

## Private Oil Holdings Oman Limited

### Strategic report for the year ended 31 December 2019 (continued)

#### Principal risks and uncertainties

The Shell Group has a single risk based control framework – The Shell Control Framework – to identify and manage risks. The Shell Control Framework applies to all wholly owned Shell companies and to those ventures and other companies in which Royal Dutch Shell has directly or indirectly a controlling interest. From the perspective of the Company, the principal risks and uncertainties affecting the Company are considered to be those that affect the Shell Group. Accordingly, the principal risks and uncertainties of the Shell Group, which are discussed on pages 27 to 36 of Royal Dutch Shell’s Annual Report and Form 20-F for the year ended 31 December 2019 (the “Group Report”), include those of the Company. The Group Report does not form part of this report.

#### Key Performance Indicators

Companies of the Shell Group comprise the Upstream businesses of Exploration and Production, Integrated Gas and New Energies and the Downstream businesses of Oil Products and Chemicals. The Company’s key performance indicators, that give an understanding of the development, performance and position of the business, are aligned with those of the Shell Group. The development, performance and position of the various businesses is discussed on pages 45 to 79 of the Group Report and the key performance indicators through which the Group’s performance is measured are as set out on pages 42 to 44 of the Group Report.

#### Section 172(1) statement/Statement of stakeholder interests

Ahead of each meeting of the Board of Directors of the Company, the Directors are reminded of the applicability of the Companies (Miscellaneous Reporting) Regulations 2018, and in particular the provisions of section 172(1), being that the Directors have regard, alongside their duty to promote the success of the Company as a whole for the benefit of its member(s), to the following:

- the likely consequences of any decision in the long term and the impact of the Company’s operations on the community and the environment,
- the desirability of the Company maintaining a reputation for high standards of business conduct,
- if applicable, the need to act fairly as between members of the company; and
- if applicable, that consideration is also given to employees, suppliers, customers, and others.

Further, briefing papers provided to the Board ahead of their meeting follow a template format which aims to highlight the principle matters within the topic under discussion. This template has a specific section for stakeholder interests and requires those drafting the paper to communicate the stakeholders that have been considered and engaged where appropriate.

A Board decision that has a directly consequential and material impact on a key stakeholder is considered a ‘principal decision’.

There were no principal decisions taken by the Board during the year under review.

Approved by the Board on ...7 Sept 2020.... and signed on its behalf by:

.....  
Muscat  
A M Ritskes  
Director

