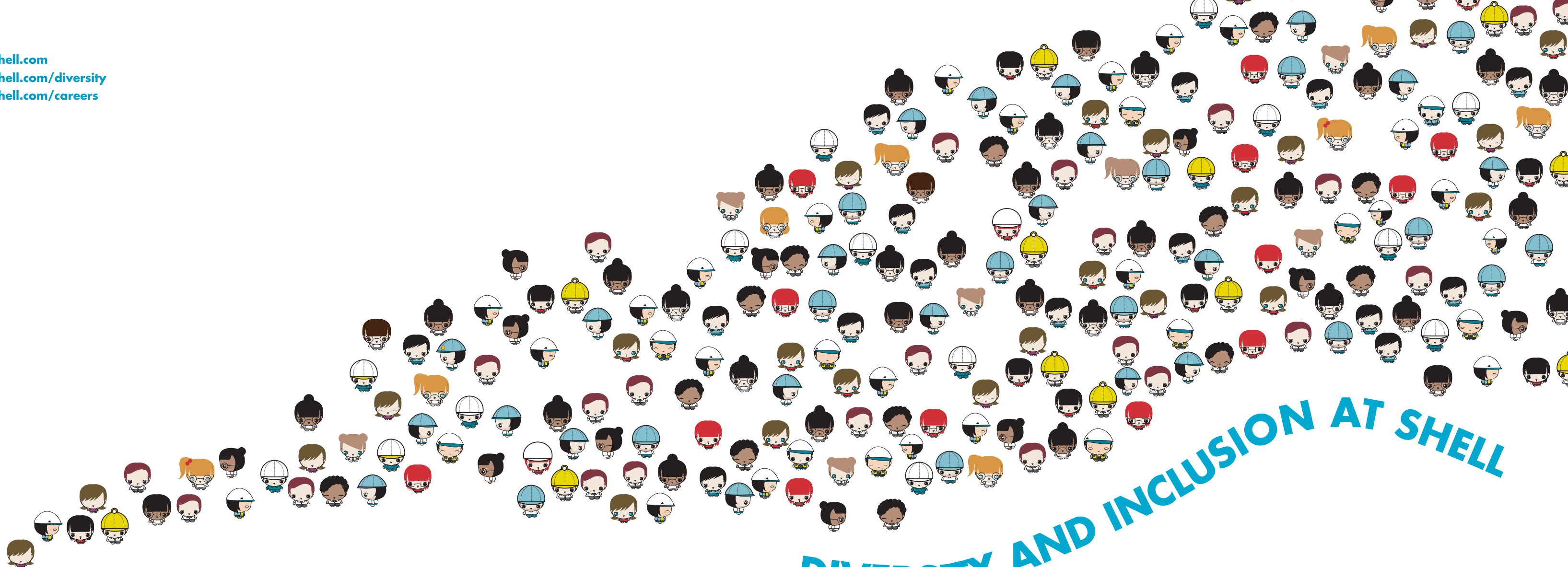


[www.shell.com](http://www.shell.com)  
[www.shell.com/diversity](http://www.shell.com/diversity)  
[www.shell.com/careers](http://www.shell.com/careers)

VMS, The Hague, H9614



# DIVERSITY AND INCLUSION AT SHELL



# SHELL'S COMMITMENT TO DIVERSITY AND INCLUSION

Diversity and Inclusion will create a stronger Shell for the future. I'm committed to broadening our diversity and deepening the inclusion of our workforce through dedicated leadership and accountability.

Embedding D&I within our structure, people, processes and culture will result in more customers, employees, stakeholders and partners choosing Shell more often.

We will continue to attract and develop the best and most innovative women and men who will contribute to Shell's future as a leader in delivering the best energy products and solutions to our customers. D&I is an advantage that will enable a competitive performance culture.



**Peter Voser**  
CEO





# WHAT IS DIVERSITY AND INCLUSION?

## What is Diversity?

At Shell, diversity means all the ways we differ. It includes visible differences such as age, gender, ethnicity and physical appearance, as well as underlying differences such as thinking styles, religion, nationality, sexual orientation and education.

