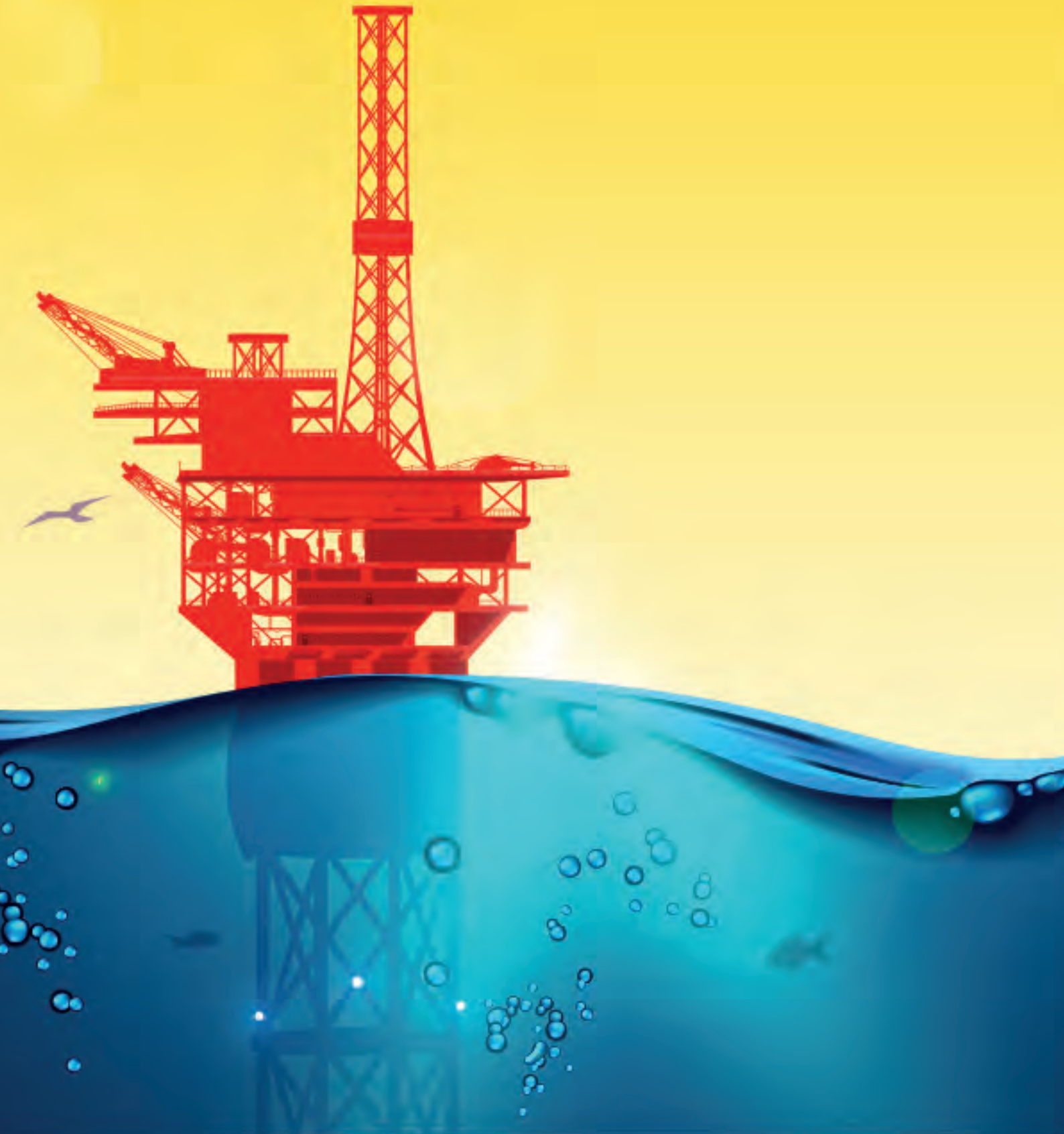
2020

ANNUAL ENVIRONMENTAL STATEMENT

for Shell U.K. Limited Upstream



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This report has been produced in order to meet the requirements of OSPAR Recommendation 2003/5, as advised by the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED).

Where the words "Shell UK", "we", "us" and "our" are used in this report they refer specifically to Shell UK 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 "Shell", "Group" and "Shell Group" are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general.

INTRODUCTION

This document is the 2020 annual environmental statement for Shell U.K. Limited (Shell UK). The statement summarises the environmental performance of our upstream offshore and onshore facilities operated by Shell in the UK in 2020.

The data used in this report has been previously reported to the relevant UK environmental regulators. For offshore facilities reporting is via the Environmental Emissions Monitoring System (EEMS) to the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED), and for onshore facilities reporting is via the Scottish Pollutant Release Inventory to the Scottish Environment Protection Agency (SEPA), and, in England, via the Pollution Inventory to the Environment Agency (EA).

Shell UK has been producing oil and gas from the North Sea for over 50 years, providing the UK with reliable and secure energy. We currently provide approximately 10% of the UK's total oil and gas supply as well as a range of fuels, chemicals and services, and have a substantial presence on the UK continental shelf (UKCS). Offshore, we have interests in over 50 fields, 25 platforms and one floating production and storage offshore (FPSO) vessel which is operated on our behalf. Onshore, we operate two gas plants (located at Bacton and St Fergus), and one liquids process plant at Mossmorran. These, in combination with the associated pipeline systems, are responsible for delivering more than 20% of the UK's gas supply.

Terminology used in this statement

"Installations" refers to:

- Shell UK operated oil and gas offshore production platforms;
- Floating Production and Storage Offshore (FPSO) vessels;
- Shell UK operated gas and liquid processing plants onshore; and,
- Third party mobile drilling rigs in the UK whilst on contract to Shell in UK waters.

"Facilities" refers to Shell UK operated installations in addition to wells, subsea infrastructure and onshore pipeline systems.

Acronyms and abbreviations used in the text are described in **Appendix 3.**

A number of other services are also required to facilitate and support the Shell UK business including facility operations, engineering, logistics (vessels and helicopters), project and development planning, health, safety, security, environment and social performance, production and well fluids chemistry, finance, legal, contracts & procurement and real estate management.

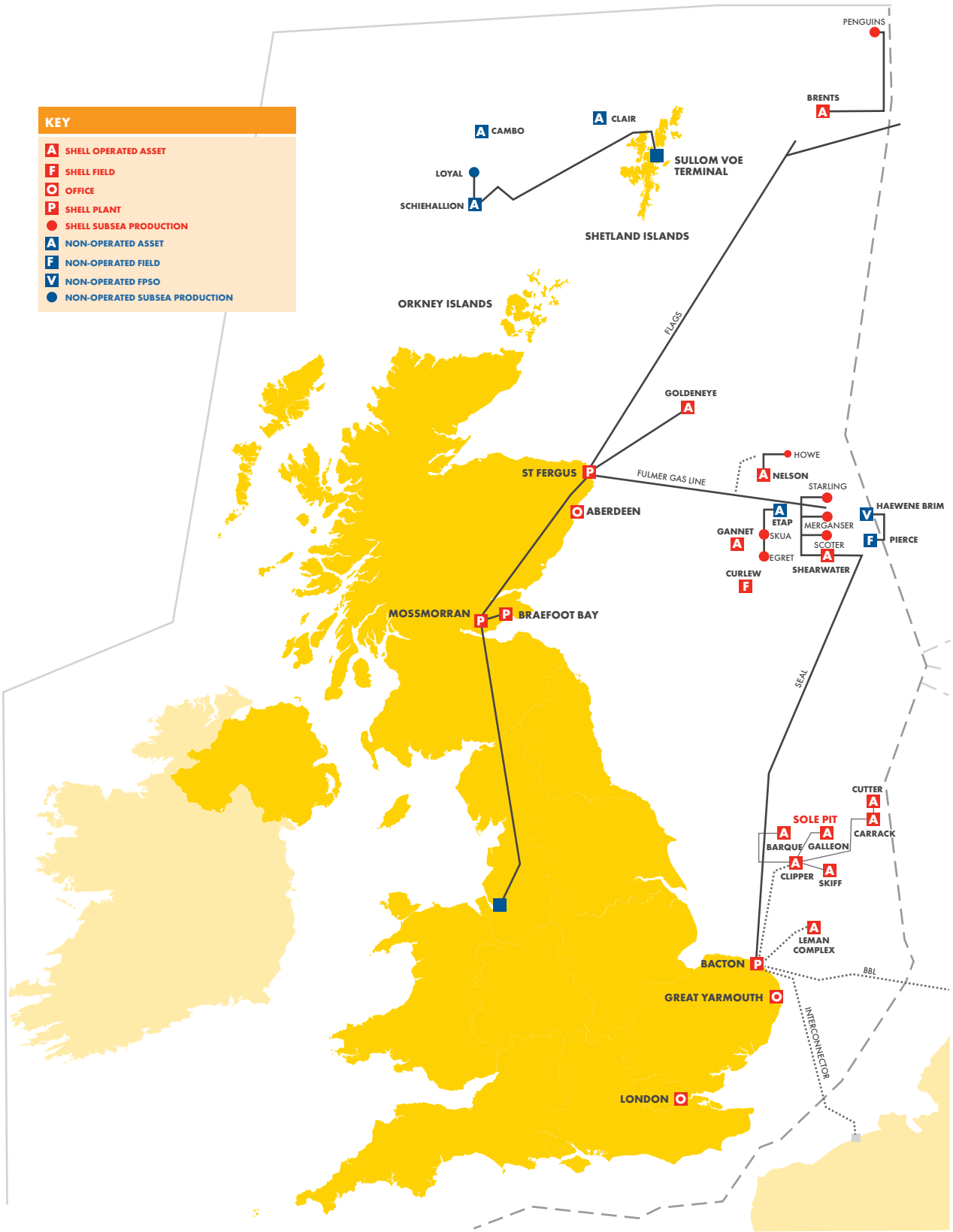
WHAT WE DO

Installations operated by Shell in the UK in 2020 included:

