



GSSB Global
Sustainability
Standards Board

Barbara Strozzi 336
1083 HN Amsterdam
The Netherlands
gssbsecretariat@globalreporting.org

Item 02 – Stakeholder submissions and GRI Standard Division responses

For GSSB information

Date	28 November 2019
Meeting	10 December 2019
Project	Oil, Gas and Coal Sector Project
Description	This paper presents submissions received from stakeholders (1) Shell and (2) ENI. It also includes the responses sent the Standards Division.

This document has been prepared by the GRI Standards Division. It is provided as a convenience to observers at meetings of the Global Sustainability Standards Board (GSSB), to assist them in following the Board's discussion. It does not represent an official position of the GSSB. Board positions are set out in the GRI Sustainability Reporting Standards. The GSSB is the independent standard setting body of GRI. For more information visit www.globalreporting.org.

1 Stakeholder I

2 *Submission*

This document does not represent an official position of the GSSB



SHELL GLOBAL SOLUTIONS INTERNATIONAL BV

→ Bastian

Shell Global Solutions International
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2501 AN DEN HAAG
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Attention:
Mr Tim Mohin
CEO
GRI
Barbara Strozziilaan 336
1083 HN Amsterdam Netherlands

cc Mr Bastian Buck, Chief of Standards

Date: 4 October 2019
Grouping of the proposed GRI Oil, gas and coal sector Standard

Dear Mr Mohin

At Shell, we continue to use the GRI Standards to guide our reporting and we have closely monitored their evolution. We believe such standards for industries are an important tool to support and drive transparency.

You will know from a recent letter from Brian Sullivan of IPIECA that the new GRI Oil, Gas and Coal Sector Standard ("Proposed Standard") has been discussed with industry peers, leading to member companies' raising concerns about this new grouping. At Shell, we are fully supportive of IPIECA's position.

Shell does not support the grouping of oil and gas with coal in the Proposed Standard. This is a departure from the previous GRI grouping established since the 2012 G3 sector supplement which was guidance for the oil and gas industry only (and which Shell and IPIECA contributed to).

The oil and gas industry operations are very different from those of the coal industry. In our view, the coal industry is much more aligned with the mining operations. Each industry faces different issues, challenges and opportunities and we believe that this means that any guidance will struggle to accurately encompass the relevant aspects for these two distinct industries. We believe that the Proposed Standard would not help to enhance transparency and the ability to provide decision useful information for companies' stakeholders.

We also believe that grouping oil and gas with coal limits particularly the ability to highlight the opportunities for our industry and its role in the energy transition. This sentiment is reflected in currently ongoing discussions at the EU Institutions about a Taxonomy Regulation to be introduced in order to create a framework to facilitate sustainable investment through a unified EU classification system (taxonomy).

Shell's portfolio has always been evolving to strengthen its resilience, and we continue to do so, in part by diversifying into renewables and low-carbon solutions. A lot of our peers are looking at similar diversification strategies and we believe that any update of the GRI Standard needs to reflect today's operating reality and this sort of portfolio diversification. In fact, as noted in the letter you already

¹ The term "Shell" is used to reference Royal Dutch Shell plc and its subsidiaries. The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities.

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received from IPIECA, of its members, there is currently only one company with coal in their portfolio.

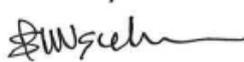
We are concerned that the Proposed Standard covering the two sectors would limit the value of the GRI reporting guidance to each sector, and also reduce the amount of relevant information available to stakeholders for decision-making on both sectors. Also, surveys and questionnaires used by other organisations to gather and rate companies' performance, are treating the oil and gas industry separate from coal and mining (e.g. RobecoSAM, CDP); and the mining industry is represented through their own industry associations (e.g. International Council on Mining and Metals). We are sure that reporting companies would benefit from continued basic alignment.

We therefore strongly recommend that GRI continues with a standalone sector standard for the oil and gas industry.

