

2015

Annual Environmental Statement for Shell U.K Upstream Operations



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This report has been produced in order to meet the requirements of OSPAR Recommendation 2003/5, as advised by the U.K. Department of Energy and Climate Change.

Where the words “we”, “us” and “our” are used in this report they refer specifically to Shell U.K. Limited’s upstream business. “Our facilities” or “our installations” refers to facilities or installations which we are appointed to operate on behalf of co-venturers which own the facilities or installations jointly.

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this report the expressions “Royal Dutch Shell” and “Shell group” are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general.

INTRODUCTION

To fulfil the requirements of OSPAR Recommendations 2003/5 all operators of offshore installations on the UK Continental Shelf (UKCS) are required to produce an annual environmental statement which is made available to the public and the Department of Energy and Climate Change (DECC). This is Shell's environmental statement for the North Sea Continental Shelf 2015 which includes offshore installations and onshore terminals operated by Shell.

TERMINOLOGY IN THIS STATEMENT

Our Environmental Management System (EMS) covers all the upstream activities and locations involved in exploring for, producing, and processing gas and oil in the UK and UK waters.

Our business is divided into organisational units called, Facilities and Functions.

Facilities are operating installations supported by onshore (and offshore) teams that cover our offshore fields and associated wells and associated pipelines.

Functions typically provide a service to the Facilities such as technical and process assurance, development planning, project planning and execution, logistics for vessels and helicopters, laboratory services, drilling wells, and the management of our offices.

The term 'installation' is used to refer to offshore oil and gas production platforms (and onshore gas processing plants) which are operated by Shell, as well as third party mobile drilling rigs in the UK whilst on contract to Shell.

Additionally acronyms and abbreviations in the text are described in Appendix 3.



WHAT WE DO

- Shell provides the UK with reliable, secure energy and now provides 13% of the UK's total oil and gas supply.
- Shell holds a key strategic position in enabling the security of energy supply through its core infrastructure and this includes a significant quantity of Norwegian gas received at the St Fergus gas terminal.
- For more information on Shell, please check our website at www.shell.co.uk/about-us/what-we-do



SHELL COMMITMENT AND POLICY ON HEALTH, SECURITY, SAFETY, THE ENVIRONMENT AND SOCIAL PERFORMANCE

COMMITMENT

In Shell we are all committed to:

- Pursue the goal of no harm to people;
- Protect the environment;
- Use material and energy efficiently to provide our products and services;
- Respect our neighbours and contribute to the societies in which we operate;
- Develop energy resources, products and services consistent with these aims;
- Publicly report on our performance;
- Play a leading role in promoting best practice in our industries;
- Manage HSSE & SP matters as any other critical business activity; and
- Promote a culture in which all Shell employees share this commitment.

In this way we aim to have an HSSE & SP performance we can be proud of, to earn the confidence of customers, shareholders and society at large, to be a good neighbour and to contribute to sustainable development.

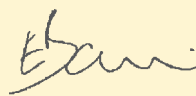
POLICY

Every Shell Company:

- Has a systematic approach to HSSE & SP management designed to ensure compliance with the law and to achieve continuous performance improvement;
- Sets targets for improvement and measures, appraises and reports performance;
- Requires contractors to manage HSSE & SP in line with this policy;
- Requires joint ventures under its operational control to apply this policy, and uses its influence to promote it in its other ventures;
- Engages effectively with neighbours and impacted communities; and
- Includes HSSE & SP performance in the appraisal of staff and rewards accordingly.



Ben van Beurden
Chief Executive Officer



Erik Bonino
UK Country Chairman

Originally published in March 1997 and updated by the Executive Committee December 2009.

General Disclaimer: The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate entities. In this Policy the expression "Shell" is sometimes used for convenience where references are made to companies within the Shell group or to the group in general. Likewise, the words "we", "us" and "our" are also used to refer to Shell companies in general or those who work for them. These expressions are also used where no useful purpose is served by identifying specific companies.



ENVIRONMENTAL PERFORMANCE

OUR ENVIRONMENTAL GOALS AND OBJECTIVES

Shell has an environmental management system (EMS) for upstream operations, which is certified to the ISO14001 standard and works for continual improvement focused on the following policy objectives:

- Protect the environment
- Use material and energy efficiently to provide our products and services
- Set targets for improvement and measure, appraise and report performance
- Play a leading role in promoting best practice in our industries
- Engage effectively with stakeholders

These objectives are translated into relevant programmes and internal targets and limits that drive continual improvement in our UK operations.

The main focus areas in 2015 were related to:

- Integrity management with a focus on spill reduction and managing risks from major accidents to the environment
- Implementation of the Offshore Safety Directive (Directive 2013/30/EU on safety of offshore oil and gas operations)
- Use the Energy Savings Opportunity Scheme (ESOS) to identify opportunities for improvement

The 2015 performance of Shell's upstream operated facilities located within the UK Continental Shelf (UKCS) is summarised in the sections below. During 2015 Sean was divested. A summary of the environmental data for the years 2011-2015 is presented in Appendix 1. The majority of the data used has been reported to the UK environmental regulators via the UK Environmental Emissions Monitoring System (EEMS), for offshore, and the Pollution Inventory (England) and Scottish Pollutant Release Inventory (Scotland), for onshore.

Our achievements in 2015 included:

- On Brent Charlie, Low Pressure Gas Compressor was returned to service which resulted in a subsequent reduction in flaring volumes.
- Strengthening of barriers and controls to prevent diesel spills including major modifications to the diesel bunkering stations on some installations.
- Shell contributed to a joint industry OGUK group working with DECC, JNCC and University of Hull to streamline and standardise environmental survey approaches.
- All ESOS energy audits were completed and opportunities followed up for implementation.