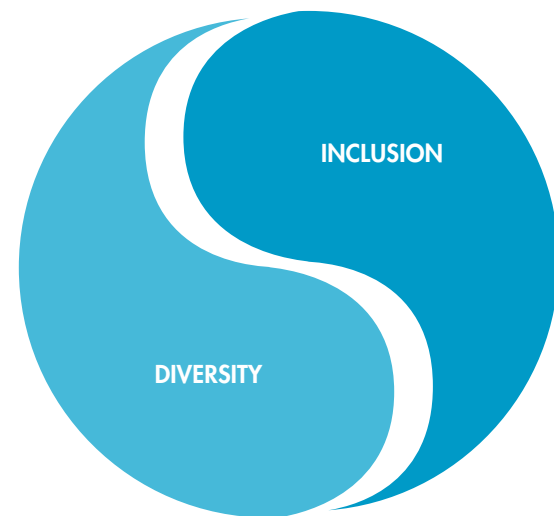
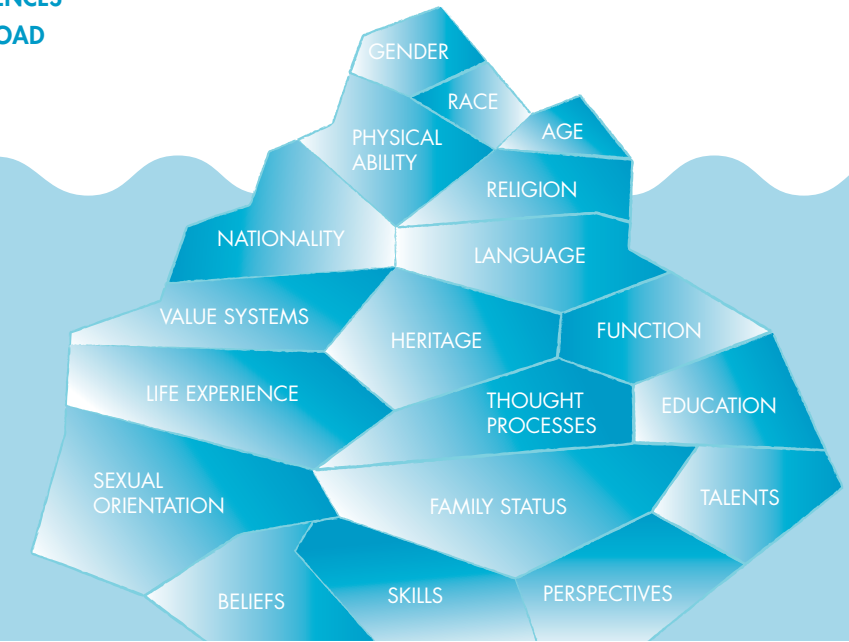
## What is the link between them?

Diversity and Inclusion (D&I) are interrelated and to achieve our aspirations, we must maintain our focus on both. Managing D&I includes addressing factors of difference, which have an impact on workplace performance, and fully utilising the potential contributions of all employees. It also means eliminating/reducing barriers that stand in the way of full participation and unleashing the creativity that comes from different ideas and experiences.

## What is Inclusion?

Inclusion means creating a working culture where differences are valued; where everyone has the opportunity to develop skills and talents consistent with our values and business objectives. The aim is to make Shell an organisation where people feel involved, respected and connected – where the richness of ideas, backgrounds and perspectives are leveraged to create business value.

WE USE THE METAPHOR OF AN ICEBERG TO REPRESENT VISUALLY OUR DEFINITION OF DIVERSITY. THE VISIBLE PORTION REPRESENTS DIFFERENCES SUCH AS RACE, GENDER AND OTHER PHYSICALLY APPARENT DIFFERENCES. THE PORTION OF THE ICEBERG THAT LIES BELOW THE WATER LINE IS REPRESENTATIVE OF THOSE DIFFERENCES THAT ARE NOT OUTWARDLY APPARENT AND REPRESENT A BROAD MOSAIC THAT MAKES UP WHO WE ARE AS INDIVIDUALS.



Inclusion is all about the behaviours we display at work. Here a few of Shell's leaders talk about how they show their personal commitment to promoting an inclusive environment.

### Gaurdie Banister, CEO AERA:

"Difficult economic times are when diversity is most important. When companies are changing or seeking a new path, every idea counts. This is when every voice must be heard so as to help improve the bottom line."

### Alan Matula, Chief Information Officer:

"Diversity and Inclusion is crucial and especially important for us as we work in a more multi-sourced environment with our industry leading suppliers. Looking forward, it is important to bring our suppliers into an inclusive discussion on the behaviours required for joint success. Leadership, Accountability and Teamwork (LAT) form the basis of these discussions. This extension of our D&I programmes into our supplier community is a critical success factor for top quartile in OneIT."



