Assurance Statement related to the Royal Dutch Shell plc Greenhouse Gas Assertion for the Operational Control Greenhouse Gas Inventory for the calendar year ended December 31, 2019.

Terms of Engagement
This Assurance Statement has been prepared for Shell Global Solution International B.V., Carel van Bylandtlaan 30, 2596 HR The Hague, The Netherlands (hereafter referred to as “Shell”).

Lloyd’s Register Quality Assurance Ltd (“LRQA”) was commissioned by Shell to assure its Greenhouse Gas (GHG) Assertion (hereafter referred to as “the GHG Assertion”) for the calendar year 2019, which follows:

“70 million tonnes of the 2019 direct greenhouse gas (GHG) emissions and 8 million tonnes of the 2019 energy indirect GHG emissions (using the market-based method) on a CO₂ equivalent basis achieved reasonable assurance under a variety of regulatory and voluntary schemes.

Once a major installation has achieved reasonable assurance under the Shell verification plan it can maintain its reasonable assurance status by having a site based external audit once every three years and demonstrating on an annual basis to an external auditor operating at the business level that it has maintained the necessary internal controls by using the less-intensive verification program.

These emissions are part of the 70 million tonnes direct and 10 million tonnes energy indirect GHG emissions (using the market-based method) that achieved limited assurance in February 2020.”

Shell definition: Major installations are crude oil and natural gas terminals, gas plants, manned offshore production platforms, manned onshore production stations or flow stations, floating production and storage vessels, refineries, chemical manufacturing facilities, mines or upgraders.

This GHG Assertion will be published on the webpage: www.shell.com/ghg. It relates to direct and energy indirect GHG emissions from facilities within the following Shell businesses: Upstream; Downstream; Integrated Gas and New Energies; Projects and Technology; and Corporate Functions.

Note: In relation to the GHG Assertion above, LRQA has verified the aggregation of data and information to provide the 70 million tonnes (direct GHG emissions) and 8 million tonnes (energy indirect GHG emissions) values and verified that the contributory regulatory and voluntary schemes provide reasonable assurance at a materiality of 5% or less. However, the results of the individual assurance engagements have been accepted without further LRQA investigation for the purpose of this verification.

LRQA has not been involved in the preparation of any material included within the GHG Assertion and GHG inventory, nor in devising the internal management and reporting systems that yielded the data contained therein. However, LRQA along with other third parties, has completed other engagements that have contributed to the Shell reasonably assured GHG inventory.

Management Responsibility
Shell’s management was responsible for preparing the GHG Assertion and GHG inventory, and for maintaining effective internal controls over the data and information disclosed. LRQA’s responsibility was to carry out an assurance engagement on the GHG Assertion and GHG inventory in accordance with our contract with Shell. Ultimately, the GHG Assertion and GHG inventory have been approved by, and remain the responsibility of Shell.

LRQA’s approach
Our verification has been conducted in accordance with ISO14064–3:2006 – Specification with guidance for validation and verification of greenhouse gas assertions to provide reasonable assurance that the Shell GHG data and information as presented in the GHG Assertion has been prepared in conformance with: ISO 14064–1:2006 – Specification with guidance at the organizational level for quantification and reporting of greenhouse gas emissions and removals (hereafter referred to as ISO 14064-1).

LRQA is accredited to ISO 14065:2013 – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition. This includes greenhouse gas verification of ISO14064-1:2006.
To form our conclusions, the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- Remote review of the processes to measure, collect, consolidate, report and control GHG emissions used at the Shell businesses described above via an evidence pack provided by the organisation. LRQA has not verified GHG emissions data at the installation level for the purposes of this specific engagement;
- Verified the direct and energy indirect GHG emissions data included in the 2019 GHG inventory, using data and information available at the Shell corporate and individual business levels; and
- Reviewed the GHG emissions data included in the 2019 GHG inventory to determine conformance with ISO14064-1.

Level of Assurance & Materiality
The opinion expressed in this Assurance Statement has been formed on the basis of a reasonable level of assurance and at the materiality of 5%.

LRQA’s Opinion
Based on LRQA’s approach:

i. the GHG emissions data and information as presented in the GHG Assertion are materially correct; and
ii. the GHG Assertion has been prepared in conformance with ISO 14064-1.

Additional GHG Assertions can be found on the webpage: www.shell.com/ghg.

Paul Jackson
Lead Verifier
On behalf of Lloyd’s Register Quality Assurance Limited
1 Trinity Park, Bickenhill Lane,
Birmingham, B37 7ES, United Kingdom.

Issued: May 27, 2020

LRQA reference: LRQ4004543

This Assurance Statement is subject to the provisions of this Legal Section:

Lloyd’s Register Group Limited, its affiliates and subsidiaries, including Lloyd’s Register Quality Assurance Ltd, and their respective officers, employees or agents are, individually and collectively, referred to in this Legal Section as ‘Lloyd’s Register’. Lloyd’s Register assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant Lloyd’s Register entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

Due to inherent limitations in any internal control, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the verification was not designed to detect all weakness or errors in internal controls so far as they relate to the requirements set out above as the verification has not been performed continuously throughout the period and the verification carried out on the relevant internal controls were on a test basis. Any projection of the evaluation of control to future periods is subject to the risk that the processes may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

The English version of this Assurance Statement is the only valid version. Lloyd’s Register assumes no responsibility for versions translated into other languages.

In the case of any conflict between the English and any other language versions of this Legal Section, the English version shall prevail.