set emission ambitions and track performance, share best practice and exchange emissions data with their own supply chains. We are also developing plans to work with the 50 largest carbon emitters in our supply chain to create a shared vision and roadmap for decarbonisation. By the end of 2023, we had signed non-binding memoranda of understanding with eight companies to identify and potentially provide solutions for decarbonisation.

Respecting human rights

Our supply chains are at the heart of powering lives. Shell is committed to respecting human rights as set out in the UN Universal Declaration of Human Rights. Our focus in the supply chain is on [worker welfare](#), modern slavery and other [labour rights](#). When procuring solar panels and modules for our projects, for example, we engage extensively with our suppliers to promote transparency and understand human rights risks in our supply chain. In step with rapidly evolving societal and legislative expectations, our supplier due diligence relating to human rights performance will play an increasingly important role.

Towards zero waste

We are working towards achieving zero waste and circularity in our supply chains by reducing waste generated and increasing reuse and recycling in our business.

In 2023, we focused on improving waste management at 12 key facilities in Argentina, Australia, Canada, Qatar and the USA. We also developed a waste dashboard that provides visibility across facilities. It includes a waste baseline, waste management vendors, progress tracking against planned reductions, and identification of common waste types that can lead to opportunities for reducing waste.

We aim to source responsibly and build diverse local supply chains (see [Local content](#)). We are committed to collaborating with our suppliers to drive innovation and collectively move towards a sustainable future.

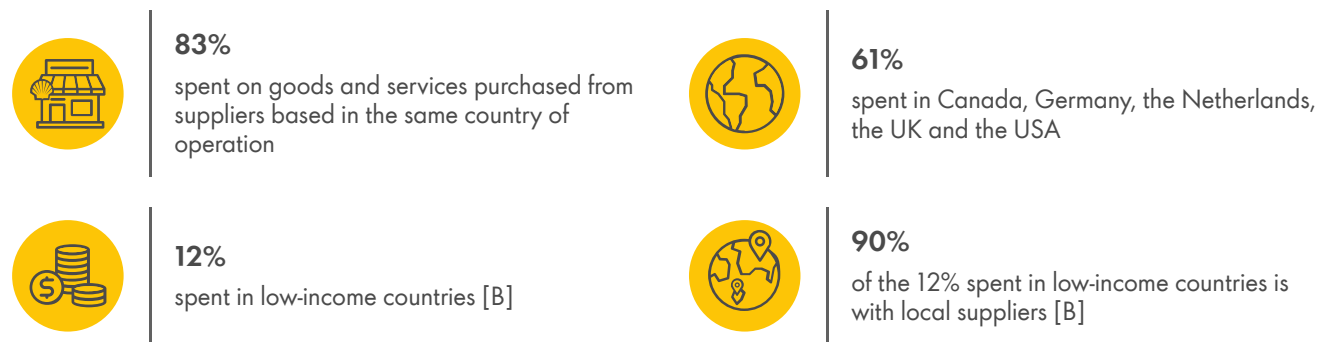
Discover how Shell contributes to sustainability through its supply chain at www.shell.com/business-customers/powering-progress-in-supply-chain.

More in this report [Respecting human rights](#) | [Preparing for emergencies](#) | [Energy transition](#)
More on Shell websites [Our approach](#) | [Supplier Principles](#) | [Buying locally and encouraging local suppliers](#) | [Human rights](#)

Local content

We want to make a positive difference to countries and local communities where we operate. We do this by creating jobs, training people, supporting local businesses and buying goods and services from local suppliers – collectively referred to as local content. We also work to include in our supply chain enterprises that are part of historically under-represented or underserved groups.

Shell local content activities in 2023 [A]



[A] Based on the total spent globally on goods and services by Shell-operated ventures.
 [B] Low-income countries are countries where gross national income is less than \$15,000 a year per person, according to the UN Development Programme’s Human Development Index 2021.

In 2023, around 83% of what we spent on goods and services globally was purchased from suppliers based in the same country of operation, also called local procurement. About 60.7% of our procurement was in Canada, Germany, the Netherlands, the UK and the USA, of which 83% was spent with local suppliers in these countries.

We estimate that around 12% of what we spent on goods and services was spent in countries that, according to the UN Development Programme’s Human Development Index 2021, have a gross national income of less than \$15,000 a year per person. In these countries, Shell companies spent around 90% with local suppliers.

In 2023, our Scotford Complex in Canada signed a Good Neighbour Agreement with the Alexander First Nation and Enoch Cree Nation, and awarded a three-year maintenance contract to an Alexander First Nation joint venture. In cases where First Nation entities are unsuccessful in their applications, we hold debriefings to explain why.

In Namibia, where we are exploring for offshore oil and gas, we conducted a baseline study with an industry peer in 2023 to assess the potential of local suppliers for inclusion in our supply chain.

And in the USA, the Women’s Business Enterprise National Council named Shell a Top Corporation for Women’s Business Enterprises for “implementing world-class diversity and inclusion programs that enable growth and innovation, while breaking down barriers for women enterprises”. The award was one of four that Shell received in the USA in 2023 for its efforts in local content and diversity.

Discover more about how we work to support the countries in which we operate in the [Community skills and entrepreneurship](#) section and at www.shell.com/sustainability/communities/local-employment-and-enterprise.

