

ROYAL DUTCH SHELL PLC

RESPONSIBLE INVESTMENT ANNUAL BRIEFING 2020

APRIL 16th, 2020

RESPONSIBLE INVESTMENT ANNUAL BRIEFING 2020 BY BEN VAN BEURDEN, CHIEF EXECUTIVE OFFICER OF ROYAL DUTCH SHELL PLC



Good morning to all of you and thank you for joining virtually today. These are extraordinary times. We are very grateful for your understanding, and also for the fact that you are with us on this call. Special thanks, of course, for those of you dialling in from another time zone, especially those for whom this is late at night or early in the morning. A warm welcome to all of you, our guests, on the line today. Before I go any further, let me highlight the disclaimer statement. I appreciate that many of you will be in lockdown because of COVID-19 – the coronavirus. And I appreciate that you, like millions of others around the world, will be having to manage in the face of very

challenging circumstances. I am, personally, very proud of the way Shell's staff, contractors and suppliers have all come together in those circumstances. To ensure that essential supplies continue to flow. I can assure you, Shell is doing all it can to assist the global response to COVID-19.

That is work which starts with taking care of our staff and contractors, the people that are essential to ensure the world gets the energy and other products it needs. Whether that is through new, deeper and more frequent cleaning schedules, through providing the IT support to ensure up to 70,000 people can work from home each day or through worker screening programmes, Perspex screens for till operators, or new shift patterns to ensure social distancing, Shell is going to great lengths to protect our staff.

And, of course, Shell is doing all we can to take care of our customers too. Whether that is through enhanced health and safety measures at all our retail sites globally, or working with business customers to ensure the best possible ways to meet demand for essential hand and surface cleaning products. It is worth remembering that Shell's Geismar site in Louisiana is the largest producer in the world of the base chemicals used to make household detergents. And, of course, our chemical plants are diverting resources to producing isopropyl alcohol as fast as they can. This makes up about half the content of the hand-sanitising liquid being used to keep the virus down around the world.

Finally, Shell is doing everything we can to support the communities we work within. That can be small gestures just to make lives easier, like the free food and drink we are offering at more than 15,000 retail sites across 30 countries for health-care professionals such as nurses and doctors, as well as truck drivers and delivery people. It can be working with our business partners to divert resources to making the products that are needed most, like the lubricant blending plant in Kenya owned by Shell and Vivo Lubricants. Together we have converted that plant to produce hand sanitiser. And helping communities can also sometimes be game changing. Like Shell's donation of 125,000 litres of isopropyl alcohol to the Canadian government over the next three months for use in healthcare facilities. That is enough for almost a million bottles of hand sanitiser. And Shell has also donated 2.5 million litres of isopropyl alcohol to the Dutch health-care sector.



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As I said. Shell is doing what it can. I am sure you have seen similar commitment from others. And I am certain we have all benefited from the hard work being put in by so many people, far beyond Shell, to keep things going. This is urgent action. This is critical action. Yet even at a time of immediate challenge, it is important to also keep an eye on the long term as well.

And much of the rest of what I say today will be focused on the long-term. Because abandoning that focus in the face of urgent short-term need, will make the long-term challenges all the harder to tackle when COVID-19 is no longer with us. Shell is dealing with the challenges of the present, and I am going to outline how we plan to deal with the longer-term challenges that will be with us for some time to come.

As you can see from this agenda we have made some changes to the event. In fact, today is a very unconventional Responsible Investor Day. Because I will not be touching on many of the areas you have grown accustomed to in our equivalent events from previous years. We have made progress in many ways since the last time we held one of these events, but I must ask you to explore our Sustainability Report for the detail on any area that I do not touch upon in these remarks. The Sustainability Report is available to read or download from [shell.com](https://www.shell.com). The Investor Relations ESG team also remains available to you to answer any questions.

And while it is COVID-19 that has forced us all to connect virtually today, it is not the health crisis which has determined this change to our usual selection of topics to be covered. It is something else entirely. Instead, today's agenda is determined by the fact I have something significant to speak to you about in relation to Shell and our plans to respond to climate change.

You will recall that Shell has three strategic ambitions - to be a world-class investment case, to thrive in the energy transition to a lower-carbon future and to maintain a strong societal licence to operate. All of them are of equal importance to the future of Shell. And everything I say today, as significant as it is for the future of the business, sits within that framework.