Finally, we would like to stress that it is vital that there is a broad industry participation on the GRI Working Group to ensure that the guidance is useful for the reporting companies it aims to serve, reflects the reporting landscape today, and to maximise usability, credibility and relevance.

We fully support IPIECA to provide industry input for the GRI Working Group and look forward to participate in a call between IPIECA members and GRI to further discuss this topic or schedule a separate call between Shell and GRI.

With kind regards,



Osa Igjehon
Vice President HSSE&SP Assurance and Reporting

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5 *Response*



5 November 2019

Osa Igiehon
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Postbag 162
2501 AN DEN HAAG
The Netherlands

c.c. Tim Mohin, CE, Global Reporting Initiative
Judy Kuszewski, Chair GSSB, Global Reporting Initiative

Dear Mr Igiehon,

The development of a GRI Sector Standard for oil, gas and coal.

Thank you for your letter outlining your concerns regarding the coverage of oil, gas and coal in the same Sector Standard.

As you mentioned, IPIECA raised similar concerns which were presented to the Global Sustainability Standards Board (GRI's independent Standards board) at their most recent meeting in September 2019.

As part of the development of the proposal for this project, commonalities between the relevant topics for the purposes of reporting on oil, gas and coal activities were identified. As you note, one of the key ones being the current transition to lower-carbon energy sources.

The concerns that have been raised by you have been recognized by the Global Sustainability Standards Board and the GRI oil, gas and coal Project Working Group and will continue to be discussed as the project progresses.

The oil, gas and coal project is in its early stages and there will be many opportunities to provide feedback on the scope of the sector and the proposed content of the Standard.

We look forward to your feedback on both throughout the development process and welcome the opportunity to have a further conversation once the work has progressed further.

Please feel free to touch base directly with the sector team via sector@globalreporting.org at any point.

Sincerely,

Bastian Buck
Chief of Standards

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7 Stakeholder 2

8 *Submission*

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Roma, 26 September 2019
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Attention:
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CEO GRI
Barbara Strozziiaan 336
1083 HN Amsterdam
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c.c.: Mr Bastian Buck
Chief of Standards

Grouping of the new GRI oil, gas and coal sector standard

Dear Mr. Mohin,

I feel obliged to share with you a serious concern I have regarding the new "Oil, Gas, and Coal Sector Standard", as already pointed out by Brian Sullivan, IPIECA's Executive Director, during the past weeks.

I must admit I can't utterly understand the reasons why it has been decided to merge two businesses, such as Oil&Gas and Coal, that are so different for challenges and future strategies as well as for sustainability issues and stakeholders' concerns.

And completely different, as you know, is the role that at global level Oil&Gas companies are called to play both in the energy transition process and for the achievement of the United Nations' Sustainable Development Goals.

Likewise, I need to highlight how other organizations, like CDP, are going towards the opposite direction, holding the Oil&Gas and Coal sectors separated from each other.

Such mismatch among reporting frameworks, moreover, is likely to overburden companies with different disclosure requests and it seems to be inconsistent with the alignment efforts made in the last years in terms of sustainability reporting.

Given this and on the grounds of the remarkable spirit of cooperation which constantly underpins our relations, I am looking forward to working with you to tackle the issue.

Best regards,

CHIEF
SERVICES & STAKEHOLDER RELATIONS
OFFICER
Claudio Granata

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10 *Response*



13 November 2019

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Chief Services & Stakeholder Relations Officer
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c.c. Tim Mohin, CE, Global Reporting Initiative
Judy Kuszewski, Chair GSSB, Global Reporting Initiative

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The concerns that have been raised by you have been recognized by the Global Sustainability Standards Board and the GRI oil, gas and coal Project Working Group and will continue to be discussed as the project progresses.

The oil, gas and coal project is in its early stages and there will be many opportunities to provide feedback on the scope of the sector and the proposed content of the Standard.

We note your feedback and welcome the opportunity to have a further conversation once the work has progressed further.

Please feel free to touch base directly with the sector team via sector@globalreporting.org at any point.

Sincerely,

Bastian Buck

Chief of Standards

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