- **Shearwater:** a high pressure, high temperature (HPHT) gas/condensate reservoir produced from an integrated process, utilities and living quarters platform which is bridge linked to a wellhead platform in the Central North Sea.
- **The Shearwater-Elgin Area Line (SEAL):** a pipeline that transports sales quality gas from the Shearwater and Elgin-Franklin platforms to the Shell UK operated Bacton Gas Terminal on the Norfolk coast.
- **Nelson:** a central drilling and production platform in the Central North Sea which processes and produces oil and gas from a cluster of subsea satellite wells from the Nelson field and the Howe and Bardolino fields via subsea tie-backs.
- **Gannet:** a fixed drilling and production platform in the Central North Sea which processes and produces oil and gas from the Gannet A, B, C, D, F and G fields via subsea wellhead tie-backs.
- **Curlew:** a FPSO in the Central North Sea that ceased production in March 2019 when it was unhooked and towed to shore in Dundee for preparation in readiness for dismantling. The FPSO was towed to the dismantling yard in Norway in July 2020.
- **Pierce:** a FPSO (the Haewene Brim) producing, storing and offloading crude oil from the Pierce North and South fields in the Central North Sea. The responsibility for the management of the Haewene Brim and the installation operator is the Pierce Production Company Limited. (Pierce Production Company Limited is a wholly owned subsidiary of Bluewater Services UK Ltd – referred to as Bluewater in this document).
- **Brents:** the Brent Field in the Northern North Sea consisted of four installations, Alpha, Bravo, Charlie and Delta. Brent Delta ceased production at the end of 2011 and the platform topside was removed and shipped to shore for dismantling in May 2017. Production ceased at Alpha and Bravo in late 2014. Brent Bravo topsides were removed and transported to shore for dismantling in June 2019. The Brent Alpha topside and upper jacket were removed in June 2020 and transported to shore for dismantling. Brent Charlie ceased production on 31 March 2021, marking the end of 45 years of production in the Brent field. The Brent Charlie facilities are being prepared for decommissioning.
- **Goldeneye:** a platform in the Central North Sea, that is being prepared for decommissioning following the cessation of production in 2011. The Goldeneye marine pipeline to St Fergus will remain in place for potential reuse for the transportation of CO_2 as part of the Acorn Carbon Capture and Storage (CCS) project.
- **Clipper:** six fixed bridge linked platforms in the Sole Pit field located in the Southern North Sea. The Clipper installation processes and produces natural gas from its own wells and imports and processes gas from Barque PB & PL, Galleon PN & PG, Skiff, Carrack, Carrack East and Cutter fields.
- **Leman:** five bridge linked platforms located in the Southern North Sea. The Leman Alpha installation produces and processes natural gas from its own wells. It imports and processes gas from the remainder of the Leman field platforms, Bravo, BT, Charlie, Delta, Echo, Foxtrot, Golf, and imports natural gas and liquids from Corvette, Brigantine BG & BR, Caravel and Shamrock.
- **St Fergus Gas Plant:** a gas reception and processing plant near Peterhead in North East Scotland that receives gas from multiple North Sea fields via the Fulmar Gas pipeline and from Norway via the Far North Liquids and Associated Gas System (FLAGS) pipeline. The gas is processed to supply the national grid. Extracted Natural Gas Liquids (NGL) are piped south to Shell UK's fractionation plant in Fife, Scotland (Fife NGL).
- **Fife Natural Gas Liquids Plant (FNGL):** two sites located in Mossmorran Fife, Scotland - the Fife NGL fractionation plant and the Braefoot Bay Marine Terminal. The NGLs are received at the fractionation plant via a 220 km underground pipeline from the St Fergus Gas Plant and separated into ethane, propane, butane and gasoline. The ethane is piped to the neighbouring Fife Ethylene Plant (FEP), operated by another company. The remaining products are transported via pipeline to the Braefoot Bay Marine Terminal, 7 km to the south of the plant on the Firth of Forth, for loading onto ships and export to international customers. Products are also exported from the plant by road tanker.
- **Bacton Gas Plant:** a gas reception and processing plant located near Great Yarmouth in the East of England. The plant processes gas received from the Sole Pit, Leman, SEAL, BBL and Sean pipelines. Processed gas is transferred to the national grid via the adjacent Transco transmission facilities.
- **In addition:** a number of mobile rigs were contracted to Shell UK in 2020 to drill new wells, conduct well interventions and well plug and abandonment operations. These included the Ocean Endeavor, Ocean Valiant, the Valaris122 mobile rigs, and the Light Well Intervention Vessel, the Island Constructor.

For more information on Shell UK, visit our website at **www.shell.co.uk/about-us/what-we-do**

SHELL UPSTREAM OPERATED AND NON-OPERATED ACTIVITIES IN THE UK



OUR ENVIRONMENTAL GOALS AND OBJECTIVES

Through the application of global environmental standards, Shell carefully considers the potential impacts on the environment and communities we share it with during the planning of projects and throughout the lifetime of operations. We seek to avoid adverse environmental impacts when carrying out our activities and, where avoidance is not possible, we implement controls designed to minimise any residual impacts.

Shell's commitment and policy on Health, Safety, Security, Environment and Social Performance (HSSE & SP) is included on page 8. The processes and procedures we follow, and resources deployed, are designed to comply with the Shell Group's global standards and UK environmental regulations. Our environmental management system, which is integrated into the Upstream UK HSSE Management System, is certified to ISO 14001:2015, the current international environmental management standard (see Appendix 4). The management system covers all of our upstream activities and locations involved in exploration and production. It provides a structured approach to continuously improving and managing our environmental performance and has the following objectives:

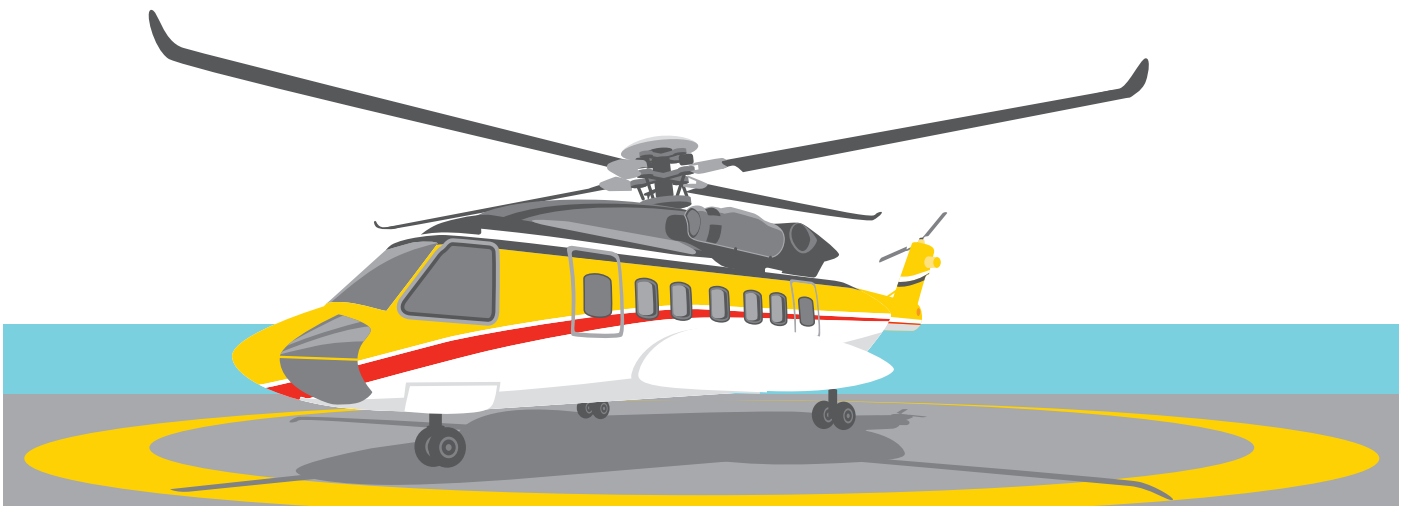
- The identification of environmental risk and management of potential impacts throughout the life cycle of our activities;
- Preparing for future challenges and opportunities;
- Regulatory compliance;
- Using materials and energy efficiently;
- Monitoring performance and setting targets for improvement;
- Effective engagement with our stakeholders;
- Playing a leading role in promoting good practice in our industry.

Shell supports the goals of the Paris Agreement and the UK Government's target of net zero emissions by 2050 (2045 in Scotland).

Globally, Shell has a target to become a net-zero emissions energy business by 2050, in step with society's progress in achieving the goal of the United Nations (UN) Paris Agreement on climate change. At the beginning of 2020, Shell UK set up a dedicated energy transition team in support of our upstream business to seek new opportunities and investments in energy transition in support of our net-zero target. During 2020, this team continued to progress our decarbonisation initiatives relating to carbon capture utilisation and storage (CCUS), hydrogen production and electrification amongst other opportunities as well as supporting our ongoing work to reduce the emissions from our existing operations.

