

Assurance of GHG emissions measures

Independent limited assurance report to the directors of Shell plc on greenhouse gas emissions

Ernst & Young LLP ('EY') was engaged by Shell plc ('Shell', 'the Company') to perform a limited assurance engagement in accordance with International Standard on Assurance Engagements other than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and International Standard for Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) to report on the accompanying greenhouse gas (GHG) statement to be included within the "Less Emissions" section within Shell's Annual Report & Accounts for the year ended 31 December 2025 (the "Report"), comprising of the following, hereafter the "Subject Matter". All Subject Matter relates to the year ended 31 December 2025 unless stated otherwise.

Scope 1 & 2 Greenhouse Gas Emissions ("GHG Subject Matter")

- Scope 1 & 2 Greenhouse Gas Emissions (Operational Control Boundary).

Net Carbon Intensity related KPIs ("NCI Subject Matter")

- Net Carbon Intensity; and
- Scope 3, Categories 1, 3, 9, 11 Greenhouse Gas Emissions (Equity Boundary).

In preparing the GHG Subject Matter, the Company applied its internal performance monitoring and reporting requirements that incorporates ISO 14064-01 (2018) and the Greenhouse Gas Protocol (the "GHG Criteria"). The GHG Criteria can be accessed in the Basis of Preparation in the Report. In preparing the NCI Subject Matter, Shell applied the Shell Net Carbon Footprint: Methodology (the "NCI Criteria"). The NCI Criteria can be accessed on shell.com/sustainability/climate. GHG and NCI Criteria, collectively "the Criteria", were designed for the preparation of the Report. As a result, the Subject Matter information may not be suitable for another purpose.

Other than as described in the preceding paragraph we did not perform assurance procedures on any other information included in the Report, and accordingly, we do not express an opinion or conclusion on this information.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria.

Basis for our conclusion

We conducted our engagement in accordance with ISAE 3000 (Revised) and ISAE 3410, as promulgated by the International Auditing and Assurance Standards Board (IAASB) and the terms of our engagement letter dated 8 August 2024 and the addendum to the engagement letter dated 14 October 2025 as agreed with Shell.

In performing this engagement, we have applied International Standard on Quality Management ('ISQM') 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have maintained our independence and other ethical requirements of the Institute of Chartered Accountants of England and Wales ('ICAEW') Code of Ethics (which includes the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ('IESBA')). We are the independent auditor of the Company and therefore we will also comply with the independence requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities.

Responsibilities of the Company

The Subject Matter needs to be read and understood together with the Criteria. The directors of the Company are solely responsible for:

- the selection of the Subject Matter to be assured;
- selecting suitable Criteria against which the Subject Matter is to be evaluated and ensuring the Criteria is relevant and appropriate;
- preparing and presenting the Subject Matter in accordance with the Criteria; and
- designing and implementing internal controls and other processes they determine is necessary, to enable the Subject Matter to be free from material misstatement, whether due to fraud or error.

Responsibilities of Ernst & Young LLP

It is our responsibility to:

- plan and perform the engagement to obtain limited assurance in respect of whether the Subject Matter has not been prepared in all material respects in accordance with the Criteria;
- form an independent conclusion on the basis of the work performed and evidence obtained; and
- report our conclusion to the directors of the Company.

Our approach

We conducted our engagement in accordance with ISAE 3000 (Revised) and ISAE 3410, as promulgated by the International Auditing and Assurance Standards Board (IAASB).

Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Because a limited assurance engagement can cover a range of assurance, the detail of the procedures we have performed is included below, so that our conclusion can be understood in the context of the nature, timing and extent of procedures we performed:

Our procedures included:

- Made inquiries of management team responsible for managing the Subject Matter and performed walkthroughs to gain an understanding of Shell's processes to capture, aggregate and validate the data required to generate the Subject Matter in-scope for assurance. We also considered the reasonableness of the methodology used and associated assumptions.
- Gained an understanding of Shell's methods for developing estimates and assessed whether they are appropriate and have been consistently applied in the preparation of the Subject Matter.
- Performed analytical review procedures over the Subject Matter.
- Examined the disclosures within the Report for the appropriate presentation of the Subject Matter, including the discussion of limitations and assumptions relating to the data presented.

