



Q3 2021 RESULTS

PRESS RELEASE

The Hague, October 28, 2021

"This quarter we've generated record cash flow, maintained capital discipline and announced our intention to distribute \$7 billion to our shareholders from the sale of our Permian assets. Today, we also set a new 2030 target to halve the absolute emissions from our operations, compared to 2016 levels on a net basis. Altogether, this is clear evidence of how we are accelerating our Powering Progress strategy, purposefully and profitably."

Royal Dutch Shell Chief Executive Officer, Ben van Beurden

QUALITY PORTFOLIO DELIVERING RECORD CASH

- Highest ever CFFO excl. working capital of \$17.5 billion, supported by outstanding cash generation across the businesses and boosted by commodity derivatives.
- Disciplined cash capex of \$13.2 billion in the first nine months; expected to be around \$20 billion in 2021.
- Share buybacks of \$1.0 billion in Q3 2021 out of a total target of \$2 billion in the second half of 2021. Additional shareholder distributions of \$7 billion related to the Permian sale to start in 2022, post deal completion.
- An absolute emissions reduction target of 50% by 2030, compared to 2016 levels on a net basis, covering all Scope 1 and 2 emissions under Shell's operational control.

\$ million	Adj. Earnings ¹	Adj. EBITDA (CCS)	CFFO ex. WC	CFFO	Cash capex
Integrated Gas	1,680	3,768	7,871	5,674	1,272
Upstream	1,686	6,766	5,889	5,777	1,502
Oil Products	1,212	2,360	3,262	3,757	976
Refining & Trading	(3)	415			364
Marketing	1,215	1,945			612
Chemicals	395	715	684	840	1,053
Corporate	(732)	(147)	(233)	(22)	36
Less: Non-controlling interest	112				
RDS					
Q3 2021	4,130	13,460	17,472	16,025	4,840
Q2 2021	5,534	13,623	14,176	12,617	4,383

¹Income/(loss) attributable to shareholders for Q3 2021 is \$(0.4) billion. Reconciliation of non-GAAP measures can be found in the unaudited results, available on www.shell.com/investors.

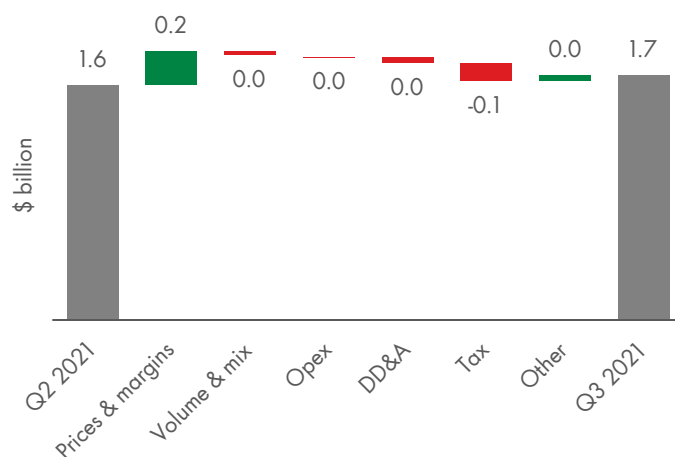
\$ billion	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Divestment proceeds	0.9	0.2	3.4	1.3	1.3
Free cash flow	7.6	0.9	7.7	9.7	12.2
Net debt	73.5	75.4	71.3	65.7	57.5

Q3 2021 FINANCIAL PERFORMANCE DRIVERS

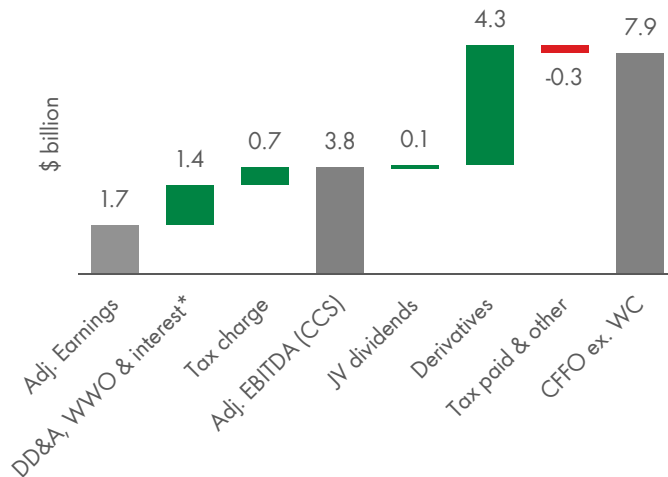
INTEGRATED GAS, RENEWABLES AND ENERGY SOLUTIONS