Being a world-class investment case means being financially robust and resilient. And the importance of that resilience has never been more clear than today, with the twin challenges of COVID-19 and the current very low oil price putting pressure on even the strongest balance sheets. And you can be reassured that we continue to focus tightly on that resilience and financial strength, pulling the levers we need to pull, as hard as necessary, and at the times that it is necessary to pull them. You will have noticed the action we have taken already. That resilience is critical because it is the solid foundation on which we can build. And we wish to build a company that will thrive in the energy transition. This strategic ambition is all about remaining relevant and resilient in a changing global energy system. It is about finding the business value in the energy transition. It is about being a world-class investment case, far into the future. And our third strategic ambition is maintaining a strong societal licence to operate. Having the support of society for what we do is essential. Without it we cannot be a world class investment case. Without it we will not be able to thrive in the energy transition. To have the support of society, we must be in step with that society. Being in step with society requires action in many areas. From safety to ethics and compliance. From responsible supply chains to respecting indigenous communities. From transparency to taxes. Shell is active in all those areas.

But it is undoubtedly the case that the biggest long-term question for an oil and gas business like Shell, is the question raised by climate change. That is the question I will be addressing today. I have already mentioned the importance of being in step with society. Well, when it comes to climate



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change, society's attitude is shifting fast. This is a good thing, because the world must move fast if it is to tackle climate change and it is not moving fast enough right now.

It was only five years ago, in Paris, that the world was focused on an ambition to restrict the global average temperature increase to well-below 2° Celsius. And Shell produced a scenario detailing how the world could achieve that ambition. That scenario, which we called Sky, laid out a set of measures which would transform the energy system and restrict the temperature increase to around 1.75° Celsius or even 1.5° Celsius with major reforestation. It was a challenging set of measures, but technically possible.

Yet in those five short years, society has raised its expectations further. Today, in many parts of the world, the goal is now the tougher Paris aim of no more than 1.5° Celsius. Shell has been listening and has taken a deeper look at the actions that the world could take to achieve such a goal. These actions are, inevitably, more challenging: the time available has shortened, the scale of action needed is even larger and the extent of the global collaboration required is certainly unprecedented. But, this pathway to 1.5° Celsius is still, just about, technically and economically possible.

Our scenario modelling shows this global pathway to 1.5° Celsius requires the whole of society to have achieved net-zero emissions by around 2060. That is not the same as saying that all parts of society have that much time. Those wealthier, more developed countries and regions that can move faster, must move faster. If they do not, then those countries and regions which cannot move so quickly will not have the time they need.

The European Union, for example, should achieve net-zero emissions by no later than 2050 if the world is to succeed in restricting warming to 1.5° Celsius. That is, indeed, the EU's aim. And Shell has built a specific scenario looking at what Europe might need to do to decarbonise energy in the next 30 years. So, I will give you a quick rundown of the conclusions, to give you some insight into the scale of change involved.

The EU scenario identified nine areas for action. Each of them – each of the nine – comes with challenges and opportunities. These are the same areas that every part of the world must act in, even if the figures I will give are specific to the EU alone. And, before I go into those nine areas, I want to emphasise challenges and opportunities. For our sector and for many others. The tasks for the EU all happening at the same time and start with a doubling of the use of electricity. Second, ensure that renewables like wind and solar produce around three-quarters of that power and that burning coal produces none of it. Third, an effective economy-wide carbon price rising to more than 200 euros per tonne in 2050.

Next, the EU needs to improve its energy efficiency by 45% compared to today. The fifth step is to ensure hydrogen is well used as a fuel for heating and for heavy duty transport, reaching around 10% of energy use. And sixth, triple the use of biofuels. Seventh is to bring about significant change in consumer and business choices. For example, a clear shift away from short-haul flights and road freight towards rail. Eighth: clean up emissions at source from industry by building an average of two CCUS facilities a month between 2025 and 2050, to capture and store away carbon dioxide. Each of these would need to be as large as the Shell operated Quest facility in Canada which captures and stores away more than a million tonnes of CO₂ each year. And the final measure: to deal with the 300 million tonnes of CO₂ emissions that remain, even after taking all the action I have already mentioned. To do that, the EU could reforest an area of around 85,000 square miles, or 220,000 square kilometres. That is a landmass about the size of Great Britain.