# WHY IS D&I IMPORTANT?

## Attraction and retention of top talent

The world's workforce is more diverse than ever before, due to global business operations. The average age of workers is rising, and the number of women in the workforce continues to increase. As employee value propositions and societal expectations continue to change, Shell's success depends on our ability to attract, motivate, and retain this increasingly diverse pool of talent.

## Increased productivity

Studies show that employees who feel respected, valued, and engaged develop stronger relationships and become more involved in their work. This leads to more effective teamwork, enhanced decision-making, increased creativity and innovation, lower absenteeism and staff turnover, and reduced costs.

## Stronger Customer / Market Focus

A diverse workforce and inclusive employment practices ensure that we better understand our increasingly varied customer base, as well as building stronger relationships with them.

D&I also helps create a workforce that mirrors the communities in which Shell operates, enabling us to better understand and build relationships within the communities, optimising the positive economic and social impact of Shell's presence.

Shell, as an established world leader, sees a diverse staff and an inclusive work environment as vital to building relationships and trust – key ingredients to our continued success.



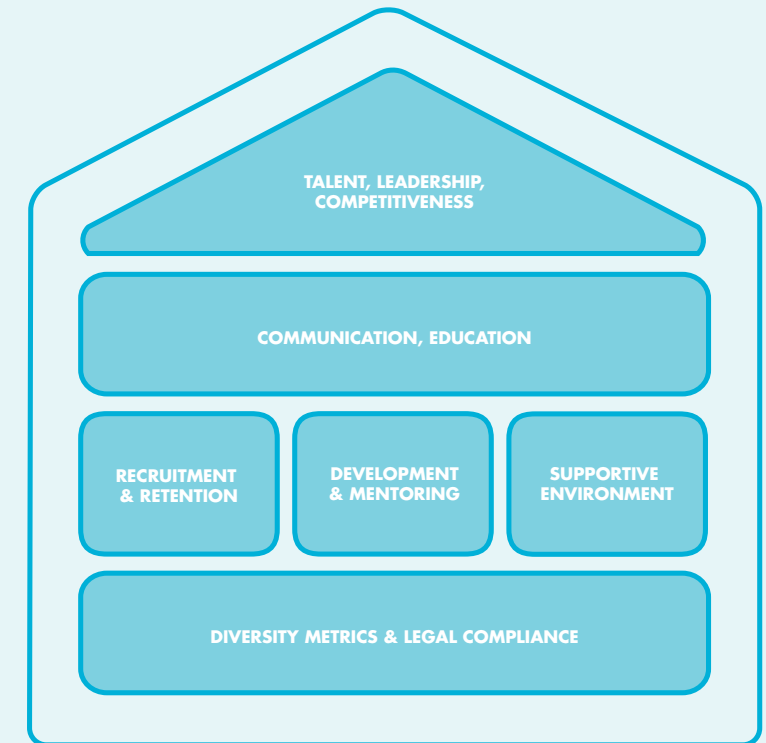
# HOW WE INFLUENCE CHANGE

## Our framework for D&I

The framework we use to deliver against our D&I aspirations focuses on three areas that are key to a successful business model - Talent, Leadership and Competitiveness. We recognise the need to broaden both how and where we look for talent at every level in the organisation, especially in growth markets and regions. Diversity in our talent base and leadership helps us better understand the needs of all of our stakeholders including customers, suppliers, partners and governments, which makes us more competitive.

## The levers we use to enhance our D&I profile touch on many different areas, including:

- Our education offerings.
- Highlighting success stories and sharing good practices.
- Recruitment and retention efforts that focus on tapping into the top talent across diverse constituency groups.
- Development and mentoring of diverse staff from across the world.
- Building supportive and inclusive work environments.



We underpin our efforts by targeted metrics that monitor progress and ensure that action takes place, because we have an organisational culture in which what gets measured gets done.

## Global Diversity & Inclusion Framework



# HOW DO WE CHANGE?

AN INCLUSIVE ENVIRONMENT THAT RESPECTS AND VALUES DIFFERENCE IS BUILT ON OUR BEHAVIOURS AND SYSTEMS. FOR CHANGE TO BE SUSTAINABLE, EFFORTS MUST BE FOCUSED AT THREE LEVELS.

