



SHELL-CONTRACTOR SAFETY LEADERSHIP

A Collaborative Journey



Foreword

Safety and care for people are at the heart of how we operate in Shell. A major contribution to our scope is carried by our contractor partners. In 2014 we therefore started our Contractor Safety Leadership journey to step up collaboration with our major contractors driving our Goal Zero ambition based on trusting relationships. The co-creation of our “Declared Future” and pairing contractor executives with Shell leaders helped align our organizations at all levels and drive safety improvements for the frontline.

It has been humbling to experience how this diverse executive group has come together to create a safe environment for sharing good practices, raising dilemmas and co-creating opportunities to make a difference in our industry.

Through the journey we have transformed how we deliver safely by embracing standardisation and addressing key focus areas such as worker welfare and mental health. Together we have discussed and navigated safely through some extraordinary challenges for our industry, including the recent pandemic, always supported by our deeply felt care for our people. I personally believe that embracing the Human Performance philosophy will help us advance on this journey and help us grow as safety leaders.

I would like to thank our contractor partners for their commitments to this journey and making a profound impact. I hope that the insights and successes of the multi-year journey shared in this booklet inspire leaders to collaborate further to keep our people safe.

Regards,

Harry

Harry Brekelmans
Projects & Technology Director
Royal Dutch Shell plc

Annual Shell-Contractor Safety Leadership Workshop,
Shell Pernis Refinery, Rotterdam, The Netherlands, 2018



Baker Hughes 



海油工程
COOEC

FLUOR

HALLIBURTON



JGC

MODEC

Petrofac 

SAIPEM 

SBI
OFFSHORE



subsea 7

TechnipFMC

Transocean

TURNER
INDUSTRIES

wood.

Worley
energy | chemicals | resources

History of Shell-Contractor Safety Leadership (CSL)

2014

Declared Future

Launched by Upstream business
Formed Executive pairs



2015

Run the business better

Sensing survey to understand how we work together, reflect on how to address challenges and gaps while building mutual trust in the group

Expansion of journey to all Shell businesses



2016

Replicating best practices to address high potential risks

Transforming how to work efficiently together towards safety



Momentum to move into industry solutions; e.g., IOGP LSR, Building Responsibly Worker Welfare Principles



Group signing of "Statement of intent to assess the 10 Worker Welfare Principles of Building Responsibly against their practices"

2018

Reaching the frontline
engagement with frontline during annual workshop

2017

Keeping safe during the downturn
Working through the challenges together

2019

Learning from frontline

Annual workshop at Subsea 7 office in Aberdeen with visits to multiple contractor sites

2020

Collaboration through crisis

Navigated through COVID-19 crisis together by leveraging joint experience, demonstrating care and listening

Launch of Shell's refreshed approach to safety with focus on Human Performance and Learner Mindset



Launch of Worker Welfare Manual in Shell

Shell to adopt IOGP LSR





SHELL – CONTRACTOR DECLARED FUTURE

WASSENAAR | KASTEEL DE WITTENBURG | 17 OCTOBER 2014

Our future is one of zero harm and zero leaks,
achieved by managing our risks, utilising
competent and empowered people.

We will have:

- A shared set of standards
- Standard solutions
- Simple and efficient ways of working
- A long-term partnership approach Shell and Contractors
- Mutual trust and honesty

In 2014 the journey started with co-creation of our “Declared Future”: the purpose and ambition for the group of key Shell and Contractor executives.

Whilst initiated under the inspired leadership of Andy Brown as a Shell Upstream journey, once established, the CSL group rapidly expanded to cover all Shell businesses.

Collaboration and care are at the heart of how we work together.

Today, the “Declared Future” is evolving as we embrace Human Performance.

SHELL-CONTRACTOR
SAFETY LEADERSHIP



Importance of Contractor Safety for Shell

**GOAL ZERO.
NO HARM.
NO LEAKS.**



World class delivery

Shell Supply Chain Management

29,000
Number of global supplier/contractor companies in 2019

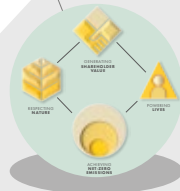
\$44.9 bln
spent on goods and services in 2019 globally

In partnership with our key contractors

Shell's Strategy

Powering Progress

Underpinned by our **core values** of honesty, integrity and respect for people, and our focus on **safety**.