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Obviously, if less action is taken in one area it means more in another. So, only one carbon capture facility a month instead of two over 25 years would, for example, translate into the need for another forest the size of Great Britain. No carbon capture facilities would translate to forests covering the equivalent of the whole of Germany and Italy or almost all of Texas.

And, just to be clear, all that action is to decarbonise energy. Agriculture needs further action. Emissions caused by industries like cement need further action again. So, I hope you can easily see that the scale of action required of society, if it is to restrict global warming to under 1.5° Celsius, is huge.

It is clear to us that the rapid shift in society's attitude on climate change, the tougher goal it is setting itself and the scale of the task in front of it all of this has consequences for Shell. It means that an approach which was considered ground-breaking less than two-and-a-half years ago, is already appearing to lag behind. And so it is with Shell's ambitions in relation to climate change.

In November 2017, Shell announced its Net Carbon Footprint ambition. We said we would aim to reduce the carbon intensity of the energy products we sell by around 50% by 2050. This ambition was calibrated to keep Shell in step with a society working to meet the Paris Agreement and, ultimately, that society achieving the Paris goal of restricting warming to well-below 2° Celsius. That moment was the first time any oil and gas company had announced an ambition that included not only its operational emissions, but also the emissions of its customers when they use its energy products.

We followed this up by introducing short-term targets for our Net Carbon Footprint and by linking those targets to the pay of executives. We are already on the way to achieving our first short-term target.

We said we would reduce our Net Carbon Footprint by 2-3% by 2021. In 2019, Shell's energy products had a Net Carbon Footprint of 78 grams of CO₂-equivalent per megajoule of energy consumed, compared to 79 grams previously. This is a reduction of more than 1% already.

In addition, from 2020, some 16,500 staff at Shell will have their remuneration linked to these short-term targets.

Other action has included setting a methane emissions intensity target and implementing the recommendations of the Task Force on Climate Related Financial Disclosures. We have also provided increased transparency on our climate-related lobbying by publishing the Shell Industry Associations Climate Review.

So we are taking action and we are making progress.

Yet, as I have already mentioned, Shell intends to lead and thrive through this transition to a low-carbon energy future. And Shell has always said that its ambition was to be in step with society, to be in step with our customers.

That is why, today, we are announcing significantly raised ambitions.

We announce this today, because large parts of society have now set their sights on limiting the global temperature rise to 1.5° Celsius. And because those that can move fast, must move fast. The EU's push to reach net-zero emissions by 2050 is right. The UK's push to reach net-zero emissions by 2050, is right.

And Shell's new ambition, is to be a net-zero emissions energy business by 2050, and sooner if that is possible. That is right too.



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Global society, overall, may have until around 2060 to reach net-zero emissions. But Shell recognises that it stands within a section of society that needs to move faster. And so that is what we intend to do.

Let me repeat that ambition.

By 2050, Shell intends to be a net-zero emissions energy business.

And we will be net-zero emissions before 2050, if that is possible.

That is a huge task, a task at least as big as that faced by wider society. And we will work towards it, work towards net-zero emissions, in three ways.

The first step is to significantly raise the level of ambition we stated two-and-a-half years ago.

At the end of 2017, our Net Carbon Footprint ambition was designed to be in step with a society heading to a world of well-below 2° Celsius. It meant Shell selling more and more products with a lower carbon intensity, such as renewable power, biofuels and hydrogen. It also meant finding ways to deal with emissions that could not be avoided, through nature or technology.

In short, our 2017 ambition meant seeking to radically transform Shell to establish new business opportunities. It meant finding new ways of running a financially sustainable business.

Our new ambition still means all of this. But it means moving much faster. Because we have now recalibrated our Net Carbon Footprint ambition so that it is in step with the large sections of society that want to achieve a 1.5° Celsius future.

So, from today, Shell's medium-term ambition is to reduce the Net Carbon Footprint of our energy products by 30% by 2035, instead of 20%. And this means our long-term ambition is now to reduce the Net Carbon Footprint of our energy products by 65% by 2050, instead of 50%.

For those of you wondering why being in step with a 1.5° Celsius future does not mean reducing the Net Carbon Footprint of our energy products by 100%, I will come back to that shortly.