MANAGING EMISSIONS AND DISCHARGES

Greenhouse Gas (GHG) Management

Our installations operate in accordance with permits issued under the Pollution Prevention and Control (PPC) legislation, Environmental Permitting Regulations (England) and Phase III of the mandatory EU Emissions Trading Scheme for CO₂ (EU-ETS). The EU-ETS legislation is the primary mechanism the EU is using to reduce CO₂ emissions to atmosphere by requiring operators to accurately account for their CO₂ emissions and to subsequently purchase and surrender EU allowances to cover releases. The Energy Savings Opportunity Scheme has also played an important part in supporting our efforts to manage our GHG emissions.

Overall GHG Performance - Summary 2015

In 2015, direct GHG emissions from operations were approximately 2.59 million tonnes CO₂ equivalents (CO₂e). This is an increase of about 11% compared to the GHG emissions in 2014 (2.34 million tonnes CO₂e). The increase in GHG emissions is a result of a similar increase in overall production (total oil, gas and condensate). Figure 1 shows the total GHG emissions per installation for 2015.

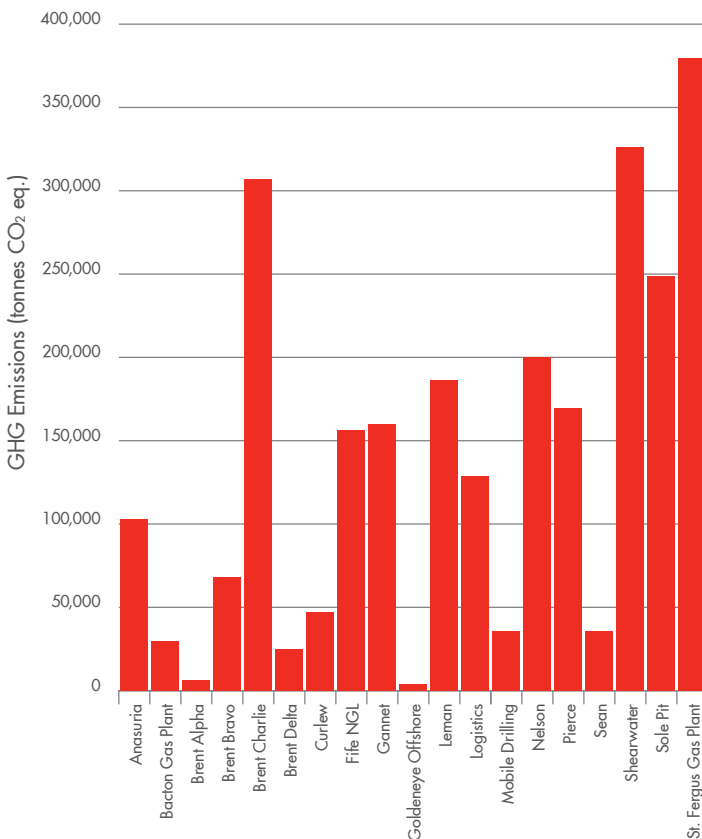


Figure 1: Total GHG emissions per installation/location in 2015

Notable changes include:

- Pierce: returned to production in 2015. The increase in GHG emissions in 2015 reflect a return to full production.
- Brent Charlie: flaring was higher than usual in 2014 as a result of Low Pressure (LP) compressor unavailability (gas from the LP separator is normally compressed and routed to the High Pressure (HP) compressor). The issue was resolved in February 2015 with a corresponding decrease in GHG emissions from flaring.
- Gannet: although the installation was shut down for most of 2014, it was producing in 2015.

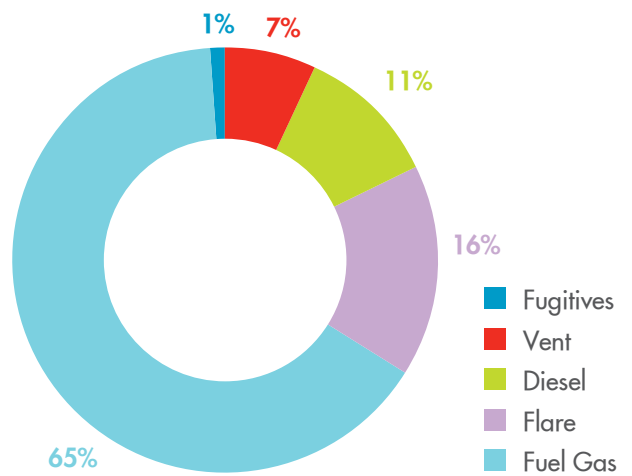


Figure 2: GHG emissions from each release process in 2015

As shown in Figure 2 approximately 76% of our total GHG emissions came from burning gas and diesel for power generation (including, mechanical drive of compressors and electricity generation) on our locations, with flaring and venting accounting for most of the remaining 23%.

Flaring

Most of the flaring is either the result of plant upsets, trips, equipment outage and shut-down/start-up, or linked to the flare pilot/purge where a small flame is maintained to ignite hydrocarbon gases should their safe disposal be required.

Flaring from our installations is managed under consents obtained from the Regulator which are monitored carefully throughout the year.

In total our hydrocarbon flaring resulted in approximately 417 kilotonnes of CO₂e across our UK installations (Figure 3 shows the amount of CO₂e from flaring per installation). This represents an increase of approximately 30 kilotonnes of CO₂e (~8 %) when compared to 2014. The increase was due mainly to overall increases in production, with related increases in flaring, at Gannet, and Shearwater (where new wells came online during the year, and where plant upset issues occurred). An increase in mobile drilling activity also contributed to the overall increase. These increases are countered to an extent by a reduction in flaring at Brent Charlie.