More in this report [Respecting human rights](#) | [Worker welfare](#) | [Indigenous Peoples](#)

More on Shell websites [Our approach](#) | [Supplier Principles](#) | [Buying locally and encouraging local suppliers](#) | [Human rights](#)

Contributing to communities

Social investment

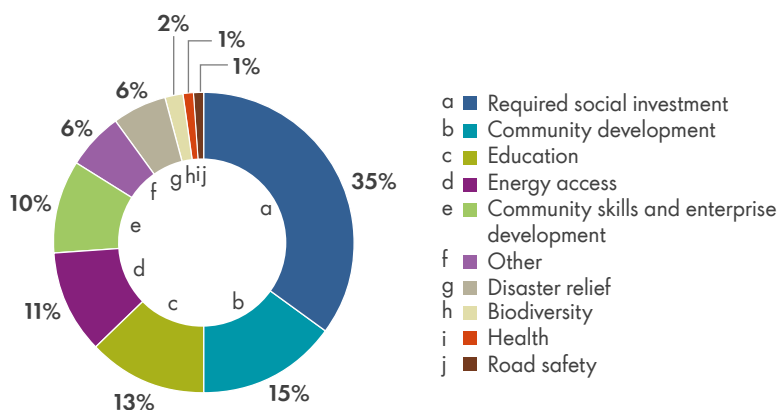
Our activities contribute to economies through taxes, jobs and business opportunities. We also make social investments in areas determined by local community needs and priorities. These investments are sometimes voluntary, sometimes required by governments, or part of a contractual agreement.

Shell has three priority areas for social investment: access to energy; skills and enterprise development; and science, technology, engineering and maths education. In 2023, we spent almost \$198 million on social investment, of which 35% was required by government regulations or contractual agreements. We spent the remaining \$128.3 million (65%) on voluntary social investment.

An important part of our social investment is our contribution to communities that have been impacted by disasters. Typically, Shell provides financial donations to non-governmental and partner organisations that are experienced in providing humanitarian aid in disaster situations. Where possible and needed, we also contribute our products and services, such as fuel, chemical products, transport and logistics. In 2023, Shell contributed \$11.6 million towards disaster relief response across several countries, including \$5 million towards earthquake relief in Turkey.

Social investment – by theme

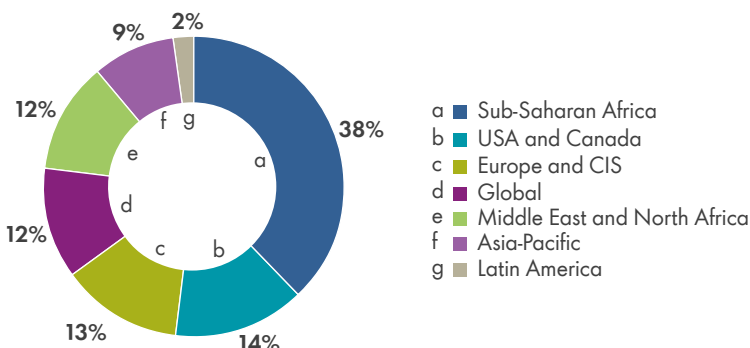
Percentage



Around \$84.8 million of our total social investment spend in 2023 was in countries that, according to the UN Development Programme’s Human Development Index 2021, have a gross national income of less than \$15,000 a year per person.

Social investment – by region

Percentage



Find out more about our social investment at www.shell.com/sustainability/communities.

More in this report [Providing access to energy](#) | [Community skills and enterprise development](#) | [Contributing to Nigeria's economy](#)

More on Shell websites [Our approach](#) | [People](#) | [Working with communities](#) | [Generating prosperity for countries and communities](#)

Community skills and enterprise development

Our community skills and enterprise development programmes benefit local communities where we operate by creating employment opportunities and contributing to economic development, while adding value to our supply chain.

In 2023, around 25,000 people participated in, and more than 2,800 businesses were supported by, our skills development programmes, which helped more than 1,800 people gain employment and/or improve their livelihoods after the training.

Shell has two global enterprise development programmes – Shell LiveWIRE and Shell StartUp Engine.

Shell LiveWIRE helps entrepreneurs in 18 countries start and/or grow their businesses. In 2023, Shell LiveWIRE trained about 3,400 people around the world and helped create more than 1,200 jobs. The programme supported 1,051 existing businesses and the creation of 196 new businesses, with 38 Shell LiveWIRE-supported businesses entering our supply chain in 2023. Shell started the programme in 1982.

Shell StartUp Engine is a global innovation programme for entrepreneurs in the energy industry. It supports early-stage start-ups in areas such as renewables, energy storage, smart grids and electric mobility. In 2023, the programme supported 44 start-ups in Brazil, the Netherlands (as New Energy Challenge), Singapore and the UK.

Find out more about community skills and entrepreneurship in the [Local content](#) section and at www.shell.com/sustainability/communities/local-employment-and-enterprise.

More in this report [Social investment](#) | [Providing access to energy](#) | [A just transition](#)

More on Shell websites [Our approach](#) | [Supporting enterprise development and entrepreneurs](#) | [Local employment and enterprise](#) | [Buying locally and encouraging local suppliers](#)

Education in science, technology, engineering and maths

We actively support science, technology, engineering and maths (STEM) through a range of programmes in more than 20 countries. NXplorers, our flagship STEM programme, aims to help young people develop creative thinking to bridge the skills gap. NXplorers is now active in 19 countries, and engaged more than 120,000 students in 2023.

In 2023, in the UK, our year-long Girls in Energy course taught some 230 young women about energy and career opportunities in the energy industry. And in Kazakhstan, we signed a non-binding memorandum of understanding with the Ministry of Education to strengthen co-operation in promoting critical, creative and systemic thinking by using the NXplorers methodology.