We also performed such other procedures as we considered necessary in the circumstances.

Inherent limitations

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter. Because there is not yet a large body of established practice upon which to base measurement and evaluation techniques, the methods used for measuring or evaluating non-financial information, including the precision of different techniques, can differ, yet be equally acceptable. This may affect the comparability between entities, and over time.

Our conclusion is based on historical information and the projection of any information or conclusions in the attached report to any future periods would be inappropriate.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Use of our report

This report is produced in accordance with the terms of our engagement letter dated 8 August 2024 and the addendum to the engagement letter dated 14 October 2025, solely for the purpose of reporting to the directors of Shell in connection with the Subject Matter for the period ended 31 December 2025. Those terms permit disclosure on Shell's website, solely for the purpose of the Company showing that it has obtained an independent assurance report in connection with the Subject Matter. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors as a body, for our work, for this report, or for the conclusions we have formed. This engagement is separate to, and distinct from, our appointment as the auditor to the Company.

/s/Ernst & Young LLP

Ernst & Young LLP

March 11, 2026
1 More London Place
London
SE1 2AF

Other regulatory disclosures

GHG emissions and energy consumption data – information provided in accordance with UK regulations

Data in this section are consolidated using the operational control approach. Under this approach, we account for 100% of the GHG emissions and energy consumption in respect of activities where we are the operator, irrespective of our ownership percentage.

Reporting on this operational control basis differs from that applied for financial reporting purposes in the "Consolidated Financial Statements".

See "Basis of preparation – absolute Scope 1, 2 and 3 emissions" on page 94.

GHG emissions in million tonnes of CO₂ equivalent

(operational control boundary)	2025	2024	2023
Scope 1 emissions (gross) [A]			
Shell	46	50	50
UK including offshore area	1.6	1.6	1.7
Scope 2 emissions (gross)			
Market-based [B]			
Shell	7	8	7
UK including offshore area	0.06	—	—
Location-based [C]			
Shell	7	8	8
UK including offshore area	0.04	0.04	0.04
Shell GHG intensity in tonnes per tonne			
Shell GHG intensity [D]	0.27	0.27	0.27

[A] Emissions from the combustion of fuels and the operation of our facilities, calculated using global warming potential (GWP) factors from the IPCC's Fifth Assessment Report.

[B] Emissions from the purchase of electricity, heat, steam and cooling for our own use globally, calculated using a market-based method as defined by the GHG Protocol Corporate Accounting and Reporting Standard.

[C] Emissions from the purchase of electricity, heat, steam and cooling for our own use, calculated using a location-based method as defined by the GHG Protocol Corporate Accounting and Reporting Standard.

[D] In tonnes of total Scope 1 and 2 gross emissions per tonne of crude oil and feedstocks processed and petrochemicals produced in downstream manufacturing and oil and gas available for sale, LNG and GTL production in Integrated Gas and Upstream.

Data inputs used in the calculation of Shell's GHG intensity are as follows:

Inputs used for calculating Shell's GHG emissions intensity

(operational control boundary)	2025	2024	2023
A Scope 1 emissions (gross) [A]	46	50	50
B Scope 2 emissions (gross) [A]	7	8	7
C=A+B Total Scope 1 and 2 GHG emissions (gross) [A]	53	58	57
D Total oil and gas production available for sale [B]	101	114	111
E Refinery crude and feedstock processed [B]	54	60	62
F Chemicals total production [B]	21	25	21
G LNG production [B]	11	12	10
H GTL production [B]	7	6	6
I=D+E+F+G+H Total Upstream, Integrated Gas and Downstream activity [B] [C]	193	217	210
J=C/I Shell GHG intensity [D]	0.27	0.27	0.27

[A] In million tonnes CO₂ equivalent.

