Preamble

Contained herein is Shell E&P Ireland Limited's submission to the Human Rights unit of the Department of Foreign Affairs and Trade, 80 St. Stephen's Green, Dublin 2, Ireland. This submission is made in response to the DFAT call for input as part of the ongoing process to draft Irelands National Action plan on business and human rights.

The submission is dated March 10th 2015.

Introduction

Shell E&P Ireland Limited is the operator of the Corrib gas project, one of the most exciting and challenging engineering developments ever undertaken in Ireland. Ireland currently imports more than 90% of its gas and generates two thirds of its electricity from gas. The Corrib development is strategically important from an energy security perspective, because at peak production, Corrib has the potential to deliver more than 60% of Ireland's gas needs.

The project will contribute €6 billion to Ireland's GDP over its lifecycle and will have created more than 1,000 jobs during the construction phase providing 175 full time jobs on completion.

The Corrib Field was discovered in 1996 by Enterprise Oil which established Enterprise Energy Ireland Limited to bring the Corrib field to production. Enterprise Oil was acquired by the Shell group in 2002 and Enterprise Energy Ireland Limited changed name to Shell E&P Ireland Limited.

The Corrib Gas Partners are Shell E&P Ireland Limited (45% - Operator), Statoil Exploration (Ireland) Limited (36.5%) and Vermilion Energy (18.5%).

The Corrib development is made up of four components:

- The offshore well and sub-sea infrastructure;
- The offshore pipeline and umbilical;

- The onshore pipeline and umbilical connecting the offshore pipeline and umbilical to the terminal; and
- The gas terminal at Bellanaboy Bridge.

The offshore sub-sea infrastructure, the offshore pipeline, and the terminal at Bellanaboy are substantially completed and the gas is expected to flow from the wells to the terminal and into the Irish gas network in 2015.

Responsibility of Business to Respect Human Rights

Our approach

Shell have an established commitment to respect human rights, our approach to human rights is informed by general concepts from the United Nations Guiding Principles on Business and Human Rights.

We have built on the strength of our experience and integrated human rights into existing governance and business management systems.

The Shell General Business Principles, Shell Code of Conduct and relevant policies in the areas of human resources, security, contracting & procurement, and social performance support our work to meet society's expectations around human rights.

We focus on four areas across Shell's activities where respect for human rights is especially critical to the way we operate: communities, labour, supply chains and security.

A working group of experts co-ordinates across our activities in this area across the company.

We seek to work with contractors and suppliers who contribute to sustainable development and are economically, environmentally and socially responsible. The Shell

Supplier Principles provide a simple and consistent framework of our expectations for all our suppliers.

Before we invest in any project, for example, we require grated environmental, social and health impact assessments to be carried out. We engage with local people who may be affected along with other interested parties, to find practical ways to manage concerns and generate benefits through our business activities.

The Shell General Business Principles are designed to ensure that our employees respect the human rights related to their activities and seek business partners and suppliers to observe standards similar to our own.

Our Code of Conduct informs staff how to apply our Business Principles, including respect for the human rights of our employees and support for human rights in line with the legitimate role of business.

In this code we recognize that conducting our activities in a manner that respects human rights as set out in the UN Universal Declaration of Human Rights and the core conventions of the International Labour Organization supports our licence to operate.

We train staff on how to comply with the code.

Working with others

We support international declarations and conventions developed to protect human rights.

Together with other firms, non-governmental organisations and governments we are involved in several external voluntary initiatives designed to help implement human rights policies.

We also consult with experts to better understand social challenges in areas where we operate.

Our work with the Danish Institute for Human Rights is helping us to further shape our approach on human rights.

The collaboration has helped us integrate human rights thinking into our existing business processes, aiming to identify and address potential impacts; particularly when we consider entering or operating in politically sensitive countries and regions.

With our industry counterparts through IPIECA (The global oil and gas industry association for environmental and social issues, http://www.ipieca.org/) we contributed to the industry programme on human rights. The programme published guides on due diligence, human rights and integrated impact assessment, and community feedback mechanisms in the oil and gas industry.

We are a member of the Global Business Initiative for Human Rights (GBI)

(http://www.global-business-initiative.org/), a group of businesses from different sectors that aims to advance human rights in a business context around the world.