Venting

Some of our installations are designed to vent gas for safety reasons, and we have vent consents from the government to cover this.

In 2015, venting emissions totalled 7% of our GHG emissions. Overall, the amount of venting in 2015 increased slightly when compared to 2014. Most of the venting in 2015 occurred at Sole Pit Clipper (60%) and at St Fergus (18%). Over the course of 2015 measures have been taken to reduce the increase in venting from Clipper.

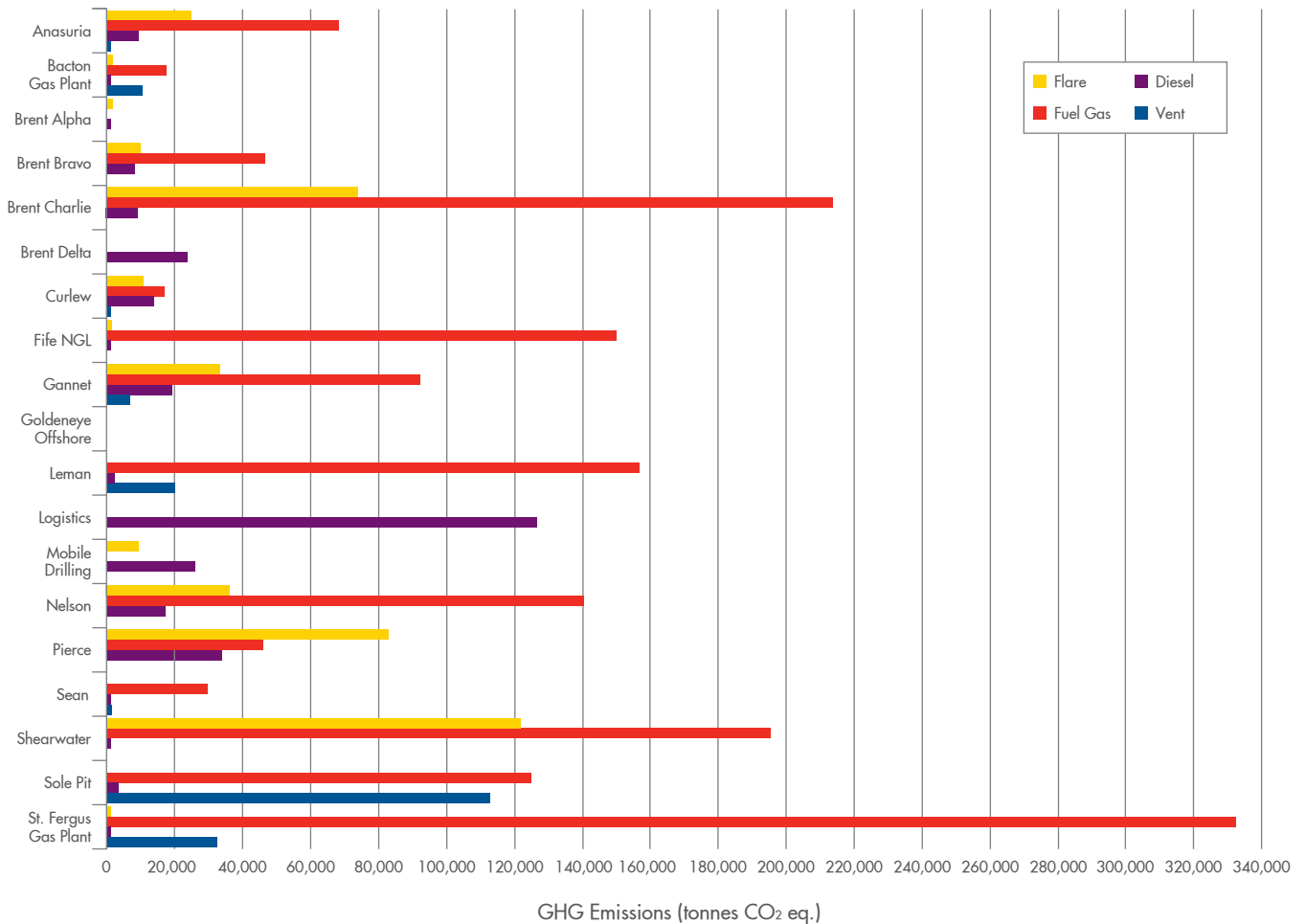


Figure 3: Breakdown of GHG emissions by release process and installation (tonnes CO₂e)

Energy Use and Resource Management

Energy is used for generating power on the offshore installations where fuel gas or diesel is used to run pumps, compressors, engines, heaters and general platform services. The energy use increases due to the maturity of the fields, which produce and process more associated water and require only marginally less energy to export reducing hydrocarbon volumes.

Increasing the stability of production from all our facilities is the single most important factor in increasing energy efficiency. In 2015 we continued with initiatives to improve the integrity and reliability of the installations. These initiatives are an integral part of our approach to the management of GHG and energy efficiency.

In 2015 unplanned and extended shutdowns, as well as cessation of production affected the overall energy use of our UK operations, as the associated installations still needed to keep parts of their operations running.

In 2015 Shell implemented the requirements of the Energy Savings Opportunity Scheme (ESOS) Regulations 2014. The Scheme required Shell in the UK to conduct energy audits to cover at least 90% of the energy it used over a defined baseline period (2014). The audits included recommendations on energy efficiency improvements considered reasonably practicable and cost effective to implement. Some opportunities for improvement were identified and selected for further study and/or implementation.