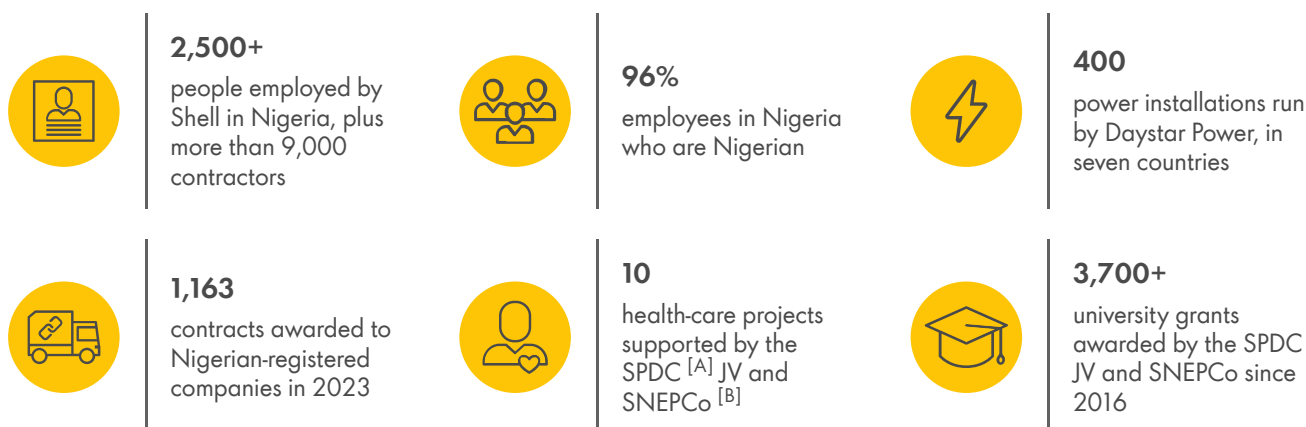
Read more about our contribution to STEM at www.shell.com/sustainability/communities/education.

More in this report [Community skills and enterprise development](#) | [Providing access to energy](#) | [A just transition](#)

More on Shell websites [Our approach](#) | [Education](#) | [Local employment and enterprise](#)

Contributing to Nigeria's economy

Shell's Nigerian businesses support the development of local communities and companies. The businesses in which Shell has interests employed more than 2,500 people directly in 2023 and provided jobs for many others in supplier networks. In 2023, the Shell Petroleum Development Company joint venture (SPDC JV), Shell Nigeria Exploration and Production Company (SNEPCo) and Shell Nigeria Gas (SNG) awarded 1,163 contracts to Nigerian-registered companies.



[A] The Shell Petroleum Development Company of Nigeria Limited (SPDC), which has a 30% interest in the SPDC joint venture (SPDC JV) and produces oil and gas in the Niger Delta.

[B] The Shell Nigeria Exploration and Production Company Limited (SNEPCo), which operates in the deep waters of the Gulf of Guinea.

In 2023, SPDC and SNEPCo paid \$1.09 billion in royalties and corporate taxes to the Nigerian government (SPDC \$442 million, SNEPCo \$649 million) [C].

[C] Royalties and corporate taxes paid to the Nigerian government comprise royalties and corporate income tax as defined and reconciled in "Reconciliation of non-GAAP financial measures, Taxes paid and collected".

Between them, the SPDC JV, SNEPCo and SNG also contributed \$42.2 million in direct social investment. Social investment was mainly in projects related to community, health, education, road safety and enterprise programmes. These projects are often implemented in partnership with local authorities.

In 2023, the SPDC JV, SNEPCo and SNG invested \$3 million in education programmes. More than 3,450 secondary school grants, 3,772 university grants and 1,062 cradle-to-career scholarship grants have been awarded since 2016.

In 2022, the SPDC JV transitioned from its existing global memorandum of understanding agreements to Host Communities Development Trusts (HCDDTs) in accordance with the provisions of the Petroleum Industry Act of 2021. By 2023, 27 of the 33 HCDDTs had been incorporated. These trusts were funded by the SPDC JV, with \$42 million representing its statutory contributions for 2022 and 2023.

In 2022, Shell acquired Daystar Power, a provider of solar power to businesses in West Africa. The investment helps expand our energy business into developing markets like those in Africa where more lower-carbon electricity is needed. Daystar is now expanding its operations into South Africa. Daystar Power is present in seven countries and runs more than 400 power installations. It has installed more than 50 megawatts of solar power for commercial and industrial customers.

In January 2024, Shell announced the sale of SPDC. Completion of the transaction is subject to regulatory approvals and other conditions. To learn more visit: www.shell.com/media/news-and-media-releases/2024/shell-agrees-to-sell-nigerian-onshore-subsidiary-spdc/spdc-sale.

Read more about Shell's economic contribution in Nigeria at www.shell.com.ng/nigeria-briefing-notes.

More in this report [Spill response and prevention in Nigeria](#) | [Our approach to safety](#) | [Providing access to energy](#)

More on Shell websites [Our approach](#) | [Shell Nigeria](#) | [Nigeria Briefing Notes](#) | [Buying locally and encouraging local suppliers](#)

Diversity, equity and inclusion

We are focusing on removing barriers and creating equality of opportunity in four strategic priority areas: gender; race and ethnicity; lesbian, gay, bisexual and transgender plus (LGBT+); and disability inclusion and enABLeMent, as set out in our powering lives commitments to diversity, equity and inclusion.

- Shell is working towards achieving 35% representation of women in our senior leadership positions by 2025 and 40% by 2030.
- We aim to increase racial and ethnic representation across our workforce so that we better reflect the communities in which we work and live.
- At Shell, we seek to provide a safe, caring and inclusive environment for LGBT+ and PWD (people with disabilities) staff so that they can be themselves and reach their full potential.
- By 2030, we will make our global network of service stations more inclusive and accessible to customers with physical disabilities.

Diversity, equity and inclusion

Our vision is a bold one – to become one of the most diverse and inclusive organisations in the world. A place where everyone – from employees to our customers, partners and suppliers – feels valued, respected and has a strong sense of belonging.