## Levels of Change



- **LEARN ABOUT YOURSELF**

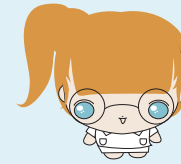
  - Engage in continuous learning
  - Understand your attitudes and behaviours
  - Identify personal assumptions and beliefs
  - Deal with biases you may have
- **BUILD DIVERSE / INCLUSIVE RELATIONSHIPS**

  - Seek to listen and understand
  - Challenge assumptions and behaviours that exclude and limit
  - Build inclusive workgroups and teams
  - Form productive relationships
- **LEAD THE PROCESS**

  - Develop the D&I plan
  - Build tools, processes and systems
  - Develop goals, measures and accountability
  - Model desired behaviour
  - Communicate
  - Provide resources
  - Identify and remove barriers

**Josefine van Zanten, VP Diversity & Inclusion:**

“Accountability is extremely important. Once you’ve agreed to what you’re going to do around D&I, then go and do it and make sure that there are regular reviews, discussions around why things are moving fast or not, readjust commitments, readjust actions and behaviors – but hold people accountable to what they say they are going to do.”



# HOW CAN WE ACCELERATE PROGRESS?

**SENIOR LEADERS GIVE THEIR VIEWS:**

**Tan Chong-Meng, EVP B2B:**

“To accelerate progress in this area, I think there are two things we can do. One is to be careful who we appoint into senior positions, because, ultimately, they have great influence over this subject. Second is the general pipeline. I think we have to look into the future and develop the type of talent pool that we need and start to adjust the balance way ahead.”

**Hugh Mitchell, Chief Human Resources and Corporate Officer:**

“We have made great progress over recent years, particularly in diversity representation driven by a real focus on recruitment and internal progression. The challenge is to ensure we maintain that progress and build on it. To achieve that we must drive our inclusion efforts further, creating an environment where all our staff feel valued and are able to contribute of their best.”

**Shahrukh Marfatia, VP HR B2B:**

“Our organisation is already well aligned on the need for D&I and its practice. Where we need to push the envelope, though, is on ensuring that we get the right mix of talent throughout the Group. Also, having focused our efforts in ensuring a diverse mix of talent, it is now perhaps time for a greater focus on building a more inclusive culture.”

**Vikram Mehta, Country Chair, India:**

“I see my own contribution to be raising the issue in every forum - D&I is not something we can ever take for granted. We have made progress, but we need to keep emphasising that D&I is not just a moral issue, but essential for the future of our business.”



# WHAT ARE SHELL'S GLOBAL MEASURES OF SUCCESS?

THE TABLE BELOW DEFINES OUR TARGETS AND PRINCIPLES IN MORE DETAIL. THEY ARE IMPORTANT INDICATORS OF OUR PROGRESS.

	GENDER	NATIONALITY	INCLUSION
TARGETS	Increasing the proportion of women in senior management to at least 20% in the long term.	Having local people fill more than half the senior management positions in every country we operate in.	Continuously improve the Diversity and Inclusion Indicator (DII) as measured by the Shell People Survey. (see below)
PRINCIPLES	<ul style="list-style-type: none"> <li>Match or exceed female diversity of external feeder pools.</li> <li>Balance external availability and internal development in achieving the female target.*</li> <li>Provide equal opportunity at all levels.**</li> </ul>	<ul style="list-style-type: none"> <li>Address ethnicity (male and female) at a country level as needed.</li> <li>Provide equal opportunity at all levels.**</li> </ul>	<ul style="list-style-type: none"> <li>No statistically significant differences among subgroups within DII results.</li> <li>Use credible mechanisms to gather and assess level of inclusion.</li> </ul>

The People Standards and associated Key Performance Indicators reinforce the expectations and methods to achieve these targets

\* Targets represented as Shell long-term minimum objectives.

\*\* Following national norms and government policies.

## HOW WE MEASURE INCLUSION:

Through our annual people survey we measure inclusion through five core questions.

- Where I work we are treated with respect
- I am free to speak my mind without fear of negative consequences
- My organisation has a working environment in which different views and perspectives are valued
- My organisation has a working environment that is free from harassment and discrimination
- The decisions leaders in my organisation make concerning employees are fair.