Oil In Produced Water (OIPW)

Water is co-produced with the extraction of oil and gas and comes to the surface with the hydrocarbons. This is called produced water. Water from oil and gas reservoirs increases over time, oil more so than gas. The produced water is separated from the hydrocarbons before it comes onshore for further processing. The produced water contains dispersed oils which need to be treated to permitted levels before discharged to the environment.

In the UK oil in produced water discharges are regulated in line with the OSPAR Commission recommendations through the Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2005 as amended (OPPC). OSPAR set a target for contracting parties at 15% below the total quantity of oil in produced water discharged to sea in the year 2000. We have maintained our total oil discharges, from produced water, below this level since the target was introduced in 2006.

Figure 4 shows the amount of oil, in tonnes, discharged to sea in produced water in 2015 from installations in the UKCS which we operate.

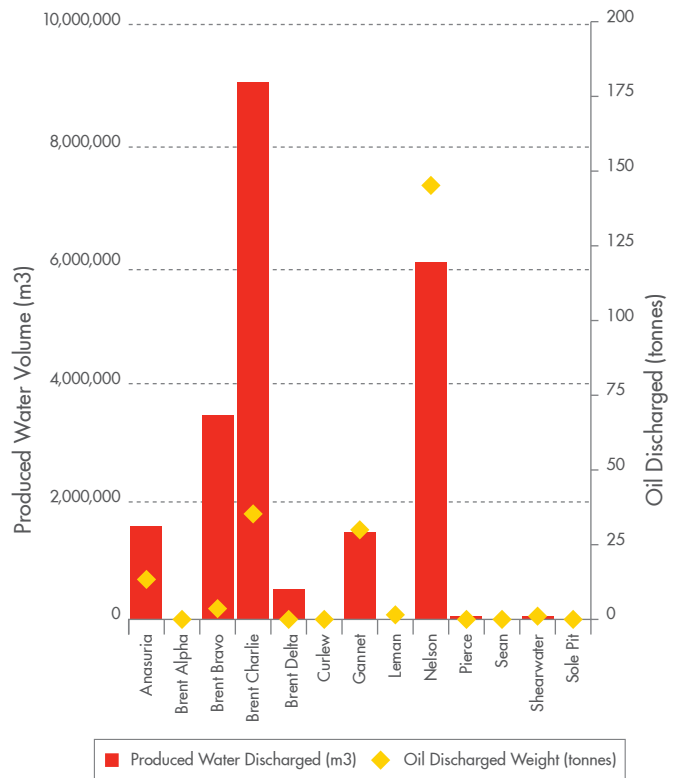


Figure 4: Total volume of produced water and mass of oil discharged to sea from each Shell operated offshore installations 2015

Throughout 2015 Shell worked to ensure its offshore installations complied with the 30 mg/l monthly average for dispersed oil in produced water discharges (Figure 5). Overall the results reported to DECC throughout 2015 show that our produced water discharges were in compliance, with the exception of incidents on Leman, Gannet, Shearwater and Nelson:

Leman – During Q1, Leman’s oil in water process plant suffered a malfunction, resulting in a discharge to sea greater than the permitted levels for two months (Jan and Feb). Upon investigation the root cause of this event was failure in the discharge tank level controls, which reinforced the operations team’s belief that the hydrocarbon content of the tank was low. This situation was normally the case in the run up to maintenance activity (which was due).



The Energy Savings Opportunity Scheme has played an important part in supporting our efforts to manage our GHG emissions.”

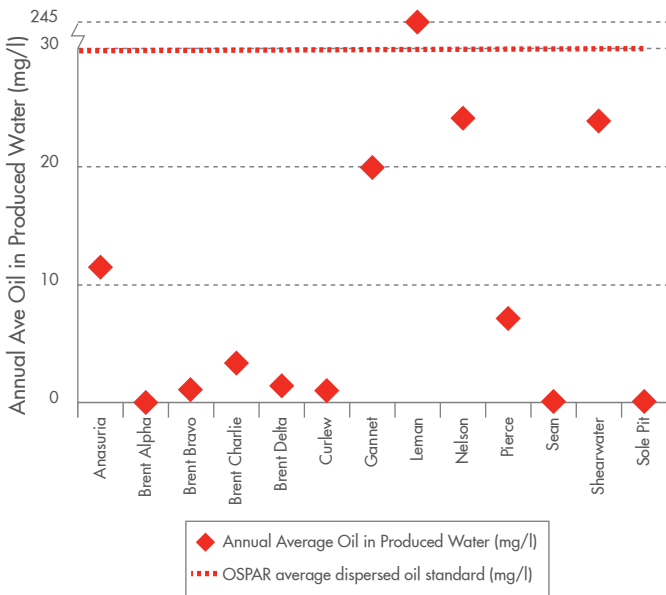


Figure 5: Annual average dispersed oil concentrations in produced water from each Shell operated offshore installation.

To maintain compliance with the discharge limits we have in the past, shut in oil production, found alternative disposal routes for the water and also maintained 100 % produced water reinjection availability on two of our installations in the southern north sea. Work is ongoing on Shearwater to install upgrades to the water treatment systems, as well as improvements to the dosing of corrosion inhibitors. These corrosion inhibitors are used to secure the integrity of subsea pipelines, but can lead to oil being entrained in the produced water that our treatment systems, under certain operating conditions, can find difficult to separate.

Operational Spills

Unplanned releases of oil and chemical from our operations occurred in 2015. We are working to understand the causes and are aiming for a sustained improvement in the number and volume of spills. Step Change is an oil and gas

industry collaborative forum dedicated to improve HSE performance across the north sea. Shell remains committed to realising the Step Change ambition of further reductions in hydrocarbon releases (liquid and gas) as part of its pursuit of Goal Zero ‘no harm and no leaks’ and 2015 saw progress in many areas.

