



Statement under the UK Modern Slavery Act for financial year 2016

About Shell

Royal Dutch Shell plc directly or indirectly holds investments in companies that explore for oil and gas worldwide; develop new oil and gas supplies and have a global network of refineries, chemical plants, and retail sites. Shell companies also transport and trade oil, gas and energy-related products, as well as investing in alternative energy and biofuels production.

Our values and own operations

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. We also encourage joint ventures we do not operate to apply materially equivalent business principles.

Respect for human rights is embedded in our Business Principles and in our Code of Conduct. Our approach is informed by the Universal Declaration of Human Rights, the core conventions of the International Labour Organisation and the United Nations' Guiding Principles on Business and Human Rights.

We have a Global Helpline in place for all employees and contract staff in Shell and for third parties with whom Shell has a business relationship (such as customers, suppliers, agents) to raise concerns and report instances of potential non-compliance with our values and principles, in full confidence and without fear of retaliation. Respect for human rights and provision of remedy for potential non-compliance are ways in which we uphold our Business Principles.

Our supply chain

Each of our 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 focus, for the purpose of this declaration, is on our own direct suppliers, however, we encourage suppliers to share our expectations, as embodied in the Shell Supplier Principles, throughout their own supply chains.

In accordance with the Shell General Business Principles and Code of Conduct, Shell companies seek to work with suppliers and contractors who contribute to sustainable development and are economically, environmentally and socially responsible. Shell companies expect suppliers and contractors to obey the national laws and international standards that require them to treat workers fairly, to provide a safe and healthy work environment and to protect environmental quality. Shell companies will develop and strengthen relationships with suppliers and contractors who are committed to following the Shell Supplier Principles.

In conjunction with the Shell Supplier Principles, Shell companies have access to a Supplier Qualification System (SQS) and associated personnel training to gain visibility of up-to-date, accurate supplier information. Suppliers accept registration in SQS and as a part of registration suppliers are required to certify that they follow the Shell Supplier Principles or similar standards and their company complies with all applicable laws and regulations regarding slavery and human trafficking of the country or countries in which they do business. Under the standard procurement terms generally used by Shell, suppliers and contractors agree to adhere to the Shell General Business Principles and the Shell Supplier Principles.

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 we procure. Suppliers or contractors identified as being at higher risk for labour rights issues are engaged to undertake a detailed assessment, developed in consultation with the Danish Institute of Human Rights, of their management system prior to the award of a contract. This assessment requires suppliers to declare whether they

have in place a process to assess and manage social risks with their own suppliers. The number of assessments follows our risk-based approach and is dependent on the level of project activity and the number of new contracts awarded throughout the year. If gaps are identified, we may work with suppliers and contractors to help them understand how to close these gaps or we may ultimately consider terminating the contract.

Suppliers or contractors that are required to develop a corrective action plan may be subject to onsite audits, which may be announced or unannounced, as part of Shell companies' monitoring efforts. Audits may be performed by either Shell personnel or third-party auditors.

Allegations of practices running contrary to our Supplier Principles that are raised to us will be investigated and may result in suppliers being required to develop corrective action plans backed up by onsite audits. In addition, contracts may be terminated with immediate effect if suppliers breach, or we suspect they are in breach, of the Shell General Business Principles.

For more information, please visit our webpages:

[Shell General Business Principles](#)

[Shell Code of Conduct](#)

[Shell Supplier Principles](#)

[The Shell Sustainability Report](#)

[The Shell Global Helpline](#)



Ben van Beurden

Chief Executive Officer

For and on behalf of Royal Dutch Shell plc

Date: 09/03/2017

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ⁱ *The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this statement "Shell", "Shell group" and "Royal Dutch Shell" are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to subsidiaries in general or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this statement refer to companies over which Royal Dutch 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 a venture, partnership or company, after exclusion of all third-party interest.*

For the full cautionary note, please visit: [Cautionary Note](#)