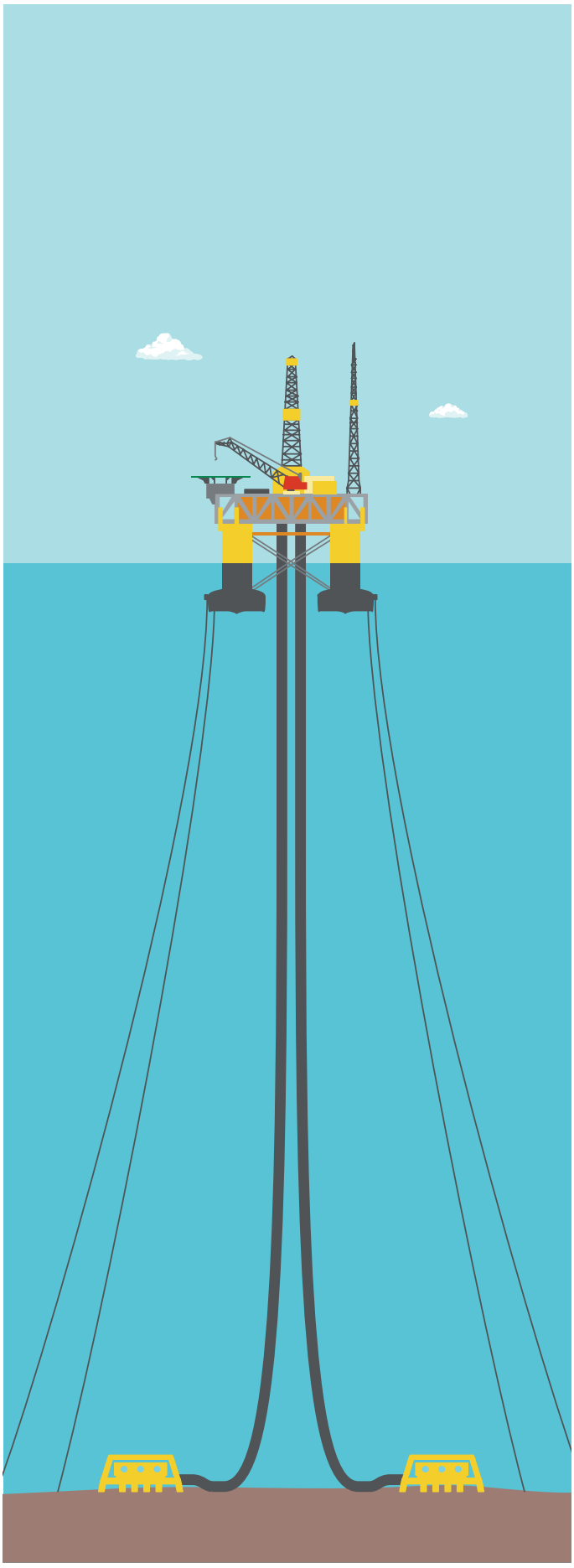
Key environmental focus areas in 2020 included:

- Additional energy transition opportunity evaluation and development of a decarbonisation strategy.
- Support the assessment of environmental risks and impacts related to the Acorn CCS project and other potential energy transition projects.
- Feasibility studies on emissions reduction opportunities from existing operations, identified in 2019, including energy use optimisation and potential flaring reductions.
- Methane emission management planning.
- Finalising our environmental impact assessment programme for the Jackdaw project ahead of the final investment decision.
- Supporting preparations for the decommissioning programme such as at the Brent field, Goldeneye, Scoter/Merganser and preparations for the transfer of the Curlew FPSO to its final dismantling yard.
- Delivery of environmental commitments made with respect to the construction of the Penguins facilities.
- Maintenance of the ISO 14001:2015 environmental management system.



Environmental improvement programmes and achievements in 2020 included:

- Development of a decarbonisation strategy for our upstream business.
- An updated greenhouse gas (GHG) and Energy Management Plan for existing Shell UK operations, including the completion of several emissions reduction opportunity feasibility studies and the development and planning of feasible projects for delivery.
- Two public consultations on an environmental impact assessment for the Jackdaw gas field development.
- Supporting the delivery of infield subsea projects, including the delivery of the Fram production tieback to the existing Shearwater installation.
- An assessment of invasive species risks and management ahead of the final voyage of the Curlew FPSO to a dismantling yard in Norway.
- Successful completion of the transfer of attic oil from 12 of the cells on the Brent Bravo concrete gravity based legs into the receiver cell ready for future removal.
- Completion of the Brent Bravo topsides demolition at the onshore yard with a 97% waste reuse and recycling rate.
- Completion of five marine environmental baseline monitoring surveys in support of exploration proposals, project assessments and routine operational monitoring around offshore facilities.
- Ongoing maintenance and surveillance audits for our UK wide ISO 14001:2015 environmental management system.
- Continued support and data input for Phase 2 of the INSITE Programme (Influence of man-made Structures in the Ecosystem). The programme supports independent science leading to a greater understanding of the influence of man-made structures on the North Sea ecosystem. Shell UK has supported the programme since it started in 2012.



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

Sinead Lynch
UK Country Chair

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

ENVIRONMENTAL PERFORMANCE

EMISSIONS AND DISCHARGES

Greenhouse Gas Emissions

We monitor our greenhouse gas (GHG) emissions, and convert the data into carbon dioxide equivalents (CO_2e) which includes CO_2 and methane. We use the data to manage the emissions from our own operations and illustrate our performance and progress against targets.

The sources of direct GHG emissions from our activities at Shell UK facilities in 2020 are shown in ***Figure 1***. The principal contributor to the direct GHG emissions from our operations is the combustion emissions generated from the burning of fuel gas in turbines for power generation and compression duty, as well as in facility boilers and heaters. In 2020, fuel gas combustion contributed 79% of the total GHG emissions. Other contributors to the total include emissions from flaring at our installations which contributed 11% and from venting which contributed 5%. Emissions from the combustion of diesel, which is used in a variety of situations including in the engines of mobile rig units and vessels on hire and in dual-fuel generators used for power when fuel gas is not available, contributed 5% of the overall total.

Combustion emissions from fuel gas, flaring and from diesel use were reported under the EU Emissions Trading System after they are independently verified and all emissions from all sources are reported to the Regulators.

The total direct GHG emissions from Shell UK facilities in 2020 was 1.9 million tonnes of CO_2e, a reduction of almost 200,000 tonnes or 9.5% of the total emitted in 2019 (2.1 million tonnes CO_2e). These are Scope 1 emissions (direct emissions from our activities). There are no Scope 2 emissions (indirect emissions from the generation of electricity supplied to our facilities) from Shell UK facilities as these have been eliminated since 2019 when we started to purchase all of our electricity from certified renewable resources.

Emissions by source at each Shell UK facility are shown in ***Figure 2.***

Figure 1: GHG Emissions by source in 2020*

**(based on 100% of emissions at Shell UK operated facilities, mobile rigs on contract to Shell UK and the Pierce facility operated by Pierce Production Company Ltd)*

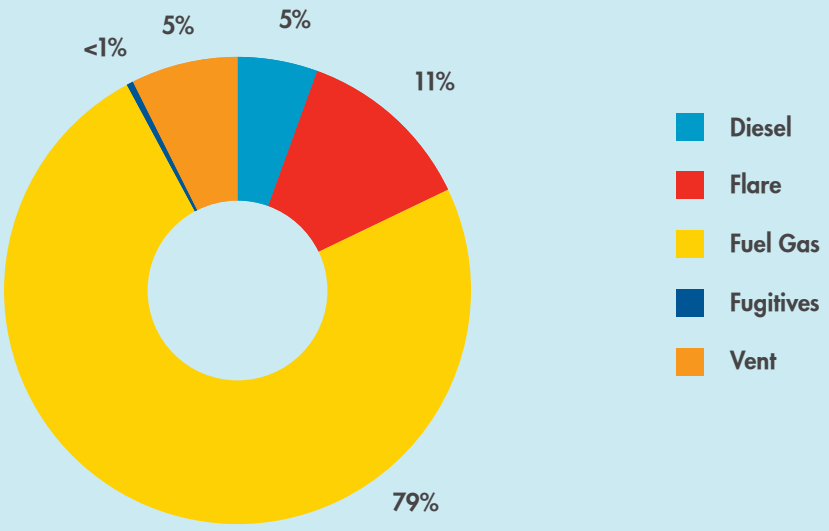
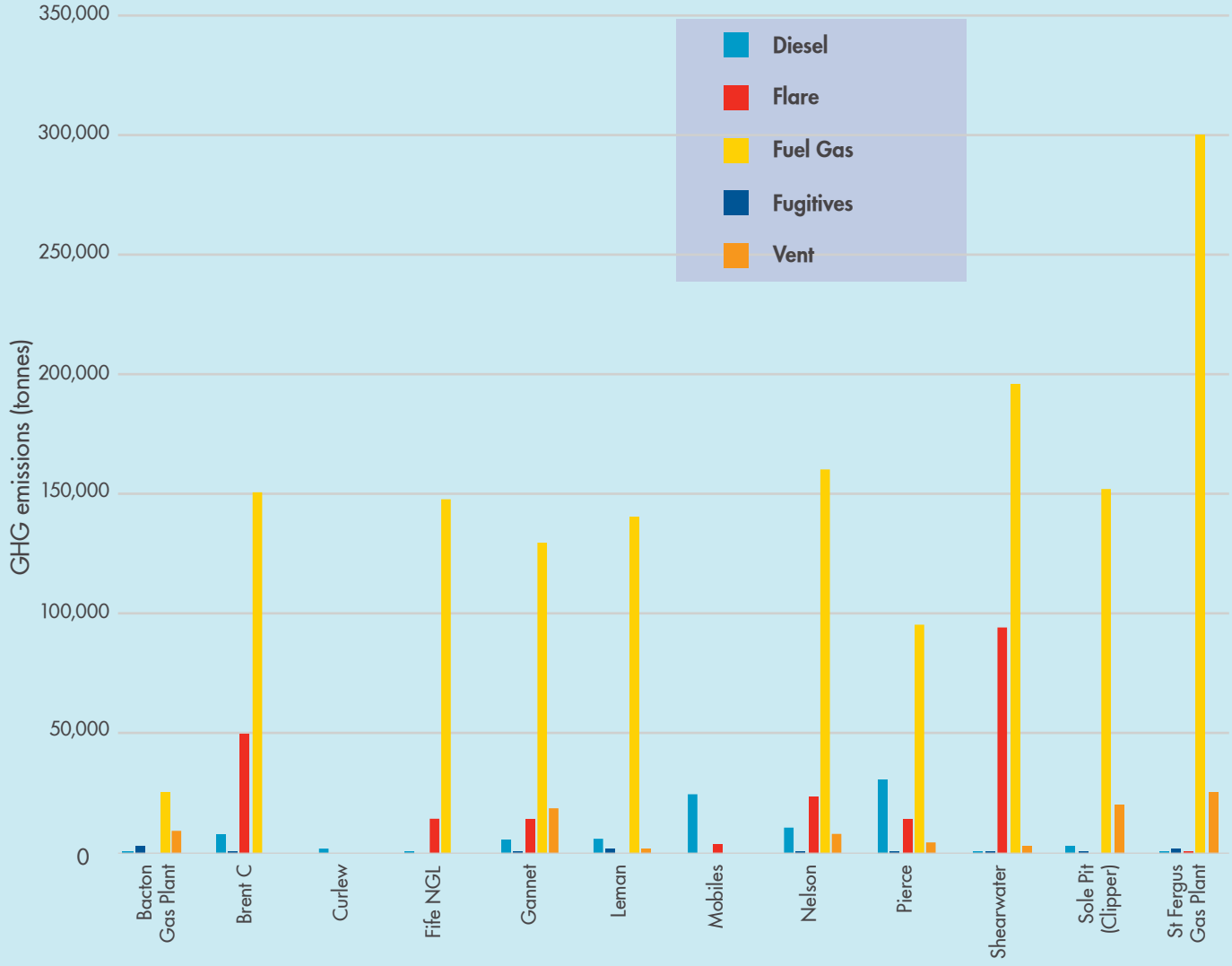