All oil and chemical spills from our operations are recorded and reported to the relevant authorities. The total number of all spills to the sea from our upstream activities recorded in 2015 was 64, of which 48 were classified as oil and 16 as chemicals. Table 1 shows the number and volume of spills over the last five years.

	2011	2012	2013	2014	2015
Number of Oil & Chemical Spills <small>(Includes spills <100kg)</small>	58	44	76	87	64
Mass of Oil & Chemical Spills (tonnes)	260	13	197	12	20

Table 1: Number and Mass of Spills to Sea (2011-2015)

There was one reportable release greater than 2 tonnes in 2015, and this was a chemical release. The details of this incident are:

- Loss of 16.2 tonnes subsea hydraulic fluid leak. Although this release was found to have entered the production system and did not go directly to sea, DECC were still contacted. It was agreed that this release had the potential to go through the produced water system and consequently had to be regarded as a potential release to sea.

There was also an event during October 2015, where 7.75 tonnes of cement was released from Shearwater which occurred during a maintenance activity. The release was not reportable to government agencies but it was agreed, with DECC, that the details and amount should be included in this report.

CHEMICAL MANAGEMENT

Production Chemicals

Our use and discharge of chemicals in production and drilling operations is controlled by the Offshore Chemicals Regulations 2002 as amended (OCR) and Shell’s own environmental requirements. The type and volume of production chemicals used and discharged varies across our installations. Oil installations generally use more chemicals to process crude oil than gas installations use to process gas. This is mainly due to the relatively high quantities of produced water associated with oil production. Table 2 shows the historical use of offshore chemicals across our UK production operations, along with the percentages of those used that were discharged to the sea.

Production chemical usage in 2015 increased by 34% compared to 2014 and the percentage chemicals discharged decreased by 20%, as shown in table 2. The chemical usage increase is due to the overall increased production, including production from new Shearwater and Gannet wells.

The use/discharge of production chemicals continues to be affected by counteracting factors:

- Our efforts to use more efficient chemicals that reduce treatment concentrations;
- Having access to more recent partitioning studies that more accurately determine the percentage of chemical being discharged in their respective phases;
- The effects of divesting platforms, and;
- Greater consumption due to increasing water production as fields age;

	2011	2012	2013	2014	2015
Production Chemical Use (Tonnes)	3433	2246	2680	3100	4159
% Discharged	56	52	60	70	56

Table 2: Production Chemicals Use and Discharge (2011-2015)

The Regulator (DECC) has highlighted certain hazardous chemicals to be phased out from use by means of substitution warnings (sub warnings). Reducing the use of these chemicals can be challenging, especially for those that have been engineered for specific fields or applications. The use of chemicals with sub warnings by Shell has decreased over the last 5 years (Figure 6) in line with our phase out plan agreed with DECC. However approximately 12% of the total production chemicals used by Shell still have sub warnings. The phase out plan continues, and Shell is committed to this work, developing a number of Greening

Projects which encourage our suppliers to identify more environmentally acceptable alternatives to those chemicals with sub warnings. The overall reduction of sub warning chemicals is achieved through a combination of factors:

1. Replacement of chemicals by less hazardous versions.
2. Removal of unused products from permits.
3. Divestment/decommissioning of the installations where particular product was used, and
4. Reclassification as chemicals gain or lose the sub warning as new data become available, and as hazard thresholds that dictate the warning change.

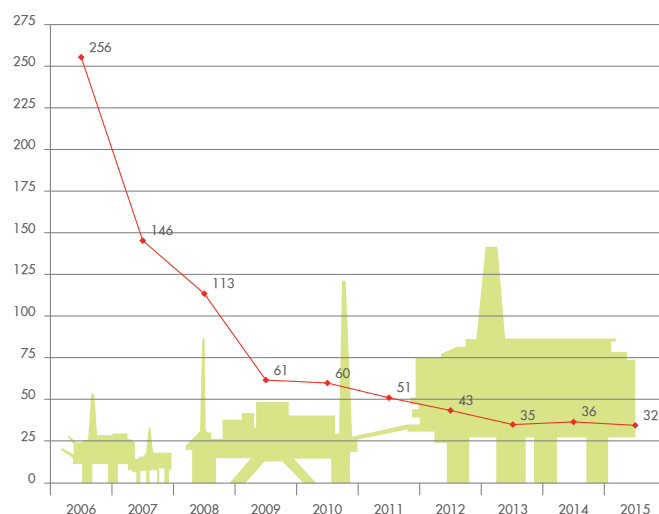


Figure 6: Trend in Numbers of Production Chemicals used by Shell with 'Substitution Warnings' (2006-2015)

Wells Chemicals

In 2015 we used a total of 13,782 tonnes of chemicals in wells activities as shown in Table 3. Of this figure approximately 11% of chemicals were discharged to the marine environment which was within the allowances of the associated DECC approved chemical permits. The volume of chemicals used and discharged is directly related to the type and number of wells activities undertaken, and 2015 saw an increase in activity. A large part of the wells activity and associated chemicals usage is related to; drilling of wells in the Shearwater, Gannet, & Galleon fields, and well abandonment work associated with the Brent decommissioning programme. Further details on wells drilled can be seen in Appendix 2.

	2011	2012	2013	2014	2015
Well Chemical Use (Tonnes)	9046	8102	17163	11787	13782
% Discharged	15	17	28	28	11

Table 3: Wells Chemicals Use and Discharge (2011-2015)

In 2015, approximately 5% of the total weight of chemicals used was made up of chemicals which carry sub warnings. Approximately 0.4% of the total weight of chemicals discharged in 2015 was made up of chemicals which carry sub warnings.