# ARE WE GETTING OUR MESSAGE ACROSS?

ONE MEASURE OF SHELL'S PROGRESS ON D&I IS THE EXTERNAL ACKNOWLEDGEMENT WE RECEIVE FOR OUR EFFORTS. RECENT AWARDS DEMONSTRATE HOW OTHERS SEE US – AND HELP US PROJECT A POSITIVE BRAND IMAGE TO PROSPECTIVE EMPLOYEES, CUSTOMERS AND OTHER IMPORTANT STAKEHOLDERS.

## HIGHLIGHTS INCLUDE THE FOLLOWING:

- For two consecutive years, The UK's Times newspaper listed Shell among the top 50 employers of women.
- Shell received praise from the Women's Business Enterprise Alliance (WBEA) for its good record on supporting businesswomen in the US.
- Shell received an award in Greece as one of the best five companies for equal opportunities.
- In Chile, Shell was recognised for good practices on diversity and non-discrimination in awards organised by the country's government. It was especially commended for its excellent progress on developing careers for women.
- Shell's image as a forward-thinking and inclusive company was further recognised when it was named as the 'company with the best image among high potentials' in The Netherlands by the Intermediar Imago Awards.
- Shell has been recognized twice by the US-based Profiles in Diversity Journal with awards for work on the progression and retention of women and for our work on inclusion.
- Shell's good practice in supporting lesbian, gay, bisexual and transgender (LGBT) employees has been recognised in a publication by Catalyst - an organisation specialising in helping build inclusive workplaces.
- Shell in the US has been recognized for achieving a 100 per cent rating in the Corporate Equality Index (CEI), demonstrating our continued commitment to maintaining a fair and equal workplace.

## Carol Cameron, EVP HR Global Functions:

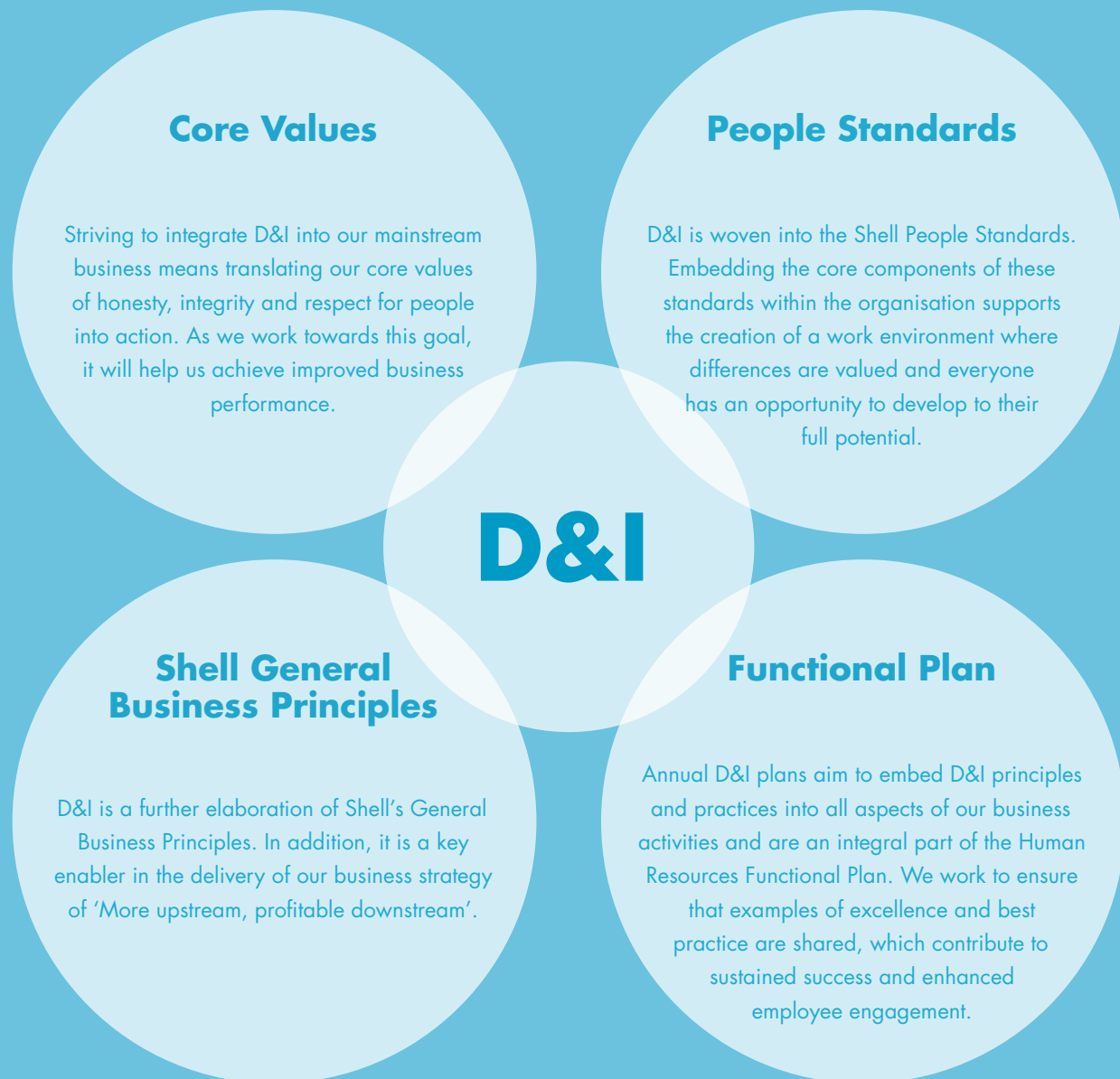
There are lots of ways in which D&I affects our business. It's of key importance that, wherever we are in the world, we have Shell staff who understand the local culture and can engage effectively with locally based partners and customers. And as we develop our business with major resource holder countries