We have set clear goals for diversity, equity and inclusion (DE&I) and monitor these regularly. Our CEO and Executive Committee are accountable for progress. Detailed information on progress against our DE&I aspirations can be found at shell.com/DEI.

We are focusing on removing barriers and creating equality of opportunity in four strategic priority areas: gender; race and ethnicity; LGBT+; and disability inclusion and enABLeMent.

Gender

As of December 31, 2023, 42% of Shell plc's Board members were women, compared with 55% in 2022. Additionally, a senior Board position, the Chief Financial Officer, is held by a woman. Representation of women on the Executive Committee rose to 43% at the end of December 2023, from 22% in 2022. As of January 1, 2024, we have more women than men on our Executive Committee.

We are working towards achieving 35% women in our senior leadership positions by 2025 and 40% by 2030. At the end of 2023, 32% of senior leadership were women, up from 30% in 2022.

In 2023, 38% of experienced hires were women, compared with 40% in 2022. Our graduate hires have consistently been 48% or 49% women since 2019, against our 50% ambition. In 2023, 40% of our graduate hires were women, compared with 49% in 2022.

Our overall representation of women in Shell was 35% at the end of 2023, compared with 33% in 2022.

Race and ethnicity

We aim to increase racial and ethnic representation across our workforce so that we better reflect, and support equity in, the communities where we work.

At the end of 2023, Shell plc's Board had three members who self-identify as ethnic minority, which exceeds the UK's Parker Review recommendation of at least one. In addition, one of our Executive Committee members self-identifies as being from an ethnic minority group.

In support of the 2023 Parker Review recommendations, by 2027, Shell aims to achieve 15% ethnic minority representation in its senior management [A].

[A] As per the Parker Review, senior management refers to Executive Committee members and senior managers who report directly to them. Ethnic minority refers to an individual who self-identifies as Asian, Black, Mixed/multiple, or other ethnic minority group, in line with the UK Office for National Statistics classifications.

LGBT+

We are working to advance lesbian, gay, bisexual and transgender plus (LGBT+) inclusion within Shell and the communities where we work. We promote equal opportunity and create an environment where people feel included, regardless of sexual orientation or gender identity.

We benchmark our initiatives externally. In 2023, Shell was recognised as an "Advocate" in the 2023 Workplace Pride Global benchmark, which is the highest level awarded to companies that stand out as clear leaders in LGBTIQ+ workplace inclusion. In the USA, we have received a 100% score from the Human Rights Campaign Foundation's Corporate Equality 2023 Index and have been awarded top score every year since 2016.

Disability inclusion and enABLeMent

We aim to create an inclusive, psychologically safe and accessible environment where people with disabilities can excel. We provide support and adjustments for people with disabilities during the recruitment process and throughout their careers with Shell, including access to educational resources, training programmes and personal and professional development.

In 2023, we launched a Disability, Accessibility and Inclusion intranet site, which provides comprehensive guidance and tools to help line managers, leaders, people with disabilities and employees to be active allies. Our enABLE employee resource groups provide expertise and advice to Shell leaders and our businesses on accessibility, disability inclusion and enABLEment.

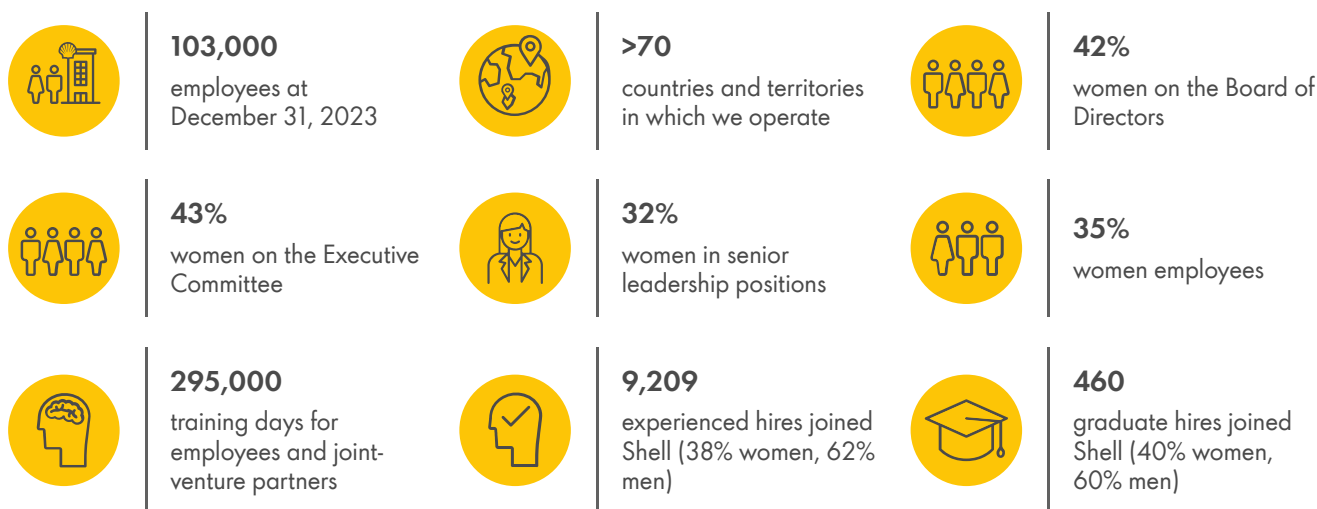
We also offer a workplace accessibility service at 79 locations in 37 countries. The team is supported by functions such as Shell Health, Human Resources, Real Estate, and IT.

We are also providing a better experience for our customers with physical disabilities through an app, delivered by fuelService, that allows any customer with a disability to alert stations in advance and request assistance. As of December 2023, Shell offered the service at more than 8,250 stations in 10 countries. Shell's partnership with fuelService has been renewed until 2026.