WASTE MANAGEMENT

Waste is controlled across all our UK operations with our installations segregating their waste streams to ensure legal compliance and allow for more environmentally acceptable

routes of disposal. Waste contractors are involved with the checking, compliance and working with the people on site, so that they understand the requirements for segregating wastes during activities at the installations.

Overall waste mass for 2015 was lower than in 2014 with a decrease in hazardous waste in 2015, as shown in table 4. The primary cause of this came from a reduction in the amount of produced water being disposed from Bacton Gas Plant and Curlew FPSO. The waste water treatment plant at Bacton is now operational and reducing the overall volume that requires offsite treatment and disposal.

Hazardous waste in 2015, which includes drilling mud and cuttings from our drilling activities, contaminated water and sludge from onshore and offshore operations, waste oil, paint and chemicals, decreased by 8,561 tonnes compared to 2014, which in turn was down 23,698 tonnes from 2013.

Overall the non-hazardous waste, which includes scrap metals, wood, paper, plastics, cans, general waste and also most produced water from on and off-shore installations, increased in 2015. Scrap metal from well abandonment activities has also risen.

	2011	2012	2013	2014	2015
Hazardous Waste (tonnes)	28085	30020	38490	23353	14792
Non-Hazardous Waste (tonnes)	19047	28769	53456	29992	33704
Total Waste (tonnes)	47132	58789	91946	53345	48496

Table 4: Mass (tonnes) of wastes (hazardous and non-hazardous) generated by our UK Upstream operations between 2011 and 2015

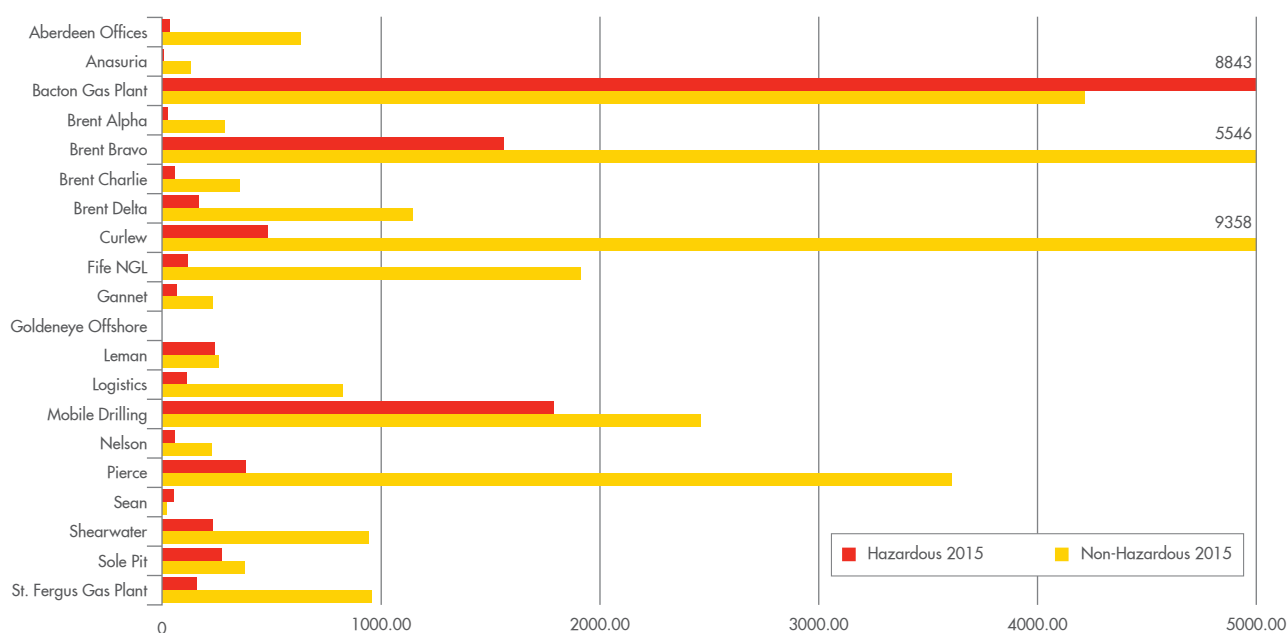


Figure 7: Mass (tonnes) of wastes generated by location in 2015



BRENT DECOMMISSIONING

The Brent oil and gas field, lying 186 kilometres north-east of the Shetland Islands, has been a cornerstone of the UK's hugely successful oil and gas industry for almost 40 years. It is one of the largest fields in the North Sea and has four large platforms - Alpha, Bravo, Charlie and Delta.

The Brent field is a prolific national asset and has created and sustained thousands of jobs across the UK, and since 1976 has produced around three billion barrels of oil equivalent. At its peak it was producing more than half a million barrels a day. During this time it has also generated around £20 billion of tax revenue. DECC granted permission for the cessation of production from Delta in 2011, and Alpha and Bravo at the end of 2014. Production from Brent Charlie is expected to come to an end within a few years.

The Brent Decommissioning Project is unique, due to the sheer scale and age of the field, the complex infrastructure, and the challenges of how to decommission the concrete legs and cells, and the cell contents. The field infrastructure is extensive and comprises: four topsides with a combined weight of over 100,000 tonnes; three gravity based structures weighing 350,000 tonnes each; 24,000 tonnes of steel jacket; 103 kms of pipelines; 140 wells; and 64 concrete storage tanks, each at around 60m in height and 20m in diameter.

On Delta, work has been completed on the plug and make safe of the wells and preparations for the topside removal are continuing. Plug and make safe of the wells on Brent Bravo commenced in 2014, and in 2015 for Brent Alpha.