Figure 2: GHG emissions by source per facility in 2020* (tonnes CO_2e)

**(based on 100% of emissions at Shell UK operated facilities, mobile rigs on contract to Shell UK and the Pierce facility operated by Pierce Production Company Ltd)*



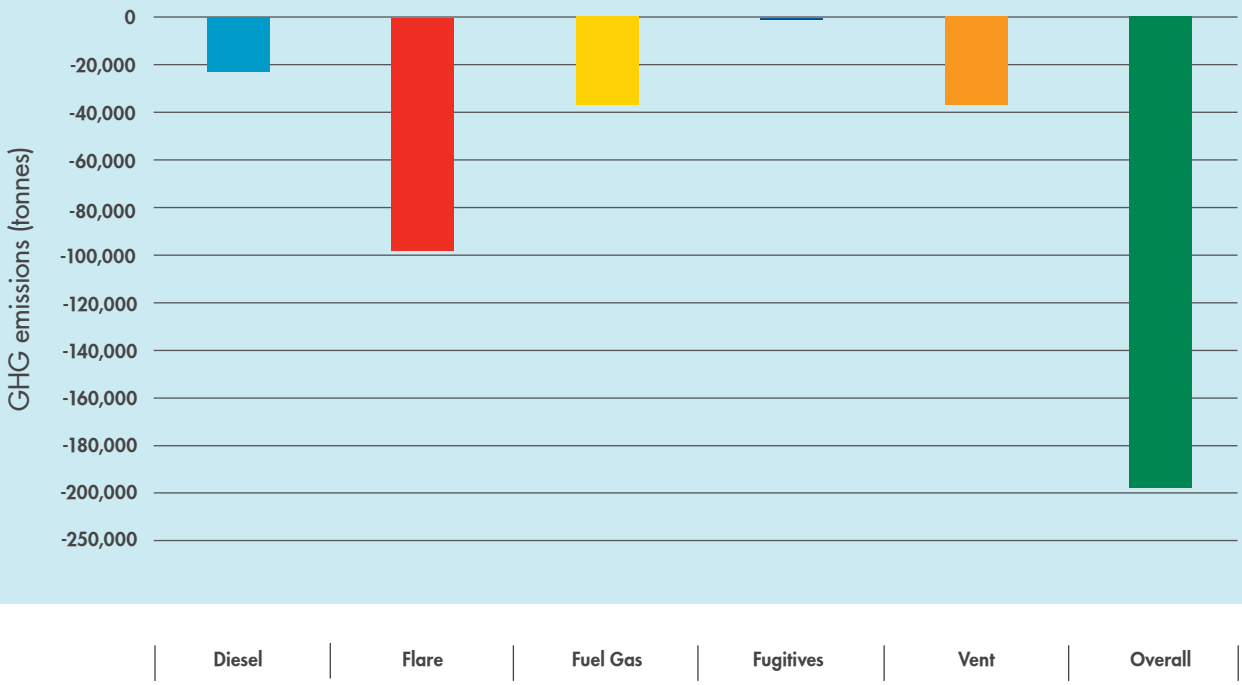
NOTE: GHG emissions for Pierce may be duplicated within the Bluewater annual environmental statement.

A key contributor to the overall reduction in GHG emissions since 2019 was the end of operations at the Curlew FPSO which was towed from the field for dismantling in June 2019. In addition, GHG emissions reductions were achieved from a number of sources in 2020 relative to 2019 as shown in ***Figure 3***. The main reasons for the reduction include:

- Emissions from flaring decreased by 99,360 tonnes of CO_2e since 2019 due to:
  - A reduction of flaring at the Fife Natural Gas Liquids (Fife NGL) plant in 2020 in comparison with 2019 following the successful re-start in January of the neighbouring Fife Ethylene Plant (FEP), which is operated by another company.
  - Periods of outages and shutdowns between July and November 2020 at Brent Charlie resulted in a decrease in flaring in 2020 relative to 2019.
- Emissions from venting reduced by 38,930 tonnes of CO_2e compared to 2019 due to:
  - The installation of a nitrogen purge (required to maintain a positive pressure in the vent stack) at the Clipper installation which replaced natural gas as the vent purge gas and therefore reduced methane venting emissions at the installation.
  - Flare efficiency improvements at both Nelson and Gannet which reduced the number of unlit flare events in 2020.
- A reduction in GHG emissions from fuel gas combustion of 37,860 tonnes of CO_2e since 2019 due to:
  - The use of just one low pressure (LP) compressor on Sole Pit Clipper in 2020 rather than two as had been the case up until 2019.
- A reduction in GHG emissions from diesel combustion of 22,510 tonnes of CO_2e since 2019. The reduction was mainly due to the removal of the Curlew FPSO from station in 2019 and the decommissioning and removal of the Brent Alpha topsides in June 2020. Diesel was used for power and heat at Brent Alpha following the cessation of production.

Figure 3: GHG emissions 2020 performance relative to 2019*

**(based on 100% of emissions at Shell UK operated facilities, mobile rigs on contract to Shell UK and the Pierce facility operated by Pierce Production Company Ltd)*



ENERGY USE AND RESOURCE MANAGEMENT

The management and control of GHG emissions is central to our activities to minimise, and where possible, reduce emissions from Shell UK operations. We continue to seek emission reduction across our own operations in accordance with our wide-ranging decarbonisation strategy.

We have developed a GHG and Energy Management Plan for our operated assets which is annually updated and includes all sources of operational GHG emissions as well as expected emissions through forecasts to end of field life. In all of our analyses, we use estimates of future carbon costs to understand the economics of our abatement plans. New projects under development must meet internal carbon performance standards with projects expected to evaluate relevant low-carbon options to remove GHG emissions in the design.

A refreshed portfolio of abatement opportunities that could reduce GHG emissions from our own operations was identified in 2019 following a number of studies carried out, including an energy use review across our portfolio.

In 2020, feasibility studies of the opportunities identified were conducted and feasible options included in our abatement funnel with some selected for delivery.

We installed a nitrogen unit to provide purge gas for the vent system at the Sole Pit Clipper platform, replacing the need to use natural gas to provide purge flow. This project is anticipated to result in the reduction of emissions from the installations by around 25,000 tonnes each year on a CO_2 equivalent basis.

Unfortunately, we were unable to deliver other abatement projects planned for delivery in 2020 due to Covid-19 protection measures put in place that restricted personnel numbers at our facilities and therefore it was not possible to mobilise the teams required to deliver the necessary modifications. These projects have been deferred to 2021.

OIL IN PRODUCED WATER

Water produced with oil and gas offshore is separated from hydrocarbons during processing. The produced water is treated before discharge to the sea in accordance with the Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2005 (as amended).

The amount of produced water and residual oil discharged with the produced water in 2020, from Shell UK operated installations, is shown in ***Figure 4***. Details for the Pierce FPSO are included in Bluewater's Annual Environmental Statement as the Bluewater organisation Pierce Production Company Limited operates the Pierce FPSO on Shell's behalf.

The water treatment systems onboard Shell UK's offshore platforms are designed to handle the volumes and types of fluids expected in the field, although there are occasions where equipment can malfunction or treatment may be affected by changes in produced fluid content, for example, during the start-up of a well. On these occasions, oil in water levels may exceed limits for a short duration and can result in a non-compliance with permitted limits.

Residual oil in produced water concentrations are monitored prior to discharge and each exceedance of the regulatory monthly average limit of 30 milligrams of oil per litre or ppm (parts per million) is reported to the Regulator. Annual average concentrations of residual oil in the produced water discharges from each installation in 2020 are presented in ***Figure 5***. The total amount of residual oil discharged was 291 tonnes, an increase from 244 tonnes in 2019.

Difficulties experienced with the produced water treatment system at the Leman installation in January 2020 reduced the oil/water separation efficiency of the system and led to a non-compliance in the monthly average 30 ppm limit.

The issue was quickly identified and remedied, although the monthly average limit was exceeded again in February as the treatment system stabilised. Discharge limits were in compliance for the remainder of the year, however, the issues experienced in January and February meant that the 30 ppm monthly average oil in water discharge over the year was exceeded at Leman. It should be noted though, that the quantity of produced water discharged to sea from the installation is low and therefore only a relatively small amount of oil was discharged, 0.74 tonnes (Figure 4), which was well within permitted total oil limits.

All other Shell UK installations were in compliance with the 30 ppm average oil in water discharge for the year in 2020 and they were typically in compliance with the 30 ppm monthly average. There were four occasions where a monthly average oil in water content of above 30 ppm was recorded:

- A monthly average of 36.0 ppm at the Nelson platform in July due to a temporary issue on the water treatment package that was quickly repaired.
- A monthly average of 30.4 ppm at the Nelson platform in September due to an elevated level of sand production when starting up a well which temporarily reduced the efficiency of the water treatment system.
- A monthly average of 38.4 ppm in September at the Shearwater platform which was related to non-steady conditions at platform start-up, following a planned platform shut-down for maintenance.
- A monthly average of 31.3 ppm in November at the Shearwater platform that was due to a temporary process trip and well flow issues.