And I also want to be clear. This ambition is about emitting fewer greenhouse gases on average with each unit of energy we sell.

We calculate the emissions created during the lifecycle of our energy products, then we subtract the effect of actions we, as Shell, take to mitigate those emissions, whether through nature to capture CO₂ from the atmosphere, or technology to capture and store it away, and that gives us the net emissions associated with our energy products. We then divide that emissions figure by the amount of energy, in megajoules, contained in the products that we sell.

But our original ambition did not include the emissions from the production of our non-energy products, like chemicals and lubricants. These were excluded at the time because they are not burned when consumed. But being a net-zero emissions energy business means addressing all emissions from our operations.

That is why, today, we are saying, that by 2050 at the latest, we aim to be net zero on all the emissions from the manufacture of all our products, including non-energy products. That includes our operational emissions. And that includes the emissions associated with the energy we consume through those operations.

For those who like the technical terminology: that means net-zero emissions for scope one and scope two. And if we can do this sooner than 2050, we will.

That is the second step on our way to be a net-zero emissions energy business by 2050.



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But Shell's new Net Carbon Footprint ambition is a reduction of 65% by 2050. That is not enough for Shell to become a net-zero emissions energy business overall. It only deals with the majority of the emissions caused by our customers' use of our products.

To explain that a little more, and to explain, as I promised, why being in step with a 1.5° Celsius future does not mean reducing the Net Carbon Footprint of our energy products by 100%,

The Net Carbon Footprint ambition covers the carbon intensity of the products we sell in society.

Today most of those products we sell create emissions when they are used, by being burned by our customers. Over time, Shell aims to sell fewer of these products that create emissions, and more products that are low or no-carbon.

But all credible scenarios, including the IPCC's 1.5° report, show that society will continue to need some products that create emissions for the foreseeable future, because no other option is available yet.

That means that, for the foreseeable future, Shell will continue to sell products which create emissions when they are used. That is why it is not possible for Shell to set an ambition to reduce the Net Carbon Footprint of our energy products by 100%.

Because, even in a net-zero emissions world, people will still need to use some carbon-based fuels, for some uses, which create emissions.

But that does not mean Shell cannot be a net-zero emissions energy business. Because our customers can and will themselves take action on the emissions created by their use of our energy products.

Any actions by our customers to mitigate their own emissions, or increase their energy efficiency, will not count towards the Net Carbon Footprint of our energy products. They will not count because we do not claim credit for the actions of others.

As society moves towards its lower-carbon future, however, our customers will also need to act to mitigate emissions caused by their energy use, because they will need to reduce their own scope one and two emissions. But these are the same emissions that count as Shell's scope three emissions. That is why such actions by our customers can help Shell become a net-zero emissions energy business itself.

And that is why Shell must take a third step if it is to become a net-zero energy business.

That step is working with our customers to address the emissions which are produced when they use the fuels they buy from Shell. That requires action from both sides. Indeed, we can only achieve our ambition to be a net-zero emissions energy business as part of a society that is also working to be a net-zero emissions society.

But it is not enough to wait. Indeed, Shell is determined to help society move faster. We will work with our customers to help them find ways to decarbonise.

That effort includes working with broad coalitions of businesses, governments and other parties, sector by sector, to identify and enable decarbonisation pathways for each sector.

Each sector will need to find its own way to achieving net-zero emissions. Each sector is different, and some are highly fragmented, so the actual action needed in a sector will vary. But all sectors, however, share the same three basic ways to make progress.

Firstly, by being more energy efficient; secondly, by using lower-carbon energy products; and, thirdly, by storing away emissions that cannot be avoided, either through nature or using the technology that already exists to capture and store away CO₂.



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Shell can help push progress in all of those areas. In addition, consumption patterns within society must shift towards lower-carbon choices, encouraged by policies such as government-led carbon pricing mechanisms etc.

Now, action in all of these areas will help address the emissions that fall outside the action Shell can take towards the Net Carbon Footprint of our energy products, but it still counts towards Shell's progress towards being a net-zero emissions energy business. And there will need to be a substantial amount of such action in some sectors if they are, themselves, to reach net-zero emissions.

The need for that action means Shell intends to be active in this area.