The decommissioning of the Brent Field and facilities is one of the most significant projects in the North Sea and is likely to span well over a decade. Shell began decommissioning studies in 2006, long before cessation of production, and communication and engagement with a wide range of stakeholders has continued since 2007.

The Decommissioning Programme follows a defined regulatory process defined by DECC and in accordance with the framework of the OSPAR (Oslo/Paris Convention) 98/3 Decision. All offshore installations must be removed at their end of their lives but OSPAR and DECC recognise that there may be particular difficulties in removing large, heavy steel or concrete structures. In such cases, Operators may apply for a derogation from complete removal.

Delta Topside Decommissioning Programme

In 2014, with approval from DECC Shell made the decision to bring forward submission of a Decommissioning Programme for the Brent Delta topside – ahead of a programme for the remainder of the Brent Field infrastructure. Public Consultation for this programme took place between 16 February and 21 March 2015, and the Decommissioning Programme was approved by DECC in July 2015.

Shell has awarded Excalibur Marine Contractors SA a subsidiary of Allseas Group SA the contract to remove and bring to shore the platforms' topsides for Brent's Alpha, Bravo and Delta, together with Brent Alpha's steel jacket using the Pioneering Spirit vessel. This new technology will use advanced engineering techniques to remove the 24,200 tonnes Delta topside structure in one lift. It will be the heaviest single lift offshore ever.

The contract for recycling the platforms' topsides and the Brent Alpha steel jacket has been awarded to Able UK Limited, Seaton Port near Hartlepool, UK. The target is for at least 97% of the facilities to be recycled.

Shell will make the final detailed recommendations on how best to decommission the Brent oil and gas field when we are confident the proposals are safe, technically achievable, environmentally and socially sound, and financially responsible.

CARBON CAPTURE AND STORAGE

Her Majesty's Government Autumn Statement and Statement to Markets on 25 November 2015, regarding the Carbon Capture and Storage (CCS) Competition, confirmed that the £1 billion ring-fenced capital budget for the CCS Competition was no longer available. This meant that the Competition could not proceed on the basis previously set out. In accordance with the agreements with DECC, work by Shell's CCS project team was wrapped up during December 2015.

The Government and Shell are committed to sharing the knowledge from UK CCS projects, through key knowledge deliverables which represent the evolution and achievement of learning from the Shell CCS project team. Learnings will be available on the DECC website following close-out of the competition.

CONTACT INFORMATION

This report summarises our environmental performance in relation to our HSSE & SP policy, goals and objectives in Shell U.K. Limited's upstream operations and activities.

This report is updated and published annually on our external website at www.shell.co.uk

For further information, please call the Shell office in Aberdeen on **01224 882000** and ask for the external relations department.

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APPENDIX 1

SUMMARY OF ENVIRONMENTAL DATA (2011-2015)

	2011	2012	2013	2014	2015
GHG (tonnes CO ₂ equivalent)	2,306,496	2,092,394	2,424,984	2,335,621	2,593,723
Total Fuel Gas (tonnes)	580,049	486,240	552,055	554,612	589,069
Total Diesel (tonnes)	42,621	100,864	98,120	99,050	84,630
Total Flare (Tonnes)	141,750	107,599	131,747	112,071	110,806
Oil to Sea (tonnes) (discharged in produced water)	238	142	240	153	235
Hazardous Waste Generated (tonnes)	28,175	30,020	38,490	23,354	14,792
Non-Hazardous Waste Generated (tonnes)	16,968	28,769	53,456	29,992	33,704
Production Chemical Use (tonnes)	3,433	2,246	2,680	3,100	4,159
% Discharge	56	52	60	70	56
Wells Chemical Use (tonnes)	9,046	8,102	17,163	11,787	13,782
% Discharge	15	17	28	28	11

Data may have changed from previous years reports as revisions of the data can happen after the reports are finalised.

The figures shown above relate to all offshore installations operated by Shell U.K. Limited, and third party fields that produce them, plus onshore plants and mobile rigs in the U.K. - all as reported by Shell in the U.K. Environmental Emissions Monitoring System (EEMS).

APPENDIX 2

WELL ACTIVITIES IN 2015

Wells Drilled in 2015

Installation / Rig	Shell Well Name	Well Start Date	DECC Permit Reference
Ocean Guardian	Gannet F A03	05/01/2015	DRA/40
Noble Hans Deul	Shearwater 01 (SW01)	18/01/2015	DRA/68

Wells Abandoned in 2015

Installation	Shell Well Name	Completed/ Abandonment Date	DECC Permit Reference
Gannet	22/21-9	22/05/2015	WIA/256
Brent Delta	BD01	28/11/2015	WIA/215
Brent Delta	BD02	25/11/2015	WIA/215
Brent Delta	BD03	06/12/2015	WIA/215
Brent Delta	BD04	26/11/2015	WIA/215
Brent Delta	BD05	07/12/2015	WIA/215
Brent Delta	BD06	01/12/2015	WIA/215
Brent Delta	BD07	04/12/2015	WIA/215
Brent Delta	BD08	04/12/2015	WIA/215
Brent Delta	BD09	13/12/2015	WIA/215
Brent Delta	BD10	13/12/2015	WIA/215
Brent Delta	BD11	11/11/2015	WIA/215
Brent Delta	BD12	12/11/2015	WIA/215
Brent Delta	BD13	24/11/2015	WIA/215
Brent Delta	BD14	10/11/2015	WIA/215
Brent Delta	BD15	22/11/2015	WIA/215
Brent Delta	BD16	19/11/2015	WIA/215
Brent Delta	BD17	20/11/2015	WIA/215
Brent Delta	BD18	20/11/2015	WIA/215
Brent Delta	BD19	18/11/2015	WIA/215
Brent Delta	BD20	20/11/2015	WIA/215
Brent Delta	BD21	18/11/2015	WIA/215
Brent Delta	BD22	18/11/2015	WIA/215
Brent Delta	BD23	05/01/2015	WIA/215
Brent Delta	BD24	15/11/2015	WIA/215