Figure 4: Total volume of produced water and mass of oil discharged to sea from each Shell UK operated offshore installation in 2020

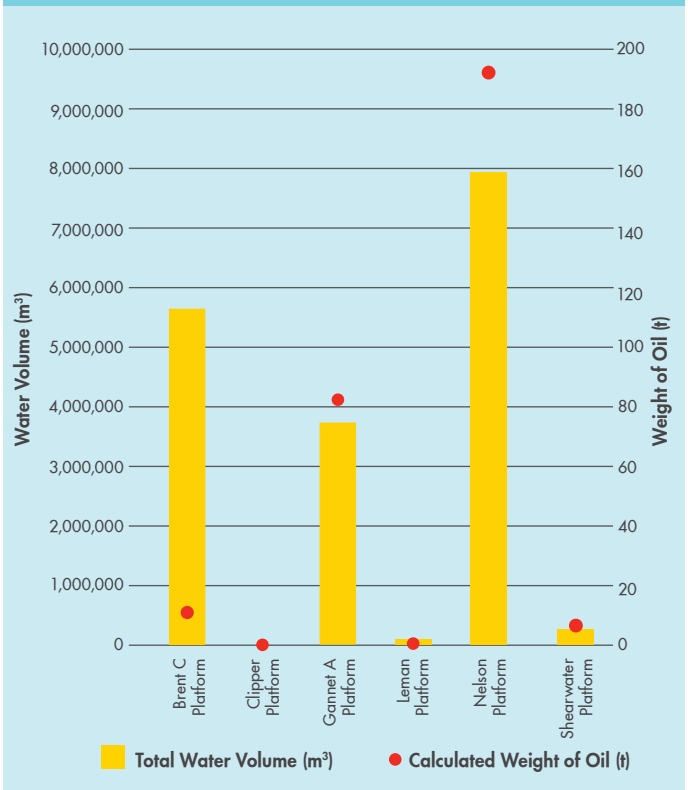
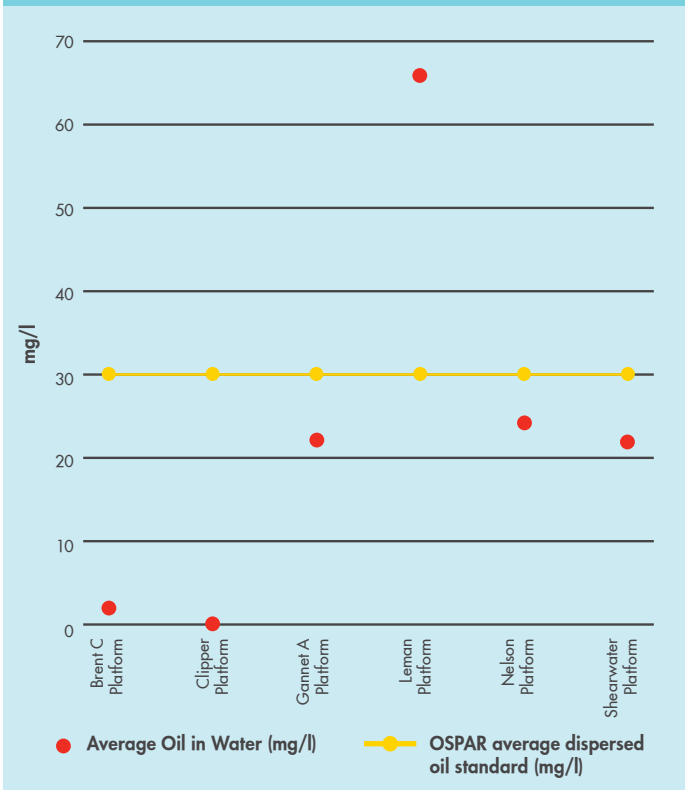


Figure 5: Annual average dispersed oil concentrations in produced water from Shell UK operated offshore installations in 2020



UNPLANNED RELEASES

Shell UK has a range of controls and procedures in place to prevent the unplanned release of hydrocarbons or chemicals to the sea. Maintenance programmes are conducted to improve facility reliability and to ensure the integrity of equipment used in the production, processing or transfer of liquid materials to keep unplanned releases to a minimum. Barriers are installed around hydrocarbon processing, chemical skids and storage areas which act as secondary containment for any unplanned releases to help prevent any losses to the environment. Unplanned releases to sea can, however, still take place during the course of conducting operations and there can be varying reasons for these events, including operational upsets, minor equipment failures, human error, or they may be due to unusual degradation of ageing infrastructure.

All unplanned releases are closely monitored and recorded internally regardless of volume and investigated. Releases that enter the sea are reported to the Regulator at the time of the release using a Petroleum Operations Notice (PON1).

The total number and mass of unplanned releases to the sea during Shell UK activities in the North Sea over the last five years is shown in ***Table 1***. Details of any unplanned releases from the Pierce FPSO installation will be included in Bluewater's Annual Environmental Statement as the Bluewater organisation Pierce Production Company Limited operates the Pierce FPSO on Shell's behalf.

In 2020, a total of 38 unplanned releases of oil and chemicals from our operations were recorded and reported. 20 of them were oil related with a total mass of just under 1 tonne and the remaining 18 were chemical releases which amounted to 34 tonnes (or 95% of the total unplanned releases in 2020). Although a higher number of unplanned releases were recorded in 2020 compared to 2019, the number of releases were lower than the number recorded in 2016, 2017 and 2018. The total mass released to sea in 2020 (35 tonnes) was lower than was recorded in 2019 (52.5 tonnes).

	2016	2017	2018	2019	2020
Number of Oil & Chemical Spills (includes spills <100kg)	59	53	42	31	38
Mass of Oil & Chemical Spills (tonnes)	27	56	1.9	52.5	35

Table 1: Number and mass of spills to sea (2016-2020)

Of the 38 unplanned releases recorded in 2020, 25 were individually less than 100 kg (<0.1 tonne), with 17 of these being small releases at less than 10 kg (<0.01 tonne) each. A total of 13 releases were recorded at over 100 kg. Of these, three were individually greater than 2 tonnes:

- The largest release, at 15.2 tonnes, was an unplanned release of cement slurry due to a faulty valve on the cement unit overboard line on a rig during a well casing cement job. The release was investigated and the faulty valve removed and replaced, the pre-job procedures were also updated for future cement jobs.
- The loss of water-based hydraulic fluid from a subsea safety valve package. The hydraulic fluid was not released directly to sea but was produced back to the platform with the well fluids and separated into the produced water treatment system before discharge. This was reported as a release under the PON1 system as the process was not permitted to contain the hydraulic fluid in the produced water stream. The cumulative release amounted to 2.4 tonnes and the equipment has since been repaired.
- There was another loss of water-based hydraulic fluid from a subsea safety valve package that cumulatively amounted to greater than 2 tonnes in 2020. In response, the hydraulic usage to this well was limited by reducing pressure at the wellhead and changing the well start and stop procedure. Again the hydraulic fluid was not released to sea directly but entered the platform's produced water treatment system before discharge. However, cumulative discharges amounted to 12.9 tonnes in 2020.

It should be noted that, at the time of writing, 6 of the 38 PON1s submitted in 2020, and in the Regulator's annual list of PON1s reported by all operators in the North Sea, were still under review. This may result in a future adjustment to our figures.

CHEMICAL MANAGEMENT

Production Chemicals

The type and volume of production chemicals used in our operations varies across our facilities depending on the requirements. Production chemical use and discharge is affected by various factors such as:

- Oil, gas and water production. In particular, as fields age, water production generally increases leading to greater chemical consumption in order to maintain effective operations.
- New technology that either removes the need for chemicals or can improve chemical efficiency which reduces chemical use.
- Improved knowledge of chemical behaviour to more accurately determine the fate of chemicals used.

We have strict chemical selection procedures in place that seek to ensure the most efficient chemicals are selected for each process and any potential impact to the environment is minimised. All chemicals selected and their use and discharge are approved by the Regulator under the Offshore Chemicals Regulations 2002 with specific allowances approved through chemical permits.

Table 2 shows the historical use of offshore production chemicals across Shell UK production operations, along with the proportion that may have been discharged to the sea through the offshore production process, as estimated by the partitioning characteristics of the chemical used. Details of production chemical use and discharge at the Pierce FPSO are included in Bluewater's Annual Environmental Statement as the Bluewater organisation Pierce Production Company Limited operates the Pierce FPSO on Shell's behalf.

The data in Table 2 shows that production chemical use in 2020 has increased slightly compared to 2019. The percentage of production chemicals that may have been discharged, as they are more likely to enter the water phase and be released with the produced water stream, has also increased. This is due to changes in chemical applications for operational reasons. The majority of these chemicals (85%) are classified as either posing little or no risk to the environment ("PLONOR" classified chemicals) or not containing substances which are required by the Regulator to be substituted.

	2016	2017	2018	2019	2020
Production Chemicals (Tonnes)	4,989	5,631	3,923	3,130	3,174
Estimated Percent Discharged	53	60	37	75	82

Table 2: Production chemicals use and estimated discharge (2016-2020)

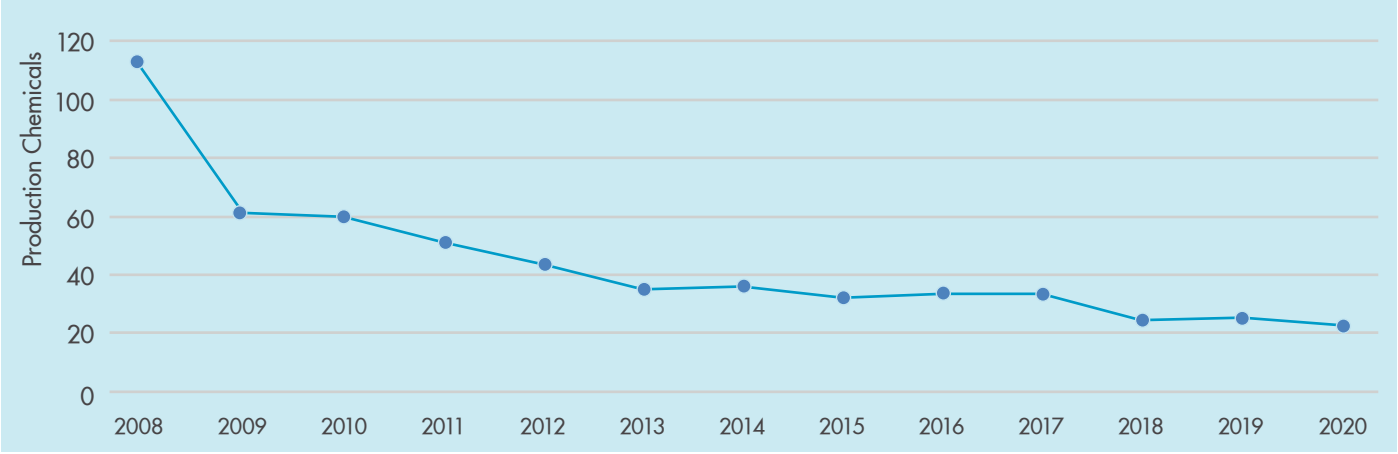
The Regulator has highlighted certain chemicals to be phased out by means of substitution warnings (known as 'sub-warning chemicals'). Reducing the use of these chemicals can be challenging, especially for those that have been engineered for specific fields or applications. Shell UK has been working to replace sub-warning chemicals by phasing in alternative chemicals as they become available on the market.

