

LR Independent Assurance Statement

Relating to the Royal Dutch Shell plc Greenhouse Gas Assertion for the Equity Share GHG Inventory for calendar year ended December 31, 2020.

Terms of Engagement

This Assurance Statement has been prepared for Shell Global Solutions International B.V., Lange Kleiweg 40, Rijswijk, 2288 GK, Netherlands ("Shell").

Lloyd's Register ("LR") was commissioned by Shell to assure its Greenhouse Gas Assertion (hereafter referred to as "the GHG Assertion") for January 1 to December 31, 2020 and the calendar year 2019, which follows:

1. *"The direct (Scope 1) greenhouse gas (GHG) equity share emissions were 98 million tonnes on a CO₂ equivalent basis in 2020.*
2. *The indirect GHG equity share emissions from purchased energy (electricity, heat and steam) (Scope 2) were 9 million tonnes on a CO₂ equivalent basis in 2020 using the market-based method and 10 million using the location-based method.*
3. *These emissions comprise our equity share of the direct and indirect GHG emissions from:*
 - a) *facilities we operate.*
 - b) *major facilities operated by others where data is available; and*
 - c) *major facilities operated by others where we estimate their emissions based on production and industry intensity data.*
4. *The 2019 base year numbers for Scope 1 GHG emissions in 2020 did not change by more than the 5% threshold and therefore the base year emissions have not been recalculated.*
5. *The 2019 base year numbers for Scope 2 GHG emissions in 2020 changed by more than the 5% threshold; therefore, the base year emissions have been recalculated from 11 to 10 million tonnes. For Scope 2 GHG emissions the market-based method was used.*
6. *Equity share is based on ownership percentage unless significantly different from the economic substance of the relationship, in which case the percentage economic interest is applied.*
7. *In line with the International Finance Reporting Standard (IFRS) 16 Leases (adopted by Shell with effect from January 1, 2019), GHG emissions from relevant lease contracts have been included in our inventory since 2019."*

Shell definition: *Major facilities 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 relates to Scope 1 and 2 GHG emissions from facilities within the following Shell businesses: Upstream; Downstream; Integrated Gas, Renewables and Energy Solutions; Projects and Technology; and Corporate Functions.

LR 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.

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. LR'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.

LR'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 limited 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); and
- World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol – *A Corporate Accounting and Reporting Standard* (hereafter referred to as the GHG Protocol).

LR 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:

- Virtual verification of the processes to measure, collect, consolidate, report and control GHG emissions used at the Shell businesses described above. LR 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 2020 GHG inventory and the 2019 base year, using data and information available at the Shell corporate and individual business levels: and
- Reviewed the GHG emissions data included in the 2020 GHG inventory and the 2019 base year to determine conformance with ISO14064-1 and the GHG Protocol.

Level of Assurance & Materiality

The opinion expressed in this Assurance Statement has been formed based on a limited level of assurance and at the materiality of the professional judgement of the Verifier.

LR's Opinion

Based on LR's approach, nothing has come to our attention that would cause us to believe that:

- i. the GHG emissions data and information as presented in the GHG Assertion are not materially correct; and
- ii. Shell is not in conformance with ISO 14064-1 or the WRI/WBCSD GHG Protocol.

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

Paul Jackson (Lead Verifier)
For and on behalf of Lloyd's Register Quality Assurance Limited
1 Trinity Park, Bickenhill Lane,
Birmingham, B37 7ES, United Kingdom.
Issued: May 26, 2021



LR reference: LRQ4004543

This Assurance Statement is subject to the provisions of this legal section:

This Assurance Statement is only valid when published with the assertion to which it refers. It may only be reproduced in its entirety.

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.