such as Qatar, Australia, Russia, D&I is a key part of our partner value proposition - governments want to know that, as well as bringing technical know-how and investment to a country, we will develop their people.



# HOW DOES D&I LINK TO INTERNAL GROUP PRIORITIES?

BY LINKING AND INTEGRATING D&I VALUES INTO SHELL'S PRIORITIES, AS WELL AS INTO KEY BUSINESS AND PEOPLE PROCESSES, SYSTEMS AND PRACTICES, IT BECOMES EMBEDDED INTO THE CULTURE OF OUR COMPANY IN MUCH THE SAME WAY AS HSSE (HEALTH, SAFETY, SECURITY AND ENVIRONMENT) AND IS THE 'WAY WE DO BUSINESS'.



# HOW DOES D&I LINK TO EXTERNAL GROUP PRIORITIES?

DIVERSITY AND INCLUSION UNDERPIN OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT, ENHANCING SOCIAL PERFORMANCE AND CORPORATE BRAND IMAGE.

## Sustainable Development

Providing products and services built on sustainability helps create customer loyalty and support as we protect and grow our market share.

## Social Performance

Our commitment in this area of our business is an important factor in some people's decision to join and stay, and that alignment between personal values of staff and corporate values is a powerful motivator.

## Brand Image

D&I values and behaviours are all part of being a responsible corporate citizen – the performance matches the words – helping Shell become the organisation of choice for customers, staff, investors, suppliers, partners and the diverse communities in which we operate.

### James Smith, Country Chair, UK:

"Sometimes I get into conversations where people ask what the business case is for diversity and inclusion. What they're looking for is some sort of calculation, or formula, or number. I try to say that it's not like that. You can't do it by a formula. Diversity and inclusion – it's a belief. We have something like 10 million customers around the world in over 100 countries. What could be more diverse than our customer group? What could be more important than having a diverse organisation that understands that customer group and can respond to their needs?"

### Goh Swee Chen, VP Sunrise Project:

"We must be able to create an environment where talents from any walks of life, from any part of the world will feel that, when they join a company like Shell, they've joined a very progressive company."

# THE JOURNEY CONTINUES

Diversity and Inclusion is a business enabler, focusing on talents from all under-represented groups. Embedding D&I values and behaviours across the Shell Group is essential for the long-term health of our business. Shell's leaders understand this, and thanks to their commitment and support, we continue to make progress.

This is a long-term journey, and to reach our goals, we need to constantly review progress and work to embed D&I values across the whole organization. We will continue to drive our D&I targets to increase women and local nationals in senior positions, and continuously improve the inclusion of our work culture as measured by the Shell People Survey.

We recognize more work needs to be done to ensure our corporate systems, processes, environment, and behaviours are supportive and inclusive. We can all contribute to this objective at every level of the organization. In essence, a Diverse and Inclusive work environment is to the benefit of *all* groups of employees and *all* individuals.

**Josefine van Zanten**  
VP Diversity & Inclusion