Shell-Contractor Safety Leadership

21
Contractor companies in CSL

>500,000
DIRECT EMPLOYEES
Total for all CSL members

80M+
Exposure Hours Annually*

Contractor Safety in Shell

65%

Share of contractor exposure hours in Shell Operated Ventures



Majority of the high-risk work is performed by our contractors



We want every contractor that works for us to go home safely every day

*Aggregated average data from majority of our CSL partners

What are the key highlights of your safety leadership journey with Shell?

«JGC's safety leadership journey began on the Shell Qatar Project in 2006, including key safety learnings that have been implemented on all our projects, achieving excellent results. As the journey continues, Shell-Contractor Safety Leadership has helped us learn from our partners, enhancing safety systems which has helped keep our people safe.»

Tsutomu Akabane

Senior Executive Vice President, JGC Corporation

«Halliburton and Shell collaboratively published two videos, which reinforced safety leadership and fostered a culture of transparency and trust. We significantly improved risk mitigation by aligning our Management of Change processes as well as Shell's Assist and Assure initiative with Halliburton's Design of Service and Control Points. This resulted in strong process execution, safety performance and cultural alignment.»

Jeff Miller

Chairman, President and CEO, Halliburton



Helicopter takes off from Nelson Platform, North Sea off the coast of Aberdeen, Scotland, 2014



Leading in Helicopter Safety

CHC Helicopter is fortunate to have been involved in CSL from the outset and it was immediately clear this was something 'different'. The senior executive pairings gave the right level of **leadership** to the activities and also allowed genuine **collaborative relationships** to be formed. The 'personal touch' of these pairings is a very important element.

Shell wanted to know 'the truth' and how they might make their suppliers' lives less complicated when it comes to safety; this openness to gain insight into the role they might play through their behaviors is most welcome. The global pandemic induced by COVID-19 tested our ability to **collaborate** on

how we could support each other to keep our people safe and maintain operational output and our efforts succeeded.

CSL brought many practical benefits like access to **frontline staff** who were willing to share good ideas on how to improve engagement on safety. Managers, supervisors, scaffolders, they were all happy to engage in our discussions and we adopted some of their ideas with significant success. It was a great reminder that to be leaders in safety we need to listen to the frontline teams who we ultimately rely on to get things done safely. As a result of CSL, we've actively increased frontline engagement levels.



What is your biggest challenge as a safety leader that Shell-Contractor Safety Leadership has helped you with?

«“Caring for people” has been deeply integrated into COOEC’s HSE Culture. The outbreak of COVID-19 gives us a new perspective to review existing HSE System & Culture. Next we will focus on how to improve Building Responsibly (BR) and also care for all people surrounding including partners and clients.»

Kong Linghai

VP Business and Marketing, COOEC

«As a safety leader it is incumbent on me to ensure an environment to protect the health and well-being of our employees, contractors and suppliers. Although we have incorporated multiple measures and emphasized education – we have still not achieved an incident free workplace and this is my biggest challenge. The sharing of best practices and lessons learned between the safety partners in Shell-Contractor Safety Leadership provides a platform based on trust, transparency and collaboration. I am confident that together we will drive our industry to zero injuries and incidents.»

Doug Pferdehirt

Chairman and CEO, TechnipFMC





Visual Onboarding with Worley

The Worley-Shell executive pair targeted an **improved approach to the onboarding** of workers who perform run&maintainance and turnarounds at the manufacturing sites.

The new approach “Visual Onboarding” improves the way **frontline craft workers** are onboarded by using real equipment, Personal Protective Equipment (PPE), tools and mannequins to demonstrate real hazards and correct mitigations. The interactive displays, videos and stations stimulate conversation and questions, identifying hands-on mitigation strategies that are not possible in a typical classroom setting. The process also **simulates real field conditions** before employees are exposed to hazards and sets expectations of what good looks like to effectively change how employees identify and mitigate risks.

The Visual Onboarding program has been successfully implemented in a couple Shell sites in Europe. It was first piloted in the Americas between Shell and Worley in 2018 at the Scotford site in Canada and showed great results in 2019 Spring Turnaround.





How is Shell-Contractor Safety Leadership helping the uptake of digital technology for improved safety?

«For Petrofac, CSL has made us refocus on the role of digital technology. We all know that good safety is good business, and we have therefore increased our efforts to digitalize core business processes and supply work instructions to the front line in the clearest possible way. We have also fast tracked our “connected worker” technology to allow our workers remote access to specialists, and even virtual safety visits during the pandemic lockdown. If we do it right, we will be safer (and more efficient).»