Key data	Q2 2021	Q3 2021	Q4 2021 outlook
Realised liquids price (\$/bbl)	58.97	68.04	–
Realised gas price (\$/mscf)	6.32	8.36	–
Production (kboe/d)	938	938	940 - 980
LNG liquefaction volumes (MT)	7.49	7.39	8.0 - 8.6
LNG sales volumes (MT)	15.92	15.18	–

Adjusted Earnings



Cash conversion Q3



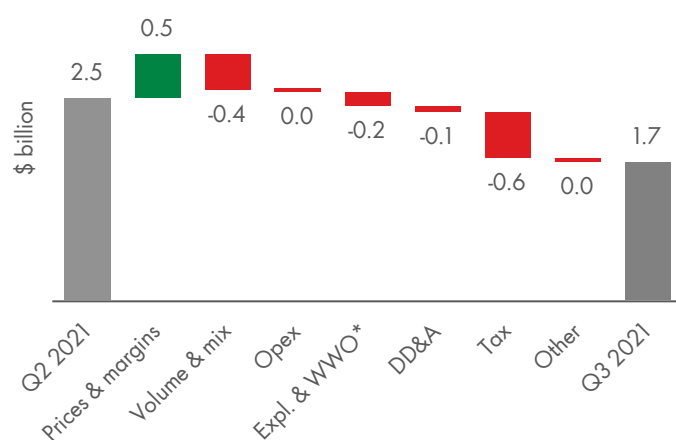
*WWO = well write-offs

- Adjusted Earnings benefited from higher realised prices, partly offset by lower earnings contribution from the Renewables & Energy Solutions business due to lower margins in North America.
- Strong cash flow, with CFFO excluding working capital of \$7.9 billion, benefiting from \$4.3 billion derivatives cash inflows from variation margin in gas and power trading due to significant price increases. These variation margin inflows could reverse in future quarters.

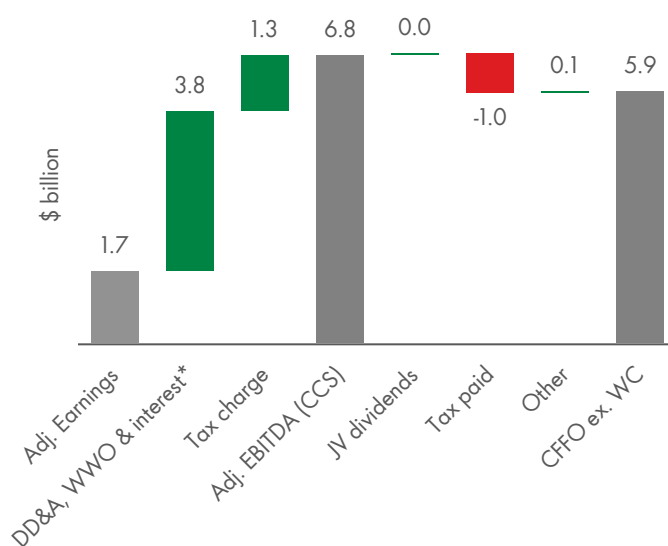
UPSTREAM

Key data	Q2 2021	Q3 2021	Q4 2021 outlook
Realised liquids price (\$/bbl)	62.53	67.10	–
Realised gas price (\$/mscf)	4.31	6.09	–
Liquids production (kboe/d)	1,558	1,497	–
Gas production (mscf/d)	4,082	3,387	–
Total production (kboe/d)	2,262	2,081	2,100 - 2,350