Learn more about diversity, equity and inclusion at Shell in our [2023 Annual Report](#) and at www.shell.com/DEI.

Read our [2023 Diversity Pay Gap Report for the UK](#).

Our people in 2023 [A]



[A] All metrics throughout this section exclude the employees in portfolio companies, except for the metrics reflecting total employee number by gender and region, percentage of women employees, and certain mandatory training courses.

Employee engagement and dialogue

Insight into employee needs and perspectives enables Shell to continually learn and improve our policies, processes and practices.

The Shell People Survey is our key measure of employee engagement, motivation, affiliation and commitment to Shell. Internal and external research shows that increased employee engagement results in better business performance and improved safety. In 2023, the response rate to the survey was 88% (up from 87% in 2022). The average employee engagement score was unchanged at 79% from the 2022 level, which is top quartile in comparison with external benchmarks. This score does not include responses from the joint-venture partners who participated voluntarily in the Shell People Survey.

Across Shell, employees have access to the Executive Committee, senior leaders, local employee forums and employee resource groups. These engagements enable Shell to maintain a constructive employee and industrial relations environment.

Management regularly engages with employees through elected employee representatives and a range of local formal and informal channels. These channels include webcasts and all-employee messages from our CEO and other senior leaders, as well as town halls, team meetings and site visits by the Board and senior management.

We respect the right to collective bargaining and freedom of association. Shell respects local law in our efforts to advance [labour principles](#).

Where appropriate, engagement takes place with union representatives at asset and country level, as well as with the Shell European Works Council. In 2023, all our employees had access to an independent channel to raise their employment concerns or grievances. This includes the Shell Global Helpline, unions and local employee forums.

More in this report [Respecting human rights](#) | [Ethical leadership](#) | [Our Powering Progress targets](#)

More on Shell websites [Our approach](#) | [DE&I awards and recognition](#) | [Shell in the UK Diversity Pay Gap Report](#)

Worker welfare

We work with our partners and peers to include worker welfare in industry standards, guidance and best practice. This helps raise expectations and levels of consistency across the industry. Our approach is based on the 10 Building Responsibly Worker Welfare Principles.

We continue to take steps to improve our approach, and that of our industry, to worker welfare. In 2023, we worked closely with Ipieca to co-create a programme to improve ethical recruitment and worker engagement in the oil and gas industry, which will be piloted in 2024.

In 2023, we worked with bp, Equinor and Ørsted to improve the rights and welfare of migrant workers in our supply chains. As a first step, the companies drafted a set of principles and guidelines in consultation with suppliers and civil society organisations. The aim is to improve accommodation and transport for migrant workers; adopt the principle that the employer, not the worker, should pay the cost of recruitment; and implement effective grievance mechanisms. The next step, starting in 2024, is to pilot the principles and guidelines in fabrication yards in Singapore.

An important part of our activities is to encourage workers to speak freely about injustices or poor facilities, anonymously if they wish. At our Shell Energy and Chemicals Park Singapore, we conducted a survey of more than 400 workers employed by 15 contractor partners, which was held over four days in seven languages. The initiative resulted in improvements to dormitories and rest areas and the construction of safe bridges and walkways.

During the year, our senior leadership visited worksites and accommodation in Singapore, Oman, Qatar and many other countries to engage with and listen to contract workers. We have found that site visits by senior Shell leadership help create a culture of trust, care and inclusion, especially among migrant workers employed by our partner companies.


Two of the issues raised by contractor workers at some sites, and in our industry as a whole, are payment of recruitment fees and the late payment of salaries. In 2023, we remedied late payment of contractor workers' salaries in Nigeria. We continue to work on both issues.

In 2023, senior executives from Shell's 23 major global contractors joined Shell executives in Norway for our annual Contractor Safety Leadership workshop. Areas of discussion were worker welfare and human rights, mental health, and technology solutions for safer work at the frontline.

Also in 2023, leadership teams from 25 Shell joint ventures and companies newly acquired by Shell met in the Netherlands to discuss topics such as worker welfare and to affirm support for industry efforts on worker welfare. We believe that the welfare of our workers is vital to enable them to perform safely at their best.

Our efforts to improve worker welfare are under continuous development. We continue to work on our salient human rights issues, including labour rights in the workplace. Our aim is to be transparent about our progress as well as the challenges we face in our operations and supply chain.

Read more about worker welfare at www.shell.com/sustainability/communities/worker-welfare.

 **More in this report** [Working with our suppliers](#) | [Diversity, equity and inclusion](#) | [Our Powering Progress targets](#) | [Respecting human rights](#)

 **More on Shell websites** [Our approach](#) | [Human rights](#) | [Shell's approach to human rights \(pdf\)](#)

Respecting human rights

Our approach to human rights

Human rights are fundamental to Shell's core values of honesty, integrity and respect for people. Respect for human rights is embedded in the [Shell General Business Principles](#) and [Shell Code of Conduct](#). Shell is committed to respecting human rights as set out in the Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our approach is informed by the UN Guiding Principles on Business and Human Rights.

We work closely with various organisations to improve how we apply the UN guiding principles.

Salient human rights

In 2023, we continued to work on our salient human rights issues (salient human rights are those that are most at risk from our operations). We prioritise four focus areas where respect for human rights is critical to how we operate: at the workplace including labour rights, in supply chains, communities, and security.

Shell employees working in these focus areas need to complete mandatory human rights training. About 1,750 employees had completed the training between its launch in 2021 and the end of 2023, which is 94% of those assigned the training. We encourage all employees to do the course, regardless of their role, to build greater understanding of human rights across Shell.

See the table below for examples of our salient human rights issues in each focus area.