John Pearson

COO Engineering & Production Services, Petrofac

«A key part of our CSL journey is using digital solutions to reduce interfaces, standardise and simplify ways of working. This results in reducing the risk of failure and resulting unsafe conditions. This journey enables us to share these best practices and accelerate roll-outs across the Shell & Bilfinger site teams.»

Duncan Hall

COO, Bilfinger



Worker Welfare in Wood

The way we treat the most vulnerable people in our work environment says a great deal about our ethics and culture and whether we really demonstrate our commitment to care. **Our itinerant workforce** are some of the more silent members of our project teams, often drawn from more vulnerable communities and locations, working sometimes many thousands of miles from home. **The way that we care** for these team members is equal to and/or greater than any other relationship at the project level, or at least it should be! Maintaining the dignity, fairness, health and welfare of our workforce remains a key priority for our industry especially where there is little or no protection under domestic laws.

We all face a **similar challenge across our industry** especially where we utilize an itinerant workforce. The concept of “levelling the playing field” by developing a **common set of standards for worker welfare** was the driving force behind Building Responsibly. As a founder member of the organization, we have worked with our peers and colleagues to design, develop and implement the principles.

Building Responsibly **cross-industry collaboration** has enabled us to determine worker welfare principles that underpin fair and decent treatment for our workforce wherever we work. **Building Responsibly’s** collaboration with Shell

has been the catalyst in raising the bar in this important area. A big step forward for our principles was Shell harnessing the Contractor Safety Leadership in coalescing support and enabling the endorsement of principles across the group.

Wood is committed to **embedding the principles** at the heart of our business so they are “just the way we do our business” – an approach shared by our members. For this to happen we need to make sure that we have the awareness, alignment in our governance and assurance processes. This is not something we do overnight but a **journey requiring co-operations across the value chain** in the delivery of our projects. We will continue to develop, educate and raise awareness of the principles but most importantly lead in their adoption and promote their adoption across the world because it is the **right thing to do**.

wood.

Building Responsibly membership has grown from 6 founding member companies to

12 members
and over 15 core supporters
reaching over
1 million people

We are proud of what we have achieved together

«Wood’s early engagement, as a founding member of Building Responsibly, has helped to develop not just our own understanding of worker welfare issues, but build lasting relations with our peers, clients and industry bodies in a non-competitive and collaborative environment.»

Robin Watson
Chief Executive, Wood

«Building Responsibly (BR) has enjoyed a strong and productive cooperation with Shell since we were established in 2017. In particular, having Shell and its contractors adopt the BR Worker Welfare Principles as part of Shell's Contractor Safety Leadership (CSL) journey was an important step in BR's growth. It allowed BR to increase awareness of our work, expand our membership and benefit from the experience of a diverse group of companies. Now, from this strong base which Shell and the CSL helped establish, we are in a position to spread adoption of our Principles more widely and have a real impact on the lives of workers in the construction industry. Quite simply, we could not have done without the support of Shell.»

Philip Vaughn

Fluor Chairman, Building Responsibly



ABOUT BUILDING RESPONSIBLY

Building Responsibly is a group of leading engineering and construction companies working together to raise the bar in promoting the rights and welfare of workers across the industry. For more information and resources to support implementation of these principles, visit www.building-responsibly.org



WORKER WELFARE PRINCIPLES

1. Workers are treated with dignity, respect, and fairness
2. Workers are free from forced, trafficked, and child labor
3. Recruitment practices are ethical, legal, voluntary, and free from discrimination
4. Freedom to change employment is respected
5. Working conditions are safe and healthy
6. Living conditions are safe, clean, and habitable
7. Access to documentation and mobility is unrestricted
8. Wage and benefit agreements are respected
9. Worker representation is respected
10. Grievance mechanisms and access to remedy are readily available

«Each of us has a part to play in worker welfare. We are proud to work together with clients such as Shell to raise the bar in promoting the rights and welfare of workers. Shell's endorsement of the Building Responsibly Worker Welfare Principles gives strong credence to the initiative among its main contractors. Shell's Contractor Safety Leadership provided a powerful forum to raise awareness of the principles, the tools and guidelines that SBM has developed around it.»

Bruno Chabas
CEO, SBM Offshore



Safety Journey of Pennsylvania Petrochemicals Project

Through challenges come strong relationships. By removing boundaries and working collaboratively, Bechtel and Shell continue to accomplish what's best for Pennsylvania Petrochemicals Complex as a whole. We've demonstrated that what is most important each day is the **safety of our people** and we will put that ahead of progress and productivity every day.