Adjusted Earnings



Cash conversion Q3



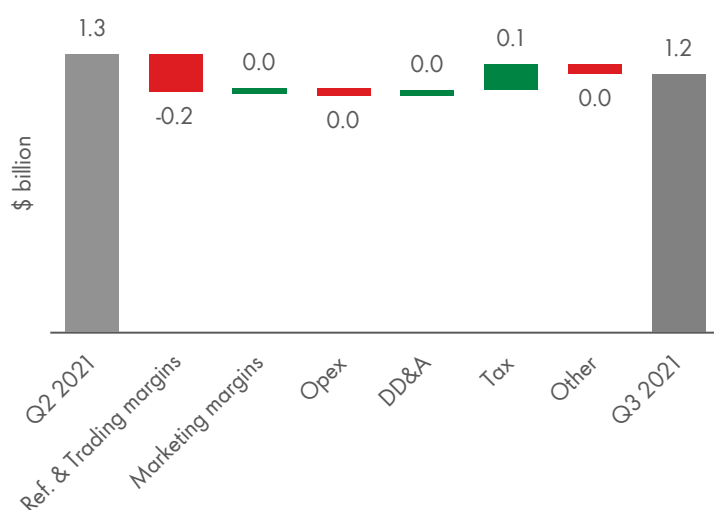
*WWO = well write-offs

- Adjusted Earnings benefited from higher prices, offset by lower volumes. Q2 2021 included a one-off release of a non-cash tax provision of approximately \$600 million.
- Continued strong cash conversion, with CFO excluding working capital of \$5.9 billion.
- Higher cash generation than in Q2 2021, despite 8% lower production due to seasonality and Hurricane Ida.

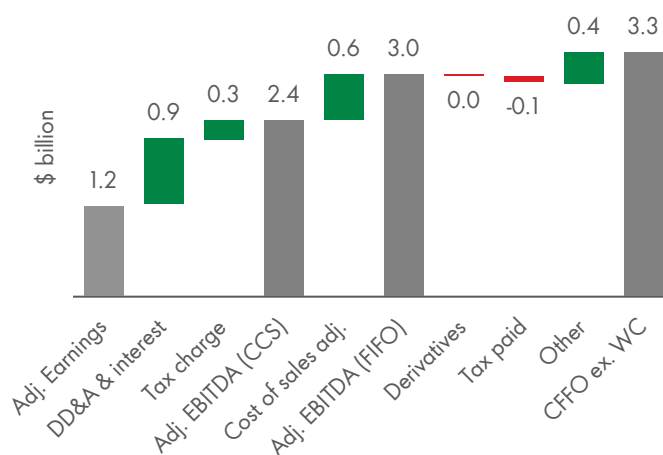
OIL PRODUCTS

Key data	Q2 2021	Q3 2021	Q4 2021 outlook
Sales volumes (kb/d)	4,552	4,665	4,200 - 5,200
Refining & Trading sales volumes (kb/d)	2,145	2,087	–
Marketing sales volumes (kb/d)	2,406	2,578	–
Refinery utilisation (%)	76	71	68 - 76
Global indicative refining margin (\$/bbl)	4.17	5.7	–

Adjusted Earnings



Cash conversion Q3

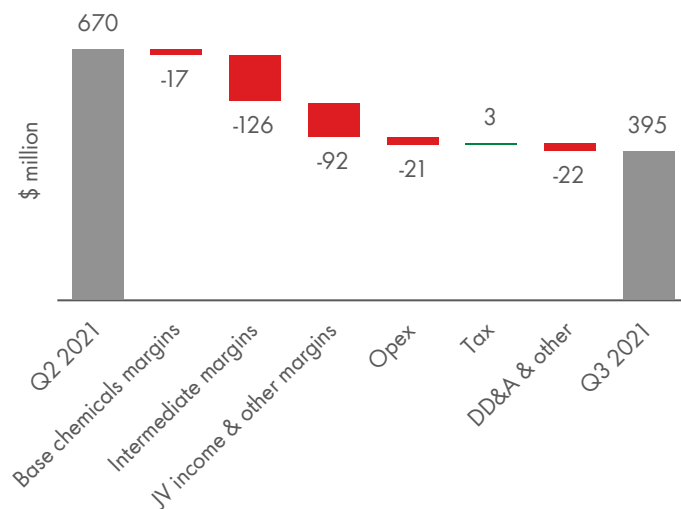


- Strong Marketing Adjusted Earnings driven by higher volumes.
- Refinery processing intake and utilisation impacted by planned maintenance and Hurricane Ida.
- Trading and optimisation contributions to earnings lower when compared to second quarter 2021.
- Strong cash conversion with CFFO excluding working capital of \$3.3 billion.

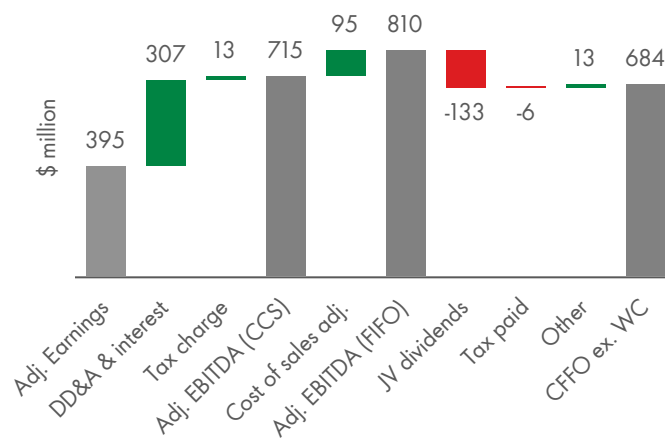
CHEMICALS

Key data	Q2 2021	Q3 2021	Q4 2021 outlook
Sales volumes (kT)	3,609	3,549	3,500 - 3,900
Manufacturing plant utilisation (%)	82	78	73 - 81