The assessment of options to phase out the remaining sub-warning chemicals that we still need to use for our operations continues as we work with our suppliers to identify alternatives. Their entire removal remains technically challenging at present but use is expected to reduce over time through a combination of factors:

1. Replacement with alternative chemicals as they enter the market;
2. Decommissioning of the installations where particular product is used;
3. Reclassification of risks as new chemical data becomes available.

The use of chemicals with sub-warnings by Shell UK has declined over the last few years as shown in ***Figure 6*** with 22 sub warning chemicals being used across our operated sites in 2020.

Figure 6: Trend in Numbers of Production Chemicals used by Shell UK with Substitution Warnings (2008-2020)



Wells Chemicals

In 2020, we used a total of 12,223 tonnes of chemicals in well activities as shown in ***Table 3***. Of this figure approximately 12% of the chemicals were discharged to sea in accordance with the allowances of approved chemical permits from the Regulator.

The volume of chemicals used and discharged is directly related to the type and number of well activities undertaken and completed in 2020. Details on wells operations can be seen in ***Appendix 2.***

The increase in chemical usage compared to 2019 levels was due to increased drilling activity in 2020, stepping up from two active drilling rigs to three. The percentage of chemicals discharged reduced in 2020 as 2019 had larger discharges associated with an extensive top hole batch setting campaign which brought increased chemical discharges in the riserless hole sections.

The use and discharge from the three drilling rigs accounted for 90% of the total chemical use and 80% of the total discharge. The remainder of usage and discharge was split across well abandonment operations on the Brent Charlie platform and a number of well intervention activities across UK wells. It should be noted that in the total chemical use and discharge from all operations, chemicals categorised as PLONOR accounted for 75% of the use and 60% of the discharges.

	2016	2017	2018	2019	2020
Wells Chemicals (Tonnes)	12,818	13,505	7,138	10,589	12,223
Estimated Percent Discharged	16	9	9	19	12

Table 3: Wells chemicals use and discharge (2016-2020)

In 2020, approximately 1.85% of the total weight of well chemicals used was made up of chemicals which carry sub-warnings. This is a slight decrease (0.15%) from 2019 levels, and this decrease is due to the nature of the work undertaken combined with continued efforts to phase out sub-warning chemicals as suitable alternatives become available within the industry. The tonnage of sub rated chemicals used was 226 tonnes and of these, 36.5 tonnes were discharged which is 0.30% of the overall total chemical use. The majority of the sub-warning chemicals which are discharged are from cementing operations and so this figure is expected to remain relatively stable while drilling and abandonment operations are continuing.

WASTE MANAGEMENT

Waste is controlled across all our UK operations with our installations segregating their waste streams to ensure compliance with Group standards and with applicable legal requirements.

Effective segregation of waste also allows for more environmentally acceptable routes of disposal. All wastes are shipped to shore from our offshore operations. Waste contractors are involved with the checking, compliance and working with the operators on site, so that they understand the requirements for segregating wastes during activities at the installations. In accordance with the waste hierarchy, which ranks waste management options according to what is best for the environment, we always look at reducing waste volume at source and minimising any waste generated.

The overall waste mass for 2020 was higher than in 2019, primarily due to an increase in the volume of hazardous waste produced during drilling campaigns. ***Table 4*** shows the total amount of hazardous and non-hazardous waste disposed of over the last 5 years. Details of waste management at the Pierce FPSO in 2020 are included in Bluewater's Annual Environmental Statement as the Bluewater organisation Pierce Production Company Limited operates the Pierce FPSO on Shell's behalf.

A number of disposal options are used and include waste to energy, discharge under consent, incineration and as the final option, landfill. In 2020, we also re-used or recycled approximately 29,000 tonnes of waste (not shown in table 4), which includes waste produced from decommissioning activities. Examples of the types of waste re-used and recycled from our operations include drums/containers and scrap metal.

In 2020, hazardous waste, which included drilling mud and cuttings shipped to shore from our drilling activities, contaminated water and sludge from onshore and offshore operations, waste oil, paint and chemicals, increased by 7.7%. A project at St Fergus last year also contributed to this increase. This was part of the plant's optimisation and operational improvements work and involved maintenance of the site's slug catcher (a network of pipes where any free water or liquid hydrocarbons are separated off before the gas enters the main process system). This resulted in an increased volume of hazardous waste removed during operational improvement activities in comparison to other years.

Non-hazardous waste, which included liquid production residues, scrap metals, wood, paper, plastics, cans and other general waste such as office waste showed a slight increase compared to 2019. Increased volumes of liquid wastes generated during Curlew decommissioning activities were offset by a reduction in waste liquids generated at the Bacton gas plant during 2020, due to improvements in the waste water treatment plant throughput and improved operations at the desalination plant.

	2016	2017	2018	2019	2020
Hazardous waste (Tonnes)	27,708	22,601	22,909	21,575	23,243
Non-Hazardous Waste (Tonnes)	17,088	14,280	27,160	17,476	18,032
Totals	44,796	36,881	50,069	39,051	41,275

Table 4: Mass (tonnes) of hazardous and non-hazardous wastes disposed of by our UK Upstream operations (2016 -2020)

Figure 7: Mass (tonnes) of hazardous and non-hazardous waste disposed of in 2020

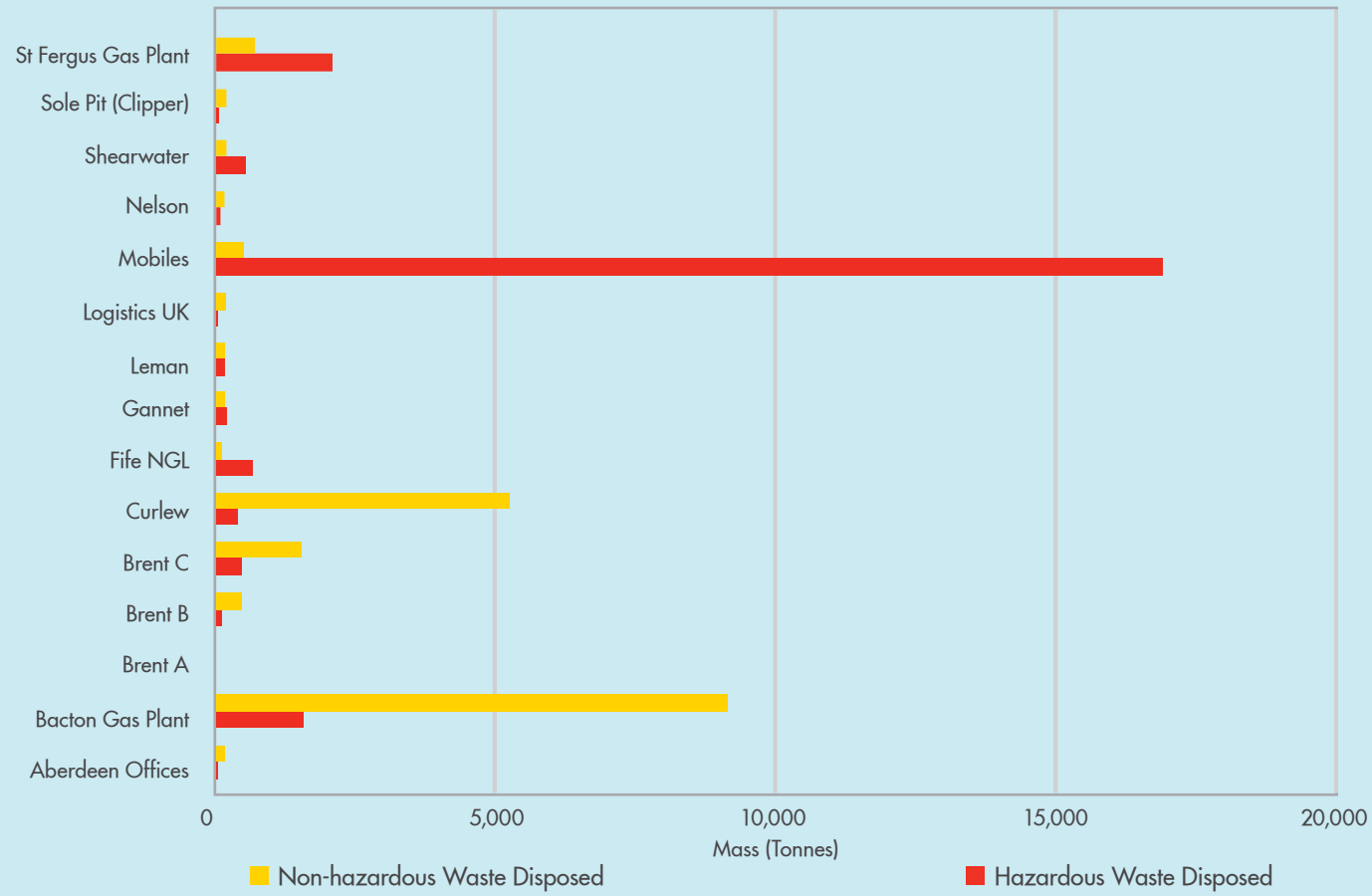


Figure 7 shows the ratio of hazardous to non-hazardous waste disposals by location in 2020. The largest producers of hazardous waste were mobile rigs due to the volume of wet bulk waste generated at these installations.