Shell's work with sectors on decarbonisation pathways is part of the answer. But as we get closer to 2050, we will work ever more intensely with customers who still have emissions that they have not fully mitigated. We will work with them to find ways to help them do so. That may be through actions they take themselves, or Shell may agree to find a way to mitigate those emissions on the customers' behalf.

So, to recap. Shell's new ambition is to be a net-zero emissions energy business by 2050, or sooner. To achieve this we have, firstly, significantly raised our Net Carbon Footprint ambition.

Secondly, we also have a new ambition to be net-zero emissions on all the emissions from the manufacture of all our products, including non-energy products.

Finally, we, as a business that supplies energy, will work within sectors which use energy, to establish pathways for them to follow towards net-zero emissions. And for those customers who still have emissions as they near 2050, we will work with those customers to find a way to mitigate those emissions.

That is what our new net-zero emissions ambition means in terms of Shell's approach. But what does it mean in practice?

I will give you an example. I will talk you through how Shell's progress to net-zero emissions might look in the aviation sector.

I appreciate that, right now, aviation is experiencing massive challenges as a sector due to COVID-19. But what I am going to outline covers a 30-year time period. More than that, aviation is one of the most challenging sectors to decarbonise, which means it is one of the sectors where Shell's ambitions will be tested most strongly. It is only right that I choose an example which will place Shell's ambitions under the greatest stress.

So, with apologies to those in the aviation sector who are fighting just to deal with the day-to-day issues in front of them, I will continue.

With today's technology, passenger planes need jet fuel to fly. Today Shell creates emissions during the production of that jet fuel. Using the technical terminology, these are our scope one emissions. Shell also has emissions from the energy we buy, which we use as we produce that jet fuel. These are our scope two emissions.

And, finally, aviation companies create emissions when they use the jet fuel to fly people to their destinations. These, the bulk of the emissions associated with our products, are our scope three emissions.

There are three ways to deal with the scope one and two emissions Shell creates as it makes jet fuel. They are the same three courses of action any business can take to reduce their scope one and two emissions.



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First, produce the jet fuel more efficiently, using less energy.

Second, use cleaner energy to produce the jet fuel, using as much zero-carbon electricity as the processes involved will allow.

Third, mitigate the emissions that are left, either through nature or by using technology to capture and store the emissions away.

Shell's ambition to be a net-zero energy business means combining those three options until there are no scope one or two emissions left, which are not removed through nature or stored away.

The job of dealing with the scope three emissions from our aviation business will be huge.

It starts with reducing the Net Carbon Footprint of the energy we sell to the aviation industry. That will mean selling increasing amounts of lower-carbon fuels, over time.

At the moment, the only real alternative to jet fuel for large planes is biofuels, and advanced biofuels can indeed lower the carbon intensity of the fuel used.

In time, hydrogen could power commercial flights. And selling hydrogen produced using zero-carbon electricity to split water – known as green hydrogen – could lower the carbon intensity of the fuel Shell provides for planes to almost zero.

Providing products like advanced biofuels and hydrogen can allow Shell to significantly reduce its scope three emissions.

To maximise this reduction, Shell will work with all the players in and around the aviation sector to find ways to enable the greater use of these fuels.

For example, by working with jet engine manufacturers to ensure the chemical properties of the fuels we produce give the greatest thrust possible,

And, in terms of hydrogen, we can seek to work with the entire aviation sector ecosystem – from airport operators to logistics companies and jet plane manufacturers – to help make hydrogen-powered planes a reality.

But selling products like biofuels and hydrogen will not reduce the scope three emissions of the entire sector to net zero.

That is partly because, by 2050, it is unlikely that the world be able to produce enough biofuel and hydrogen to meet the fuel needs of the entire aviation industry.

This means that, even in 2050, some large planes will still need to use conventional jet fuel.

That is why, if Shell is to be a net-zero emissions energy business, there is that final piece of work to do.

We must work with the aviation industry to help them deal with the emissions that are left. And because it appears to be impossible to capture these emissions direct from a jet engine, the answer is likely to be balancing those emissions through nature or technology.

Either Shell could do that, or the individual plane operators could do it, depending on who is best positioned to do so.

And that would deal with the remaining emissions associated with Shell's products in the aviation industry, the remaining scope three emissions.