[B] In million metric tonnes of production. The production data in this table (operational control basis) are not directly comparable with the production data reported elsewhere in this Report (reflecting the sum of production under financial control and share of joint ventures and associates).

[C] Split may not add up to the total due to rounding.

[D] In tonnes of CO₂ equivalent per tonne of production.

Energy use in our operations

The energy consumption data provided below comprise own energy, generated and consumed by our facilities, and energy purchased (electricity, steam and heat) by our facilities for our use.

Energy consumption data reflect primary (thermal) energy (including the energy content of fuels used to generate electricity, steam, heat and mechanical energy). This includes energy from renewable and non-renewable sources.

Own energy generated is calculated by multiplying the volumes of fuels consumed for energy purposes by their respective lower heating values. Own energy generated that is exported to third-party assets or to the power grid is excluded.

Thermal energy for purchased and consumed electricity is calculated using actual electricity purchased multiplied by country-specific electricity generation efficiency factors from International Energy Agency (IEA) statistics.

Thermal energy for purchased and consumed steam or heat is calculated from actual steam or heat purchased multiplied by a supplier-specific conversion efficiency, or a generic efficiency factor where supplier-specific data are not available.

Our energy consumption decreased from 212 billion kilowatt-hours (kWh) in 2024 to 189 billion kWh in 2025.

Energy consumption in billion kWh

	2025	2024	2023
Own energy generated and consumed			
Shell	159	179	174
UK including offshore area	6.1	6.2	6.1
Purchased and consumed energy			
Shell	30	33	31
UK including offshore area	0.3	0.2	0.2
Energy consumption			
Shell	189	212	205
UK including offshore area	6.4	6.4	6.3

In 2025, we implemented a variety of measures to reduce the energy use and increase the energy efficiency of our operations. Examples of these are listed below (with estimated total savings of around 830 million kWh in 2025):

- At our GTL asset in Qatar: improvements to catalyst performance which resulted in reduced generation of off-gas leading to lower energy consumption.
- At our Prelude site in Australia: implementation of advanced process control for liquefaction.
- At our upstream operations in the UK: reduction of the glycol recirculation rate while still meeting dewpoint specification on an offshore platform.
- At our Sarawak and Sabah assets in Malaysia: installation of Electronic Fuel Monitoring Systems on standby vessels improving energy efficiency and reducing fuel consumption.
- At our Shell MDS site in Malaysia: project to use off-gas previously flared thereby reducing natural gas consumption.
- At our Rheinland site in Germany: optimization of the heater gas control system allowing the switch from natural gas to heating gas.

Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy Regulation

The EU Taxonomy Regulation is a classification system for determining when an economic activity can be considered environmentally sustainable according to EU standards. It aims to encourage investment in a low-carbon economy by creating common definitions of sustainability and mandatory disclosures to help investors make informed decisions.

In anticipation of the transposition by the Netherlands of the EU CSRD into national law, Shell's Sustainability Statements for the year ended December 31, 2025 are presented on a voluntary basis. Shell plc will come fully into scope of the EU Taxonomy Regulation upon the transposition of the CSRD by the Netherlands into law. The CSRD extends the EU Taxonomy Regulation's reporting obligations to third-country issuers that are listed on European exchanges.

See "EU Taxonomy disclosure" on pages 370-376.



Our foundations

We care about each other, our work, and about doing business the right way.

Our core values of honesty, integrity and respect for people, and our focus on safety, people and sustainability, form the foundations of Shell. We are guided by the Shell General Business Principles and our Code of Conduct. Our approach to sustainability takes into account the impacts, risks and opportunities related to climate, environment, safety, ethics, people and communities.