The decision to pause construction in March because of COVID-19 affected the livelihoods of **more than 8,000 workers**, as well as the local communities. It was a situation that would take all of us coming together as one team to find solutions. **A unified, collaborative approach** resulted in a world-class exposure control plan that included social

distancing measures, a dedicated COVID-19 testing lab, and a phased, safe approach to ramping construction back up safely while mitigating the spread of the virus within our workforce and the community.

Likewise, working collaboratively to minimize dropped objects resulted in an **80 percent reduction in high potential dropped objects in 2020** compared to 2019 for the same period. By creating a dedicated craft professionals Dropped Objects Team, a crew recognition program that also supports local charitable organizations and applying learnings from previous incidents continues to manage the ongoing risk of dropped objects.



How is Shell-Contractor Safety Leadership helping Bechtel and Shell deliver Pennsylvania Petrochemicals Project safely?

«The people who come to build our projects deserve the best quality leadership engagement to surround, support and empower them. Our workforce always benefits more when we're leading together; Bechtel and Shell bringing the best to bear from our organisations and amplifying that positive impact to keep our people safe and cared for.»

Paul Marsden

President Oil, Gas and Chemicals, Bechtel

«Dropped objects represented a significant exposure to those under our care at the Shell Pennsylvania Petrochemicals Project. It takes a trusting relationship to openly challenge ourselves on our approach to managing risks on our sites. The collaboration to address these high potential dropped objects is testament of what we can achieve when we work together at all levels. Our solid relationship is helping us deliver a world class chemicals facility of which we can all be proud.»

Markus Droll

EVP Projects, Shell



How does your pair relationship with Heerema Marine Contractors (HMC) help to achieve our Goal Zero ambition in your capital projects?

«Intentionally building a personal relationship founded on a shared value of care created a positive HSE culture throughout our joint teams. The simple act of sharing our HSE low moments and how we felt, instantly created empathy and through that trust between us and our teams. Trust is the secret ingredient for excellence in HSE, and projects too.»

Ian Silk

VP Conventional Oil & Gas Projects, Shell

How important is industry standardization for you and this safety leadership journey?

«The Resilience and Well-Being programme Subsea 7 developed with strong support from Shell's own findings allowed us to create a standardized approach to Resilience across our workforce. This approach has now been cascaded across our Industry. A resilient workforce underpins all that we seek in Goal Zero. Collaboration and standardization at its best.»

John Evans

CEO, Subsea 7

«I am really proud to be program managing this important safety journey which we have extended by creating a collaboration platform for Contractor HSE Directors and Senior Shell HSE Managers who support the executives in this journey. This **Network of HSE Directors** presents a wealth of experience which is liberally shared, whether in respect to operationalizing the executives' strategic steer, provide input to improvement efforts or regarding best practices on challenges we face.»

Tjitske Monster

General Manager Projects Safety & Environment

Program Manager for Shell-Contractor Safety Leadership, Shell



Shell CEO's HSSE & SP Award Achievements with CSL Partners

Shell CEO's HSSE & SP Award

recognizes and rewards outstanding efforts, at an individual or team level, towards improving and sustaining Shell's performance in the areas of health, safety, security, environment (HSSE) and social performance (SP). These are the highest awards for HSSE & SP in Shell and winners receive a personal thank you from Chief Executive Officer Ben van Beurden.



Winner in "Staying in Control of HSSE & SP Risks" category
Shell, Bechtel, Unions and Contractors
Pennsylvania Chemicals Project Safety Performance Improvement



Winner in "HSSE & SP Leadership" category
Shell and Amec Foster Wheeler*
Malikai Tension Leg Platform Fabrication & Commissioning



Winner in "Do the Right Thing" category
Shell, NAM, Amec Foster Wheeler* and AJS
Step Change in Safety Simplification



Special Merit in "Staying in Control of HSSE & SP Risk Area" category
Shell and Fluor
Design for Safe Construction Program for the LNG Canada Project



Special Merit in "HSSE & SP Leadership" category
Shell and Technip Samsung Consortium
Prelude FLNG



Special Merit in "Excellence in Environment & Social Performance" category
Shell and Amec Foster Wheeler*
LNG Canada

*Wood Group acquired Amec Foster Wheeler in 2017 to become Wood



For more information, please contact Nur Pelin Binay or John Buglass via ContractorSafetyLeadership@shell.com