APPENDIX 3

ABBREVIATIONS AND TERMINOLOGY

Asset	Used internally in Shell to describe a collection of locations and supporting services; also includes onshore plants and interconnecting pipelines.
Associated Gas	Gas liberated from oil as the pressure is reduced from subsurface conditions to the surface separation facilities.
Benthos / Benthic	Flora (plants) and fauna (animals) found at the bottom of ocean, sea or lake.
Bentonite	Natural clay used to thicken well engineering and completion fluids.
CCS	Carbon Capture and Storage
CEFAS	Centre for Environment, Fisheries & Aquaculture Science
CFC	Chloro-Fluoro-Carbon. A substance containing chlorine, fluorine and carbon, used in refrigeration systems.
CI	Corrosion Inhibitor
CMS	Corporate Management System
CNNS	Central and Northern North Sea Assets
COMAH	Control of Major Accident Hazards Regulation
CoP	Cessation of Production
DECC	Department of Energy and Climate Change (formerly BERR)
De-oiler	Chemical used in the production process to promote separation of oil from produced water
EEMS	Environmental Emissions Monitoring System (Oil & Gas U.K.)
EMS	Environmental Management System
EP	Exploration and Production
EPR	Environmental Permitting Regulations (England and Wales)
ESOS	Energy Savings Opportunity Scheme
EU ETS	Council Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading with the community
FEED	Front-End Engineering Design (FEED)
F-Gas	Fluorinated greenhouse gases
FPSO	Floating Production, Storage and Offloading vessel
GHG	Greenhouse gases (mainly carbon dioxide, methane, nitrous oxide and HFC's)
HCFC	Hydro-Chloro-Fluoro-Carbon. A substance containing hydrogen, chlorine, fluorine and carbon, used in refrigeration systems.
HSE	Health, Safety and Environment
HSSE & SP	Health, Safety, Security, Environment and Social Performance
HQ	Hazard Quotient
IPPC	Integrated Pollution Prevention and Control (Scotland)
ISO14001	International Standard Specification for Environmental Management Systems.
KPI	Key Performance Indicator

APPENDIX 3 continued

ABBREVIATIONS AND TERMINOLOGY

JNCC	Joint Nature Conservation Committee. Public body that advises the U.K. Government and devolved administrations on nature conservation
MCA	Maritime and Coastguard Agency
MEG	MonoEthylene Glycol
NUI	Normally Unmanned Installation
NSP	Northern Systems and Plant
OCNS	Offshore Chemical Notification Scheme
OGUK	Oil and Gas U.K., U.K. offshore oil industry association
OIPW	Oil in Produced Water
OPEP	Oil Pollution Emergency Plan
OPPC	Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2005
OSPAR	Convention for the Protection of the Marine Environment of the North-East Atlantic. In 1998 this replaced the Oslo Convention (for the Prevention of Marine Pollution by Dumping from Ships and Aircraft) and the Paris Convention (for the Prevention of Marine Pollution from Land-Based Sources).
PON1	Petroleum Operations Notice type 1. DECC requires Operators to report any oil or chemical spills, sheens, or excessive discharges to their Offshore Inspectorate using a PON1 form available on their website at https://www.og.berr.gov.uk/regulation/pons/index.htm
PPC	Pollution Prevention and Control Act 1999 and Offshore Combustion Installations (Prevention and Control of Pollution) Regulations 2001
PWRI	Produced Water Re-Injection
SAC	Special Area of Conservation
SEPA	Scottish Environmental Protection Agency
SERPENT	Scientific and Environmental ROV Partnership using Existing iNdustry Technology
SCI	Site of Community Importance
SICI	Scale Inhibitor/Corrosion Inhibitor
SNS	Southern North Sea Assets
SOSREP	Secretary of States Representative. for Maritime Salvage and Intervention
SP	Social Performance
TEG	TriEthylene Glycol (antifreeze)
UKCS	United Kingdom Continental Shelf
WBM	Water Base Mud

CAUTIONARY STATEMENT

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this report "Shell group" and "Royal Dutch Shell" are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general. In this report all references to "Shell" refers specifically to Shell UK Upstream operations. In addition to the term "Shell" in this report "we", "us" and "our" are also used to refer to Shell UK Upstream operations in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular company or companies. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this report refer to companies over which Royal Dutch Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to as "joint ventures" and "joint operations" respectively. Entities over which Shell has significant influence but neither control nor joint control are referred to as "associates". The term "Shell interest" is used for convenience to indicate the direct and/or indirect (ownership interest held by Royal Dutch Shell in a venture, partnership or company, after exclusion of all third-party interest.

This report contains forward-looking statements concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may", "objectives", "outlook", "plan", "probably", "project", "risks", "schedule", "seek", "should", "target", "will" and similar terms and phrases. There are a number of factors that could affect the future operations of Royal Dutch Shell and could

cause those results to differ materially from those expressed in the forward-looking statements included in this report, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell's products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. All forward-looking statements contained in this report are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Royal Dutch Shell's 20-F for the year ended December 31, 2015 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly qualify all forward looking statements contained in this report and should be considered by the reader. Each forward-looking statement speaks only as of the date of this report, June 1, 2016. Neither Royal Dutch Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this report.

We may have used certain terms, such as resources, in this report that United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. U.S. Investors are urged to consider closely the disclosure in our Form 20-F, File No 1-32575, available on the SEC website www.sec.gov.