Safety is central to what we do, reflected in our Goal Zero ambition to do no harm to people and to have no leaks across our operations. Our people are key to our success and we expect everyone who works for us to behave according to our values. As well as providing vital energy, our activities contribute to economies and communities through job creation, spending on goods and services, and through the payment of taxes and royalties to governments. We believe business succeeds only when it respects the environment and the communities within which it works. We seek to manage our impact on communities, while working to protect the environment, increase reuse and recycling, support biodiversity and use resources efficiently.

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Our approach to sustainability

For almost three decades, our commitment to contribute to sustainable development has been part of the Shell General Business Principles. We embed this commitment into our business processes and decision-making, supported by governance structures, policies and operating standards.

Our approach to sustainability takes into account the impacts, risks and opportunities related to climate, environment, safety, ethics, people and communities. This is underpinned by the Shell Commitment and Policy on Health, Security, Safety, the Environment and Social Performance (HSSE & SP), and our Safety, Environment and Asset Management (SEAM) Standards, which are part of the Shell Performance Framework.

In anticipation of the transposition by the Netherlands of the EU Corporate Sustainability Reporting Directive (CSRD) into national law, Shell's Sustainability Statements for the year ended December 31, 2025 are presented on a voluntary basis. The CSRD requires certain European and non-European companies (including Shell plc due to its listing on Euronext Amsterdam) to make disclosures on environmental, social and governance topics in accordance with reporting standards set out in the European Sustainability Reporting Standards (ESRS).

The "Sustainability Statements" section (pages 336-426) forms an integral part of the consolidated management report [A].

[A] The consolidated management report, as referenced in the CSRD, includes the Strategic Report and Governance sections of the Annual Report and Accounts.



Photo: Executive Committee and Board visit to Australia, 2025.

Governance

Board oversight of sustainability including climate-related impacts, risks and opportunities ¹

Our governance framework is designed to effectively support our strategy, which is to deliver more value with less emissions, underpinned by our focus on safety, people and sustainability.

See "Our strategy" on pages 9-11.

We describe Shell's overall governance framework on pages 151-152 and provide information on the roles of the Board of Directors, Board Committees and the Executive Committee (EC).

The Board has primary oversight of the delivery of Shell's strategy and monitors performance against our longer-term business targets. This includes the management of sustainability-related impacts, risks and opportunities.

The Board periodically reviews our energy transition plans and oversees their implementation and delivery. In March 2024, we published our Energy Transition Strategy 2024, as endorsed by the Board, which included our climate-related targets and ambition. At Capital Markets Day in March 2025, we maintained our commitment to deliver more value with less emissions, with no changes to our climate-related targets and ambition. The progress on these climate-related targets and ambition can be found in "Our climate-related metrics, targets and ambition" on pages 87-98.

In 2025, the Board considered sustainability-related matters throughout the year, such as the assessment of sustainability-related risks and the effectiveness of corresponding risk management activities. The Board also challenged and endorsed the operating plan, with consideration of major capital expenditures, acquisitions and divestments. In 2025, the Board convened 10 times and continued to oversee our strategy and sustainability initiatives, including at the Board offsite days in June 2025.

The nature of topics discussed by the Board in 2025 can be found in "Board activities" on page 153. A full description of sustainability-related principal risks can be found in the "Risk factors" on pages 125-135.

Board committees

The Board is supported by four standing committees: the Sustainability Committee (SUSCO), the Remuneration Committee (REMCO), the Audit and Risk Committee (ARC) and the Nomination and Succession Committee (NOMCO). Sustainability-related matters are considered by the Board or the relevant committee, as appropriate. Committees, comprising Non-executive Directors, provide regular updates to the Board, including from committee meetings and stakeholder engagements.

The SUSCO assists the Board in fulfilling its responsibilities by providing oversight of emerging trends related to disclosed sustainability impacts, risks and opportunities, excluding carbon and safety (which remain matters for the Board). The SUSCO also performs such further functions related to sustainability, including undertaking deep dives on sustainability topics, as the Board and Committee may agree. The SUSCO met four times in 2025, with sustainability-related matters discussed at each meeting. Details on focus areas and meetings in 2025 can be found in the SUSCO report on pages 165-166.