Human rights focus areas

	 At the workplace	 In supply chains	 In communities	 In security
Salient issues	<ul style="list-style-type: none"> Health and safety Discrimination Decent living conditions in worker accommodation Access to adequate and readily available channels to voice concerns 	<ul style="list-style-type: none"> Labour rights in our supply chains, e.g. prevention of forced labour, access to remedy Safe and healthy working conditions Decent living conditions in worker accommodation 	<ul style="list-style-type: none"> Social impact management Vulnerable persons/communities Land access, livelihoods and cultural heritage Engagement and access to remedy 	<ul style="list-style-type: none"> Human rights impact on communities by private security and/or government security forces we rely on Security of employees and contract staff in high-risk environments where we work

For each of these areas, we have systems to identify impacts and to avoid or mitigate them. For example, Shell's HSSE & SP Control Framework [A] contains requirements that set out how we identify, assess and manage our actual and potential impacts on communities where we operate, including any impact on human rights.

[A] We are transitioning from the HSSE & SP Control Framework to our new Safety, Environment and Asset Management (SEAM) Standards as part of the Shell Performance Framework. The SEAM Standards will come into effect in mid-2024.

Our [Shell Supplier Principles](#) state that we expect our contractors and suppliers to respect the human rights of their workforce and to manage the social impacts of their activities on Shell's neighbouring communities. When procuring solar panels and modules for our projects, for example, we engage extensively with our suppliers to promote transparency and understand human rights risks in our supply chain. (See the [Worker Welfare](#) and [Indigenous Peoples](#) sections.)

We also continue to track emerging human rights and environmental due diligence legislation, and advance our efforts to strengthen human rights-related controls in our supply chain. (See also [A just transition](#)).

Critical habitats and people

We assess the potential impacts of our activities to manage and reduce any adverse effects they may have on the environment and on communities. We apply stringent standards across all our projects, particularly when we operate in critical habitats that are rich in biodiversity and in areas of cultural significance or close to local communities, including Indigenous Peoples. (See the [Biodiversity and ecosystems](#) and [Indigenous Peoples](#) sections).

Modern slavery

Shell is opposed to all forms of modern slavery. Such exploitation is against our commitment to respect human rights as set out in the UN Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our approach is informed by the UN Guiding Principles on Business and Human Rights.

Read more about our approach in our statement under the UK Modern Slavery Act at www.shell.com/uk-modern-slavery-act.

Read Shell Australia's Joint Modern Slavery Statement, prepared under Australia's Modern Slavery Act 2018, at www.shell.com.au/sustainability/reporting.

Security practices

Our operations expose us to criminality, civil unrest, activism, terrorism, cyber disruption and acts of war. We take steps to have clear and planned responses to security incidents, so that we are able to react quickly and effectively if they occur.

Shell is a member of the Voluntary Principles on Security and Human Rights (VPSHR) initiative. This is a multi-stakeholder initiative of governments, extractive sector industries and non-governmental organisations that gives guidance on how to respect human rights, while providing security for business operations. Shell implements this guidance across its companies, concentrating on countries where the risks of working with state and private security forces are identified as greatest.

We carry out annual risk assessments and develop implementation plans to manage the identified risks. As part of these plans, we carry out training and awareness briefings with the security forces that we rely on in our implementation countries. We also screen private security providers on VPSHR and monitor their performance against a range of criteria.

The Chief Human Resources and Corporate Officer, who sits on the Executive Committee, is accountable for security matters.

Read more about our approach to human rights and security at www.shell.com/sustainability/transparency/human-rights and more about our implementation of the VPSHR at www.shell.com/vpsshr.

More in this report [Working with our suppliers](#) | [Diversity, equity and inclusion](#) | [Our Powering Progress targets](#) | [A just transition](#)

More on Shell websites [Our approach](#) | [Shell's approach to human rights \(PDF\)](#) | [Worker welfare](#)

Managing our impact on people

Engaging with communities

We engage with communities as part of our approach to respecting human rights, including providing access to remedy.

Our HSSE & SP Control Framework [A] helps us to operate responsibly and avoid or minimise potentially negative social impacts of our operations. The requirements set out in the framework also help us to maximise benefits arising from our presence, such as providing local employment and contractual opportunities. When we divest assets or exit areas, we apply well-established processes to guide our risk assessment with the aim of leaving a positive legacy.

[A] We are transitioning from the HSSE & SP Control Framework to our new Safety, Environment and Asset Management (SEAM) Standards as part of the Shell Performance Framework. The SEAM Standards will come into effect in mid-2024.

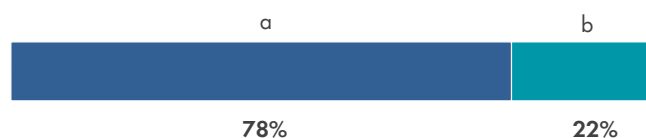
We have community feedback mechanisms at our operations and projects to receive, track and respond to questions and complaints from community members. This enables us to capture and resolve concerns quickly in a transparent way, and to track our performance. We have been receiving and managing community feedback for more than 10 years, guided by the International Finance Corporation standards and then by the UN Guiding Principles for Business and Human Rights. In 2023, we received feedback at 80 sites in 26 countries.

Since 2020, we use our online community feedback tool to track and respond to questions, complaints and feedback that we receive. It allows our network of 148 community engagement practitioners to document feedback and outcomes. They are the face of Shell in the communities and act as a bridge between communities and our activities. In 2023, community engagement practitioners resolved 77% of the complaints, requests and questions we received. The rest were referred to other Shell functions or to higher management.

In 2023, 78% of feedback was received via the online tool, which gives us full visibility of the way the feedback was managed, including the time it took to resolve a complaint.