Adjusted Earnings



Cash conversion Q3



- Adjusted Earnings impacted by Hurricane Ida as well as lower spreads in both base and intermediate product lines resulting in lower margins and JV earnings.
- Strong cash conversion despite timing effects of dividends from joint ventures and associates.

CORPORATE

Key data	Q2 2021	Q3 2021	Q4 2021 outlook
Adjusted Earnings (\$ million)	(399)	(732)	(750) - (650)

- Corporate segment Adjusted Earnings were a net expense of \$732 million in line with expectations.
- The full year estimate for Corporate Adjusted Earnings is a net expense of \$2,450 - 2,550 million. This excludes the impact of currency exchange rate effects.
- Net debt decreased by \$8.2 billion to \$57.5 billion in Q3 2021 driven by improvement in the macroeconomic environment and commodity derivatives inflows, partly offset by a working capital outflow.

UPCOMING INVESTOR EVENTS

3 February 2022 Fourth quarter 2021 results and dividends

5 May 2022 First quarter 2022 results and dividends

28 July 2022 Second quarter 2022 results and dividends

27 October 2022 Third quarter 2022 results and dividends

USEFUL LINKS

[Q3 2021 results materials](#)

[Quarterly Databook Q3 2021](#)

[Dividend announcement Q3 2021](#)

[Q3 results webcast registration](#)

ALTERNATIVE PERFORMANCE (NON-GAAP) MEASURES

This announcement includes certain measures that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles (GAAP) such as IFRS, including Adjusted Earnings, Adjusted EBITDA, CFO excluding working capital movements, Cash capital expenditure, free cash flow, Divestment proceeds and Net debt. This information, along with comparable GAAP measures, is useful to investors because it provides a basis for measuring Royal Dutch Shell plc's operating performance and ability to retire debt and invest in new business opportunities. Royal Dutch Shell plc's management uses these financial measures, along with the most directly comparable GAAP financial measures, in evaluating the business performance.

This announcement contains a forward-looking Non-GAAP measure for cash capital expenditure. We are unable to provide a reconciliation of this forward-looking Non-GAAP measure to the most comparable GAAP financial measure because certain information needed to reconcile the Non-GAAP measure to the most comparable GAAP financial measure is dependent on future events some of which are outside the control of Shell, such as oil and gas prices, interest rates and exchange rates. Moreover, estimating such GAAP measure with the required precision necessary to provide a meaningful reconciliation is extremely difficult and could not be accomplished without unreasonable effort. Non-GAAP measures in respect of future periods which cannot be reconciled to the most comparable GAAP financial measure are estimated in a manner which is consistent with the accounting policies applied in Royal Dutch Shell plc's consolidated financial statements.

CAUTIONARY STATEMENT

All amounts shown throughout this announcement are unaudited. The numbers presented throughout this announcement may not sum precisely to the totals provided and percentages may not precisely reflect the absolute figures, due to rounding.

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this announcement "Shell", "Shell Group" and "Group" 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 announcement 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.

This announcement contains forward-looking statements (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995) 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 announcement, 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, judicial, 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 announcement 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 Form 20-F for the year ended December 31, 2020 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly qualify all forward-looking statements contained in this announcement and should be considered by the reader. Each forward-looking statement speaks only as of the date of this announcement, October 28, 2021. 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 announcement.

The content of websites referred to in this announcement does not form part of this announcement.

We may have used certain terms, such as resources, in this announcement 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.

The financial information presented in this announcement does not constitute statutory accounts within the meaning of section 434(3) of the Companies Act 2006 ("the Act"). Statutory accounts for the year ended December 31, 2020 were published in Shell's Annual Report and Accounts, a copy of which was delivered to the Registrar of Companies for England and Wales, and in Shell's Form 20-F. The auditor's report on those accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain a statement under sections 498(2) or 498(3) of the Act.

The information in this announcement does not constitute the unaudited condensed consolidated interim financial statements which are contained in Shell's third quarter 2021 and nine months unaudited results available on www.shell.com/investors.

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