

## Behaving Responsibly to Society continued

#9

### We respect the rights and acknowledge the aspirations and concerns of the communities in which we work



#### Local Community Stakeholders

Understanding the concerns of the communities in which we work, and meeting their needs and aspirations, are key to mitigating the possible impacts and enhancing the benefits of our activities. For each project, we develop a stakeholder engagement plan, which details how we will access information and community feedback to inform our understanding. This includes monitoring media and civil society commentary, stakeholder enquiries, community engagement, government and local authority engagement, and the use of grievance mechanisms.

#### Key Issues Raised by Local Community Stakeholders

- **The transparency of payments from the oil and gas industry to national governments:** Cairn has long recognised this concern and has been a member of the Extractive Industry Transparency Initiative (EITI) since 2013. The EITI requires companies to publish what they pay, and governments to publish what they receive from companies; both are independently verified. The UK, Norway, Mexico and Senegal are all implementing countries.
- **The opportunity to participate in the sector through local employment and business opportunities:** Cairn promotes the use of local service providers where possible (see page 59). In 2019, we continued to support capacity building within the supply chain through the Invest in Africa initiative in Senegal, and supported a number of education institutions there (see page 65), as well as in Suriname (see page 28) and Mexico.
- **Potential threats to resources and livelihoods:** Even when our assets are located offshore, we recognise that our activities can affect the people close to our operations. For example, in maintaining a safety zone around drilling vessels, our work can interfere with local fishing activity. In such instances, we share our plans and invite feedback from local fishermen to minimise disruption and maximise benefits (see page 63).

We also seek to engage with local communities to support their community development activities.

Read more: **Stakeholder Engagement** on P50.

#### Human Rights

Respecting human rights is a fundamental part of our commitment to protecting stakeholders. We acknowledge that slavery is a significant issue in some regions where we operate, such as West Africa, and therefore take steps to ensure it is not present in our supply chain. We respect and support internationally recognised human rights standards; seek to ensure non-complicity in human rights abuses by identifying, assessing and managing human rights risks within our sphere of influence; and putting mechanisms in place for raising and addressing grievances.

In the oil and gas industry, not managing human rights-related risks can also result in business consequences such as delays in design or permits, problems with local relations, higher financing costs, reduced output or even project cancellation.

To develop and maintain effective relationships with employees, contractors, communities and other stakeholders, we support international standards such as the UN Universal Declaration of Human Rights.

Our own Human Rights Guidelines define how we identify, assess and manage potential human rights issues at key project stages. This documentation was updated in 2019 in line with the latest business and human rights guidance, making it a more succinct, accessible and effective management tool. Our HSE team members, who are integrated into operational projects, attended a human rights training workshop hosted by an independent specialist to improve their understanding of human rights in our business and their application of good practice.

When operating in complex security environments, we recognise that we must maintain the safety and security of our operations within an operating framework that ensures respect for human rights. For our operations, we assess security risks and the potential for human rights abuses.

Security contractors are assessed on their adherence to our principles and standards, which include our aim that operations, equipment and training meet the requirements of the Voluntary Principles on Security and Human Rights, and reflect the requirements of key UN human rights guidelines. Effective selection of security contractors, strong working relationships and good performance protect people and communities, and enable us to maintain our licence to operate.

For operational activities, grievance mechanisms are established to provide individuals and community representatives the opportunity to address any concerns to the company.

Our position on human and labour rights is also integrated into our Corporate Social Responsibility Policy and our Code of Ethics (see page 55). Our human rights and modern slavery training has been rolled out as two separate e-learning modules, providing awareness for all personnel, and our procedure for selecting service providers and contractors now incorporates modern slavery assessments. We also held a one-day workshop for CR specialists on current human rights and business developments.

In addition, we use our influence to advocate for improved human rights management measures in our supply chain.

Our Modern Slavery statement is available online at [www.cairnenergy.com/services/modern-slavery-statement/](http://www.cairnenergy.com/services/modern-slavery-statement/).

For more information please see our **Corporate Responsibility Report**: [www.cairnenergy.com/working-responsibly](http://www.cairnenergy.com/working-responsibly)

#### Operations subject to human rights reviews or impact assessments

# 100%

## UN SDGs in Action



### CASE STUDY

## CREATING VALUE IN SENEGAL



Cairn is committed to delivering lasting and positive social and economic benefits in countries where it operates. In Senegal our objective was and is to build a resource base that can be developed to maximise the value for Senegal as a country and improve its energy security.

One of the ways in which we did this was through targeted social investment programmes, with a total expenditure of US\$1.3 million to date. In Senegal much of this has taken place through a charity committed to reducing hunger and poverty called The Hunger Project. We worked with them to develop a pilot community development project to support seven fishing communities, one of Cairn's key stakeholders and comprising around 22,000 fishermen. The three-year project was successfully handed over to Woodside in its second year, as part of our transfer of operatorship.

Given that oil and gas activities were relatively new to Senegal, we also focused on supporting and building local industry expertise. To support the oil and gas regulatory environment in Senegal we provided industry training to representatives of contractors, academic institutions and regulatory authorities. This training covered oil and gas industry awareness, HSE awareness, offshore safety, offshore

emergency response including oil spill response, waste management and language training.

We have provided English language training to a total of 38 employees across DEEC (Ministry of Environment), Ministry of Energy, HASSMAR (the International Maritime Rescue Federation) and national oil company Petrosen since 2016 as well as to 111 geoscience and science students at the Earth Sciences Institute (IST) and the Polytechnic School (ESP) in Dakar. Ongoing support for these courses will now be provided by the National Institute for Oil and Gas (INPG) and other industry operators.

In support of local industry and employment, during the development phase we engaged local companies in logistics and supply base support, waste management services, aircraft handling services, transport services, fishing liaison, administration, accommodation and environmental and social consultancy services.

We also played a founding part in the launch of both Invest in Africa in Senegal, an initiative to promote the development of local small and medium businesses and facilitate their access to oil and gas industry projects and other multi-national projects; and the Institut National Du Pétrole et du Gaz (National Petroleum Institute) which aims to develop national expertise in the oil and gas sector in Senegal. Both of these entities have the common aim of building national capacity and participation.

In 2018 Cairn transferred operatorship of its licence to Joint Venture partner Woodside. Woodside has developed a comprehensive social investment strategy which will be progressively implemented through the execution phase.