How feedback was received in 2023

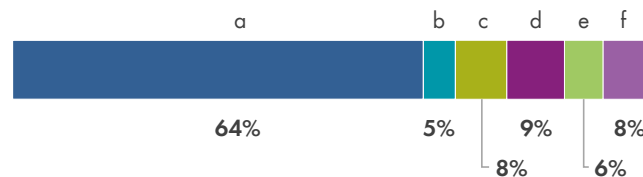
Percentage



- a ■ Received via the online tool
- b ■ Received by other means

Time taken to resolve feedback in 2023

Percentage



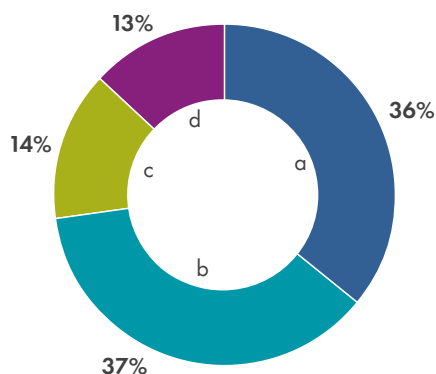
- a ■ Resolved in 7 days or sooner
- b ■ Resolved within 8 to 14 days
- c ■ Resolved within 15 to 30 days
- d ■ Resolved within 31 to 60 days
- e ■ Resolved within more than 60 days
- f ■ Complaints in progress at the end of December 2023

In larger facilities, we implement community feedback mechanisms aligned with the effectiveness criteria defined in the UN Guiding Principles on Business and Human Rights. In 2023, we increased the number of sites with community feedback mechanisms aligned with the criteria from 16 to 20. Several more sites have other procedures in place for managing feedback.

Read more about our work with communities at www.shell.com/sustainability/communities/working-with-communities.

Community feedback by type

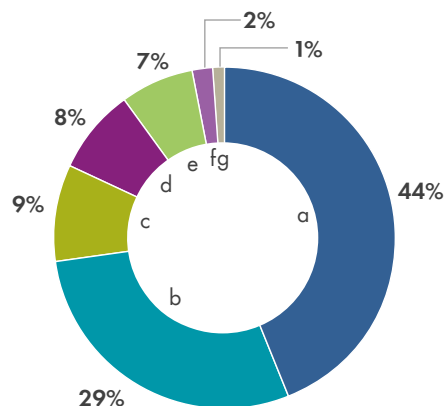
Percentage



- a ■ Complaints
- b ■ Requests
- c ■ Questions
- d ■ Positive feedback

Complaints received globally by category

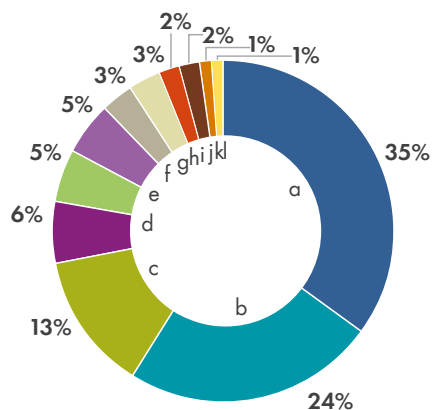
Percentage



- a ■ Social
- b ■ Environment
- c ■ Safety
- d ■ Business integrity, contractual and commercial
- e ■ Health
- f ■ Unrelated to Shell
- g ■ Security

Environmental complaints by subcategory

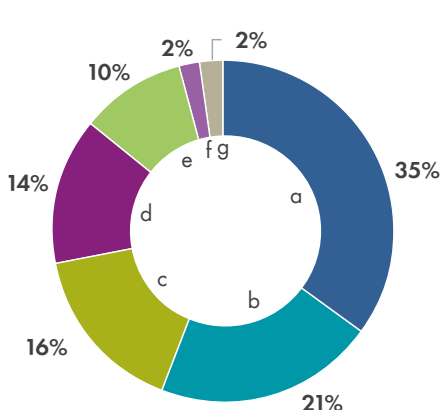
Percentage



- a ■ Noise
- b ■ Odour
- c ■ Ecosystem, habitat, biodiversity or natural amenity
- d ■ Dust
- e ■ Soil and water contamination
- f ■ Visual disturbance
- g ■ Flaring
- h ■ Impacts on water quantity
- i ■ Air quality
- j ■ Vibration
- k ■ Spill
- l ■ Light

Social complaints by subcategory

Percentage



- a ■ Infrastructure/Services
- b ■ Engagements
- c ■ Local content
- d ■ Land and resettlement
- e ■ Labour
- f ■ Economic/ Cost of living
- g ■ Social investments

Indigenous Peoples

Our activities can affect Indigenous Peoples who hold specific rights for the protection of their cultures, traditional ways of life and special connections to land and water. We seek the support and agreement of Indigenous Peoples potentially affected by our activities through dialogue, culturally appropriate grievance mechanisms and impact management processes.

Shell has a public position statement on Free Prior and Informed Consent (FPIC), a principle recognised in the UN Declaration on the Rights of Indigenous Peoples. It entails open dialogue, good-faith negotiations and, where appropriate, the development of agreements that address the needs of Indigenous Peoples.


For instance, in Peru, we are a partner in “Living Forests Forever”, a REDD+ [A] project that Shell is funding and that is operated by Aider, a non-governmental organisation. The project aims to conserve Amazonian forests through communal forest management and strengthen local businesses to improve the quality of life of local Indigenous Peoples. Key principles that guide the project are the demarcation of indigenous territories and the inclusion of the indigenous communities in the project management committee along with Shell and Aider.

[A] REDD+ is a framework created by the UNFCCC Conference of the Parties to guide activities that reduce emissions from deforestation and forest degradation.