SHELL DECOMMISSIONING IN THE NORTH SEA

BRENT DECOMMISSIONING

The Brent oil and gas field, and its pipeline systems, is located in Block 211/29 of the UK sector of the North Sea, approximately 186 km north east of the Shetland Islands. It has been a cornerstone of the UK's hugely successful oil and gas industry for over 40 years, it is one of the largest fields in the North Sea, and consisted of four large platforms - Alpha, Bravo, Charlie and Delta.

The Brent field was a prolific national asset and since 1976 produced around three billion barrels of oil equivalent. At its peak, it was producing more than half a million barrels a day. The Regulator granted permission for the Cessation of Production (CoP) from Brent Delta in 2011, and Alpha and Bravo at the end of 2014. Brent Charlie ceased production on 31 March 2021, marking the end of 45 years of production in the Brent field.

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 Base Structures (GBS) weighing more than 300,000 tonnes each; 31,500 tonnes of steel jacket; and over 103 kilometres of pipelines. A total of 143 wells have been drilled from the 154 Brent platform well slots, and 3 subsea wells have been drilled in the Brent South field.

In 2014, the decision was made to bring forward submission of a Decommissioning Programme (DP) for the Brent Delta topside – ahead of the Programmes for the remainder of the Brent Field infrastructure. The Brent Delta topside DP was approved in July 2015.

An extended 60-day public consultation for the full Brent Field Decommissioning Programmes took place between February and April 2017. In 2018, the UK Regulator, OPRED, agreed that the topsides decommissioning proposals for Brent Alpha, Brent Bravo and Brent Charlie could also be removed from the current Brent Field DP, and form a separate, topsides-only DP. This was approved in early August 2018.

The Brent Field DP advanced through the regulatory process to the point that OPRED submitted the derogation documentation for the three Gravity Base Structures and the Alpha footings to OSPAR in January 2019. This concluded with a Special Consultative Meeting in October 2019, and a Chairman's report issued in November 2019. OPRED agreed that the decommissioning proposals for the Brent Alpha jacket could be separated from the remaining Field DP. This was approved in July 2020, which included a derogation for the Leave in Place of the Alpha jacket footings. A decision is awaited from OPRED on the remaining Brent Field DP.

The 24,200 tonne Delta topside was removed in 2017; in a single lift operation by Allseas' vessel 'Pioneering Spirit' and taken to Able UK's Seaton Port facility in Hartlepool, North-East England, for dismantling and recycling.

Dismantling of the topside was completed in Q1 2019, and the component materials or 'waste streams' segregated and stored on site before being transported to other onshore facilities for re-use, recycling or disposal as appropriate. Approximately 97% by mass of topside material was re-used or recycled. All materials have been tracked to their final destination.

A final close-out report was submitted to OPRED in December 2019 which described the offshore and onshore programme of work carried out to cut, lift, transport and load-in the Brent Delta topside to Able UK's Seaton port facility. It also describes the installation of the caps and Aids to Navigation on top of the legs of the Gravity Base Structures.

Brent Bravo was de-manned in March 2019, and the 25,000 tonnes topside was removed also in a single lift by the Pioneering Spirit in June 2019 and transported to Able UK's facility for dismantling and recycling. Over 97% of the topside was recycled, and a close out report was submitted to OPRED in 2020. In March 2020 OPRED also approved a separate DP for the Brent Field pipelines.

Brent Alpha wells "plug and make safe campaign" was completed in February 2019, and engineering preparations for lifting the topside and upper portion of the jacket continued through 2019. The Brent Alpha installation was de-manned in October 2019, and the topside was removed in a single lift by the Pioneering Spirt in June 2020. The topside was transported to Able UK's facility for dismantling and recycling. In August 2020 the upper jacket and conductors were removed in a single lift by Heerema Marine Contractor's heavy lift crane vessel Sleipnir, and transported to AF Decom's VATS facility in Norway for dismantling and recycling.

Decommissioning of the Brent Charlie wells started in late 2017 and will continue through 2021.

UKCS – OTHER DECOMMISSIONING ACTIVITY

In 2020, there was an increase in decommissioning activities for Shell UK in the Central North Sea (CNS).

Curlew Field

The Curlew Field is located approximately 210 kilometres east of the Aberdeenshire coastline, and 55 kilometres west of the UK/Norway median line, in a water depth of 93 metres. The facility consisted of a central processing Floating Production, Storage and Offloading (FPSO) vessel, with three subsea field tie-backs, and was connected into the Fulmar pipeline for gas export to the St Fergus onshore facility.

The Curlew Decommissioning Programme was approved by OPRED in March 2019. Cessation of Production (CoP) was agreed for the end of March 2019.

In 2019 decommissioning operations were performed on five Curlew wells to plug them and make them safe with one further well currently suspended and scheduled to be plugged and made safe. The Curlew FPSO was towed to Forth Ports' Dundee facility for cleaning in June 2019, and moved to the AFOD facility in Norway in August 2020 for final cleaning and recycling.

Goldeneye Field

Goldeneye is located in the CNS, in the UK Continental Shelf, approximately 100 kilometres north east of the Aberdeenshire coast, and was operational as a gas producing field since 2004. It is a wellhead platform, with a 1,400-tonnes topside, five platform wells in a water depth of 120 metres, with a direct tie-back to the St Fergus onshore facility. Cessation of Production was granted in March 2011.

The platform had been preserved as a Normally Unattended Installation (NUI), and the status changed in 2018 to a Permanently Unattended Installation (PUI). The five wells were successfully plugged and made safe in 2018, a draft Decommissioning Programme was submitted to OPRED at the start of November 2018, and the 30-day public consultation closed on December 5, 2018.

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Following the public consultation, Shell UK entered discussions with OPRED and Carbon Capture, Utilisation and Storage (CCUS) stakeholders regarding the potential future re-use of both the Goldeneye and Atlantic and Cromarty pipelines. The development of UK policy on the re-use of oil and gas infrastructure for CCUS, including identification of infrastructure with recognised potential for re-use, is ongoing.

The previously submitted Decommissioning Programme has now been split into two documents:

1. The Decommissioning Programme for the Goldeneye topsides, jacket, wells and subsea infrastructure up to but excluding the main pipeline tie-in flanges. This DP was approved in November 2019, and the removal of the topsides, jacket and related subsea infrastructure are anticipated to be completed in 2021. It is anticipated that over 97% of the materials brought to shore will be re-used or recycled.
2. In the event that re-use of the pipelines is not possible, a second DP describing the decommissioning solutions for the two Goldeneye pipelines (export and methanol line) from and including the tie-in flanges adjacent to the Goldeneye Platform to landfall adjacent to the St Fergus Gas Terminal will be submitted for approval at a later date.

Subsea assets

In 2020, there was significant progress with decommissioning preparatory work on a portfolio of Shell UK's UKCS subsea assets. DP's for Gaupe and Kingfisher completed statutory 30 day public consultation in 2020, and OPRED approvals are anticipated in 2021.

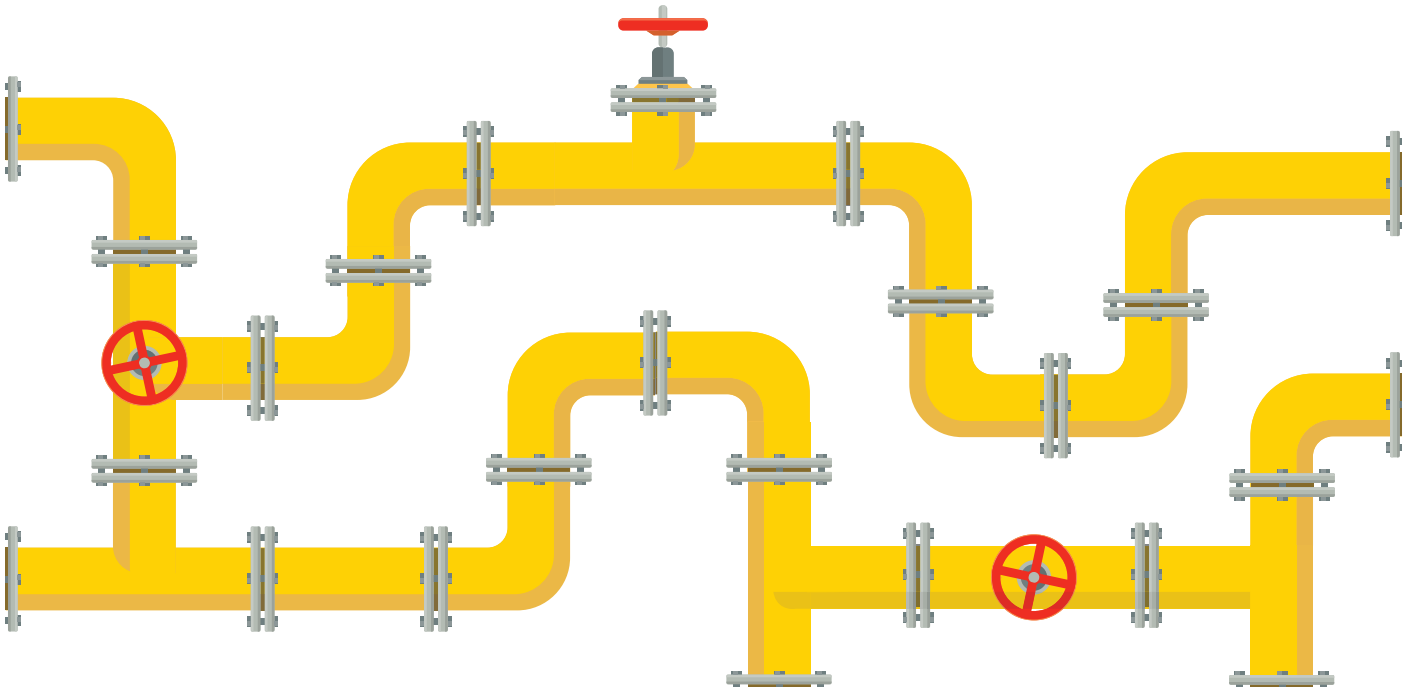
CONTACT US

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 in 2020.