That, in short, would make Shell a net-zero emissions supplier of energy to the aviation sector. And, by 2050, we aim to "do" only net zero business in the sector.

Of course, it is easy to state an ambition, it is much harder to achieve it. We are talking about a fundamental shift for Shell over the next 30 years. And we will be giving you a strategy update in the second half of the year on some first steps.



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But I can say this, for certain, today. To achieve our ambition, Shell must pivot towards serving the businesses and sectors that, by 2050, are net-zero emissions themselves. It must pivot to serve the businesses and customers of the future, to make Shell a business of the future.

Because a society that succeeds in being net zero emissions by 2050 is a society in which there will be no business that is not net zero.

This is going to take a lot of work. It will not be easy. Some of the necessary technologies – like hydrogen-powered planes, or zero-emissions ships – do not exist yet. And, today, Shell's business plans will not get us to where we want to be. That means our business plans will have to change over time as society and our customers also will have to change overtime.

Ultimately, succeeding in our ambition will mean that, by 2050, all Shell's own operations and the customers we serve will, in combination, be net-zero emissions.

This would be in line with society's ambition to achieve a 1.5°C outcome, it would be in step with society, and it would be in line with our own strategic ambitions.

Being in step with society is key. It is key to maintaining a strong societal licence to operate,

And by staying in step with society as it shifts towards a net-zero emissions future, we are also setting ourselves up to thrive through the energy transition,

And by thriving through the energy transition, we are doing the work we need to do to be a world class investment case for many decades to come.

If Shell can succeed in its ambition, if we can succeed in becoming a net-zero emissions energy business by 2050, we will truly have succeeded in being an integral part of that net-zero world.

There is no more ambition that we can have than this, to be a core part of the future, a future that society wants and a future that society needs.

And that is what being a net-zero emissions energy business means to Shell. That is what Shell now intends to do. And we will work with our customers so that we can achieve it together.

Thank you.

With that, let's go for your questions.

With me on the line I also have Harry Brekelmans, Shell's Projects and Technology Director. As the Executive Committee member accountable for the matters of climate change, he will address some of your questions. Welcome, Harry.

Please type your questions into the Q&A box and our Investor Relations EVP, Tjerk Huysinga, will help us facilitate the Q&A session. Tjerk, over to you. Thank you.

Thank you all again for joining us today. Your time is much appreciated. And I look forward to engaging with you all again soon.

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This presentation contains data and analysis from Shell's Sky scenario. Unlike Shell's previously published Mountains and Oceans exploratory scenarios, the Sky scenario is based on the assumption that society reaches the Paris Agreement's goal of holding the rise in global average temperatures this century to well below two degrees Celsius (2°C) above pre-industrial levels. Unlike Shell's Mountains and Oceans scenarios, which unfolded in an open-ended way based upon plausible assumptions and quantifications, the Sky scenario was specifically designed to reach the Paris Agreement's goal in a technically possible manner. These scenarios are a part of an ongoing process used in Shell for over 40 years to challenge executives' perspectives on the future business environment. They are designed to stretch management to consider even events that may only be remotely possible. Scenarios, therefore, are not intended to be predictions of likely future events or outcomes. Additionally, it is important to note that as of April 16, 2020, Shell's operating plans and budgets do not reflect Shell's net-zero emissions ambition. Shell's aim is that, in the future, its operating plans and budgets will change to reflect this movement towards its new net-zero emissions ambition. However, these plans and budgets need to be in step with the movement towards a net-zero emissions economy within society and among Shell's customers. Also, in this presentation 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 but, to support society in achieving the Paris Agreement goals, we aim to help and influence such suppliers and consumers to likewise lower their emissions. The use of the terminology "Shell's Net Carbon Footprint" is for convenience only and not intended to suggest these emissions are those of Shell or its subsidiaries. The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this presentation "Shell", "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. Likewise, the words "we", "us" and "our" are also used to refer to Royal Dutch Shell plc and its subsidiaries 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 presentation refer to entities over which Royal Dutch Shell plc either directly or indirectly has control. 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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 presentation, 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



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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 presentation 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 Form 20-F for the year ended December 31, 2019 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly qualify all forward-looking statements contained in this presentation and should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, April 16, 2020. 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 presentation. We may have used certain terms, such as resources, in this presentation 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.