In Canada, Shell’s Scotford Complex signed a Good Neighbour Agreement with its two closest indigenous communities, the Enoch Cree Nation and the Alexander First Nation. The agreement is a commitment to open doors, learn from one another, and build stronger commercial and cultural partnerships, including integrating First Nation businesses into Shell’s supply chain (see [Local content](#)).

Read more about our approach to Indigenous Peoples at www.shell.com/sustainability/communities/working-with-communities.

 **More in this report** [Community skills and enterprise development](#) | [Respecting human rights](#) | [Contributing to communities](#)

 **More on Shell websites** [Our approach](#) | [Local employment and enterprise](#) | [Human rights](#) | [Shell's approach to human rights \(pdf\)](#)

Cultural heritage


Preserving cultural heritage is an important part of our efforts to manage our social impact. Cultural heritage refers to places of archaeological, historical, cultural, artistic and religious significance. It also includes the preservation of unique environmental features, cultural knowledge and traditional lifestyles.

Our approach starts with considering how to avoid or minimise our impact on cultural heritage. This can involve carrying out archaeological assessments to inform, among other things, project design and site selection. We then develop chance-find procedures to deal with previously unknown heritage resources that may be discovered during construction. We train staff and contractors to make them fully aware of these resources to give them the authority to halt work if necessary.

In Albania, for instance, where we began exploring for oil in 2019, our pre-drilling impact assessments identified unknown sites of cultural importance, some of which date back more than 2,000 years. We suspended our activities to allow local experts to excavate and find out more. This led to significant finds of importance for Albania’s past. Read more at www.shell.com/inside-energy/preserving-albanias-past-while-building-for-its-future.

Read more about our approach to cultural heritage at www.shell.com/sustainability/communities/working-with-communities.

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Involuntary resettlement


We sometimes require temporary or permanent access to areas of land or sea where people are living or working. We aim to avoid resettlement wherever possible. Where resettlement is unavoidable, we work with local communities to help them resettle and maintain, or improve, their standard of living in accordance with international standards for resettlement (notably the International Finance Corporation’s Performance Standard 5 on land acquisition and involuntary resettlement). Our support may also include helping these communities to establish alternative livelihoods.

In Tanzania, Shell and Equinor – alongside their partners ExxonMobil, Pavilion Energy and MedcoEnergi – are supporting families that vacated a site in 2021 acquired by the national oil company for a proposed gas and liquefied natural gas development. The partners are providing in-kind support to supplement statutory government financial compensation and address residual impacts such as the loss of farmland. In 2023, the partners launched an agricultural assistance programme to help restore the living standards and livelihoods of the affected households. This was based on extensive surveys and the active involvement of the families, village leaders, regional and local authorities, and non-governmental organisations. Additional support measures are planned.

We understand that offshore activities can impact local fishermen and that action through the relevant industry associations is an effective way to manage and mitigate potential impacts. In 2023, we helped develop a new Ipieca guide for fishing baselines to identify, avoid or mitigate the potential impacts of offshore projects on fishing livelihoods and dependent communities.

Read more about our approach to involuntary resettlement at www.shell.com/sustainability/communities/working-with-communities.

 **More in this report** [Community skills and enterprise development](#) | [Respecting human rights](#) | [Contributing to communities](#)

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A just transition

Shell recognises the importance of a just transition, which means a fairer distribution of the costs and benefits of the world's transition to a net-zero emissions energy system.

We aim to contribute to a just transition by working with governments and society to make a positive economic and social impact, while minimising negative effects, throughout our energy transition journey.

This is part of our work to power lives. In 2023, we made progress in supporting a just transition across a range of themes, including skills training, trialling a new model to share profits with local communities and improving energy access.

Skills for the future

As more jobs are created in renewable energy, people working in oil and gas may wish or need to acquire new skills.

In 2023, around 6,900 Shell employees – up from around 4,000 in 2022 – completed courses linked to the energy transition, including hydrogen production, carbon capture and storage, and greenhouse gas and energy management.

In the UK, we aim to help 15,000 people into jobs with a focus on the energy transition by 2035. Shell, along with its partners, is supporting the creation of two energy transition skills hubs in Scotland and one in Wales. The facilities, which are expected to open in 2024 and 2025, aim to provide people with skills for the future, such as in wind turbine maintenance and heat pump installation.

Communities

At our Pottendijk wind and solar power park in the Netherlands, which opened in 2023, we are sharing the proceeds of the renewable energy we generate. Over the next 16 years, we expect to pay around \$2 million into a special community fund to be used as the community sees best.

In 2024, we pledged \$200 million as part of a broader initiative to help people get access to energy in the near and medium term. The initiative aims to help millions of people in underserved communities in sub-Saharan Africa, India and South-east Asia get access to electricity and improved cooking conditions (as defined by the World Bank Multi-Tier Framework).

In Nigeria, Shell-funded investment company All On has agreed to invest \$11 million in 25 mini-grid projects across the country. The company aims to finance affordable solar energy for communities that need it the most.

Human rights, governments and industry

Respecting human rights is an essential part of a just transition. Shell is committed to respecting human rights, as set out in the United Nations Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. This includes our commitment to managing human rights issues that are central to the just transition, including, but not limited to, the rights of Indigenous Peoples; Free, Prior and Informed Consent; and access to remedy.

We also work with organisations to review how we embed just transition principles across our businesses. Opportunities to collaborate will be an important part of our approach. We continue to be actively involved in Energy for a Just Transition, which is run by Business for Social Responsibility and The B Team, and Ipieca's Just Transition Task Force.

Learn how Shell's tax contribution to governments and proposal on fiscal frameworks for the energy transition can contribute to a just and equitable energy transition.

Read more about our approach at www.shell.com/justtransition.