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

For further information, please contact the Shell office in Aberdeen on 01224 882000 and ask for the External Relations department:

Shell U.K. Limited
1, Altens Farm Road
Aberdeen AB12 3FY
01224 882000



APPENDIX 1
SUMMARY OF ENVIRONMENTAL DATA (2016 - 2020)

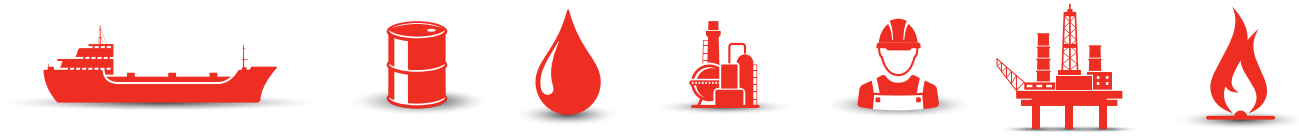
	2016	2017	2018	2019	2020
Greenhouse Gases (GHG) (tonnes CO_2 equivalent)	2,743,723	2,571,161	2,227,523	2,096,676	1,897,309
Oil to Sea (tonnes) (discharged in produced water)	202	213	242	244	291
Hazardous Waste Generated (tonnes)	27,708	22,601	22,909	21,575	23,243
Non-Hazardous Waste Generated (tonnes)	17,088	14,281	27,160	17,476	18,032
Production Chemical Use (tonnes) % Discharge	4,989 53	5,631 60	3,923 37	3,130 75	3,174 82
Wells Chemical Use (tonnes) % Discharge	12,818 16	13,505 9	7,138 9	10,589 19	12,223* 12
Unplanned Releases/Spills (tonnes)	59 (27)	53 (56)	42 (1.9)	31(52.5)	38 (35)

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

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

Since 2019, we have only included Pierce data in our GHG reporting and all subsea PON1s. The remaining data sets do not contain details regarding Pierce FPSO. That information will be found in the Bluewater Annual Statement on Environmental Performance.

* It should be noted that the amount of Wells Chemicals Used relates to Well activities undertaken and completed in 2020. Appendix 2 shows well activity in 2020 but some of the associated chemical permits do not expire until 2021 and so the chemicals used will not be submitted into EEMS until 2021.



APPENDIX 2
WELL ACTIVITIES IN 2020

DRILLED

Installation / Rig	Shell Well Name	Well Start Date	BEIS Permit Reference
V122	SW05s3	17/04/2020	CP/2221
V122	SW08s3	18/10/2020	CP/2355
Ocean Endeavor	Fram G5	11/11/2019	CP/2133
Ocean Endeavor	Fram G3z	17/11/2020	CP/2136
Ocean Endeavor	Pierce A13	25/04/2020	CP/2554
Ocean Endeavor	Pierce A13z	17/05/2020	CP/2554
Ocean Endeavor	Pierce A13y	27/05/2020	CP/2554
Ocean Endeavor	Pierce A14	17/06/2020	CP/2283
Ocean Endeavor	Arran AS3	12/08/2020	CP/2188
Ocean Endeavor	Arran AS2	19/08/2020	CP/2170
Ocean Valiant	Gannet GF01s1	01/11/2019	CP/2134

ABANDONED

Installation / Rig	Shell Well Name	Well Start Date	BEIS Permit Reference
V122	SW05s2	16/03/2020	CP/2221
V122	SW08s2	28/08/2020	CP/2355
Brent Charlie	BC24	02/01/2020	CP/2210/6
Brent Charlie	BC14	31/01/2020	CP/2210/6
Brent Charlie	BC34	16/03/2020	CP/2210/6
Brent Charlie	BC28	13/04/2020	CP/2210/6
Brent Charlie	BC02	24/04/2020	CP/2210/6
Brent Charlie	BC23	27/05/2020	CP/2210/6
Brent Charlie	BC21	04/07/2020	CP/2210/6
Brent Charlie	BC01	19/07/2020	CP/2210/6
Brent Charlie	BC24	04/08/2020	CP/2210/6
Brent Charlie	BC19	13/08/2020	CP/2210/6
Brent Charlie	BC39	01/09/2020	CP/2210/6
Brent Charlie	BC16	10/10/2020	CP/2210/6
Brent Charlie	BC05	11/11/2020	CP/2210/6
Brent Charlie	BC35	03/12/2020	CP/2210/6

APPENDIX 3
ABBREVIATIONS AND TERMINOLOGY

BBL	Balgz and Bacton line
BEIS	Department of Business, Energy and Industrial Strategy
CCS	Carbon capture and storage
CCUS	Carbon capture, utilisation and storage
CNS	Central North Sea
CO_2e	Carbon dioxide equivalent is a term for describing different greenhouse gases in a common unit. For any quantity and type of greenhouse gas, CO_2e signifies the amount of CO_2 which would have a climate change global warming impact
CoP	Cessation of Production
DP	Decommissioning Programme
EA	Environment Agency
EEMS	Environmental Emissions Monitoring System
FEP	Fife Ethylene Plant
FLAGS	Far Northern Liquids and Associated Gas System
FNGL	Fife Natural Gas Liquids plant
FPSO	Floating Production Storage and Offloading vessel
GBS	Gravity Based Structure
GHG	Greenhouse gases (mainly carbon dioxide, methane, nitrous oxide and HFC's)
HPHT	High Pressure High Temperature
HSSE & SP	Health, Safety, Security, Environment and Social Performance
INSITE	Influence of man-made Structures In the Eco-system
LP	Low Pressure
NGL	Natural Gas Liquids
NUI	Normally Unattended Installation
OPRED	Offshore Petroleum Regulator for Environment and Decommissioning (a department of BEIS)
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).
PLONOR	Poses Little Or No Risk (to the environment)
PON1	Petroleum Operations Notice type 1. OPRED requires Operators to report any oil or chemical spills, sheens, or excessive discharges to their Offshore Inspectorate using a PON1 notification form
ppm	Parts Per Million
PUI	Permanently Unattended Installation
SEAL	Shearwater-Elgin Area Line
SEPA	Scottish Environment Protection Agency
UKCS	United Kingdom Continental Shelf
UN	United Nations

APPENDIX 4
ISO 14001-2015 Certificate - 2020-2022

BUREAU VERITAS
Certification

Shell UK Limited

1 Altens Farm Road, Aberdeen AB12 3FY

This is a multi-site certificate; additional site(s) are listed below

Bureau Veritas Certification Holding SAS – UK Branch certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below

ISO 14001:2015

The exploration, construction, drilling, production, processing and storage of oil, natural gas and condensate and decommissioning under the control of Shell U.K. Limited, which includes:

- **Offshore installations: Brent Alpha, Brent Bravo, Brent Charlie, Brent Delta, Shearwater, Gannet, Nelson, Curlew, Pierce, Goldeneye, Leman, Sole Pit Clipper and the Normally Unmanned Installations located in the Southern North Sea (NUI)**
- **Onshore locations: St Fergus Gas Plant, Mossmorran Gas Plant, Braefoot Bay Offloading Terminal and Bacton Gas Terminal**
- **Wells, pipelines and subsea infrastructure**

Including the associated support and corporate functions at Aberdeen Tullos offices (Headquarter, 1 Altens Farm Road, Aberdeen, AB12 3FY) and Great Yarmouth offices (Norfolk, NR31 0ZS)

Original cycle start date:	**30-11-2007**
Re Certification Audit date:	**24-10-2019**
Re Certification cycle start date:	**05-01-2020**

Subject to the continued satisfactory operation of the organization's Management System, this certificate expires on: **04 January 2023**

Certificate No 19LDR1008 *Version:* ***01*** *Revision date:* **20/12/2019**

Ioannis CALOGERAS
UK Marine Chief Executive

UKAS MANAGEMENT SYSTEMS
0008

Certification body address: ***5th Floor, 66 Prescot Street, London E1 8HG, United Kingdom***
Local office: ***Keel House Newcastle NE34 9PY***

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.
To check this certificate validity please call: **+44 (0) 1914278170**

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 "Shell Group" 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 UK" refers specifically to Shell UK Upstream business. Likewise, the words, "we", "us" and "our" are also used to refer to Shell UK Upstream business in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular entity or entities. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this report refer to entities 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 Shell in an entity or unincorporated joint arrangement after exclusion of all third-party interest.

Additionally, Shell's operating plan, outlook and budgets are forecasted for a ten-year period and are updated every year. They reflect the current economic environment and what we can reasonably expect to see over the next ten years. Accordingly, Shell's operating plans, outlooks, budgets and pricing assumptions do not reflect our net-zero emissions target. In the future, as society moves towards net-zero emissions, we expect Shell's operating plans, outlooks, budgets and pricing assumptions to reflect this movement.

Also, in this report, we may refer to Shell's "Net Carbon Footprint", which includes Shell's carbon emissions from the production of our energy products, our suppliers' carbon emissions in supplying energy for that production and our customers' carbon emissions associated with their use of the energy products we sell. Shell only controls its own emissions. The use of the term Shell's "Net Carbon Footprint" is for convenience only and not intended to suggest these emissions are those of Shell or its subsidiaries.

This report contains forward-looking statements concerning the financial condition, results of operations and businesses of 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 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 "aim", "ambition", "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may","milestones", "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 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; (m) risks associated with the impact of pandemics, such as the COVID-19 (coronavirus) outbreak; and (n) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. 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 plc's Annual Report and Accounts for the year ended December 31, 2020 and also Royal Dutch Shell plc's Form 20-F for the year ended December 31, 2020 (each 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, 2021. Neither 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.

The contents of websites referred to in this report do not form part of this report.

We may have used certain terms, such as resources, in this report that the United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. 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.