Our support also includes external initiatives designed to uphold human rights, such as the UN Global Compact, the Voluntary Principles on Security and Human Rights (http://www.voluntaryprinciples.org/files/voluntary-principles-english.pdf) and the Extractive Industry Transparency Initiative. (https://eiti.org/)

- SGBP: http://www.shell.com/content/dam/shell-new/local/global-content-packages/corporate/sqbp-english-2014.pdf
- Code of Conduct: http://s06.static-shell.com/content/dam/shell-new/local/corporate/corporate/downloads/pdf/codeofconduct-english-2010.pdf
- Supplier Principles: http://www.shell.com/content/dam/shell/static/products-services/downloads/suppliers/supplier-principles.pdf
- VPSHR: http://www.shell.com/global/environment-society/society/human-rights/security.html
- Training: http://www.shell.com/global/environment-society/society/human-rights/training-tools-guidelines.html

• <u>Sustainability Report 2013: http://reports.shell.com/sustainability-report/2013/servicepages/downloads/files/entire_shell_sr13.pdf</u>

Assess Impacts and Stakeholder Engagement

We carry out impact assessments before making any major change to an existing operation or starting a new project. This includes listening to the local community as part of considering potential positive and negative impacts of a project and we can adapt its design if appropriate. At every review stage of the project we consider environmental, social and health impacts and mitigations – in consultation with local communities – to decide how, or whether to, move ahead. http://www.shell.com/global/environment-society/society/our-neighbours/trust.html

We aim to encourage economic and social development while mitigating (potential) negative impacts of our operations. The benefits we bring to local people can include jobs, capacity building, technology, contracting and business opportunities, ecosystem restoration and social investment. http://www.shell.com/global/environment-society/society/our-neighbours/impact.html

Impact assessments: http://www.shell.com/global/environment-society/s-development/our-commitments-and-standards/impact-assessment.html

ACCESS TO REMEDY

Shell help line

We promote safe reporting of views about our processes and practices. In addition to local channels, our global telephone helpline and website enable employees to report potential breaches of the Shell General Business Principles and Code of Conduct, confidentially and anonymously, in a choice of several languages.

Shell introduced The Global Helpline which enables Shell employees and others to raise concerns or dilemmas, or to seek advice on a matter related to compliance with the law and Shell's business principles (SGBP) and Code of Conduct, in full confidence and without fear of retaliation. http://www.shell.com/global/aboutshell/who-we-are/our-values/compliance-helpline.html

Community Feedback Mechanisms

Dedicated to community complaints Shell has set up local Community Feedback Mechanisms (CFMs) for community stakeholders who feel they are affected by our business activities where they can raise questions, suggestions and/or concerns and get them addressed in a prompt and professional manner. The systems build on good industry practices developed with industry peers in IPIECA. CFMs are established at an operating-company level and are the responsibility of local managers through the local SP teams, in particular the SP Advisor and Community Liaison Officer (CLO).

CFMs are designed to benefit, communities, Shell and each business entity by:

- Improving the way we respond to community feedback/concerns and measure/monitor progress;
- Enabling more proactive efforts to mitigate impacts that give rise to complaints;
 and
- Receive feedback on the effectiveness of stakeholder engagement and management of impacts.

Recommendations

Businesses have a responsibility to respect human rights which is independent of
a government effectiveness at meetings it responsibility to protect human rights.
 However the national action plan should recognize governments have the primary

duty to protect human rights and that without effective execution of these government duties, companies face significant challenges in meeting their responsibilities to respect.

- The national action plan should look at actions and initiatives to engage all business, small to large, locally and internationally operating, to meet their responsibilities.
- The national action plan should maintain the spirit of principled pragmatism and risk based approach of the UN Guiding Principles to allow business to direct its effort and resource where there is the biggest exposure to potential human rights impacts.
- The national action plan should in first instance build on and encourage the use of
 existing national and transnational initiatives and (industry) programmes, such as
 EITI, GRI, UN Global Compact rather than starting new initiatives.
- The National Action plan should consider assisting business with identifying information sources and approaches that allows business to assess their (potential) human rights impacts and develop effective mitigations.
- The development and implementation of national action plan should be developed with business to ensure actions and initiative can be operationalized, are relevant and effective to their intent.

Additional resources

UN Guiding Principles on Business and Human Rights

The Corporate Responsibility to Respect Human Rights: An Interpretative Guide

Respecting Human Rights: Tools & Guidance Materials for Business

"Business and Human Rights Dilemmas Forum", UN Global Compact and Maplecroft

BiTC Stakeholder Engagement Report: http://www.bitc.ie/wp-content/uploads/2013/10/Stakeholder-

Engagement-Report_web_Final1.pdf

See here for further tools & guidance