The REMCO develops the remuneration policy and schemes for Executive Directors, EC members and the majority of Shell's employees. It also sets performance conditions designed to challenge and support the EC in meeting our strategy of more value with less emissions, underpinned by our focus on safety, people and sustainability. The REMCO met six times in 2025, with sustainability-related matters relevant to remuneration being regularly addressed. Details of the REMCO's focus areas and meetings in 2025 can be found in the Directors' Remuneration Report on pages 176-182.

The NOMCO leads the process for appointments to the Board and Senior Management and oversees the development of a diverse succession line of candidates. The NOMCO also reviews the Company's policy, targets and strategy on diversity, equity and inclusion (DE&I), and monitors the effectiveness of these initiatives. The NOMCO met four times in 2025, with sustainability-related matters regularly addressed. Details on the NOMCO's focus areas and meetings in 2025 can be found in the NOMCO report on pages 162-164.

The ARC assists the Board in fulfilling its oversight responsibilities in areas such as the effectiveness of our risk management and internal control framework. The ARC also provides oversight in respect of material reporting disclosures in the Company's annual reports, half-yearly reports and quarterly results releases. Significant issues identified by the business or functional owners are escalated to and reviewed by the ARC as required. The ARC met seven times in 2025, with sustainability-related matters regularly addressed. Details on the ARC's focus areas and meetings in 2025 can be found in the ARC report on pages 167-175.

Performance and remuneration

Our remuneration schemes, including the annual bonus and long-term incentive awards, are designed to support Shell in achieving our strategy. Almost all employees participate in the annual bonus scheme. Executive Directors, senior executives and certain key employees participate in the long-term incentive awards, which aim to retain and ensure recipients have a greater investment in Shell's future.

In respect of 2025 outcomes, Shell's safety and energy-transition-related performance metrics each form 15% of the annual bonus scorecard. A metric for "Shell's journey in the energy transition" forms 25% of the long-term incentive awards for Executive Directors and senior executives and 12.5% for all other employees.

The remuneration schemes are all linked to sustainability elements, including climate and safety. The Directors' Remuneration Report provides further details on key sustainability-related performance indicators.

Supporting governance committees

There are three key supporting management committees, with representatives from across Shell, which play a critical role in driving sustainability-related elements of our strategy. These committees each have direct lines of reporting to the Board and its committees.

- The Strategy and Investment Committee (SIC) was established in June 2025 and supersedes the Capital Investment Committee. The SIC is the decision forum for material capital investment decisions with the aim of optimising capital allocation and ensuring active stewardship of the portfolio in service of delivering our strategy. The SIC reviews each investment opportunity that, due to its size or risk profile, is subject to approval by the CEO or the Board. These reviews ensure that risk-reward trade-offs and other defined criteria (including carbon emissions impacts) are embedded in investment decision-making. This committee is made up of senior executives, including the CEO, CFO and individual business presidents.
- The Carbon Reporting Committee (CRC) is sponsored by the CFO and includes senior management representatives focusing on climate-related matters from across the businesses and key functions such as Safety, Environment and Asset Management (SEAM), Finance, Legal, Information Technology and Strategy. The CRC is responsible at the Group level for the Carbon Reporting Control Framework, the calculation methodologies and reporting of GHG emissions metrics, and the review and approval of external GHG-related disclosures to ensure compliance.
- The Sustainability Management Committee (SMC) is sponsored by the CFO and includes senior management representatives with exposure to material sustainability areas from the businesses and functions, including Supply Chain, Finance, Legal and Human Resources. The SMC aims to provide an integrated approach to sustainability by addressing cross-business risks and dilemmas, and driving the co-ordination, simplification and performance improvement of environment and people sustainability topics, focusing on regulatory compliance and value protection and creation. The SMC also maintains a forward view on emerging themes to ensure Shell's future competitiveness and resilience through the energy transition.

In addition to these committees, our network of country chairs supports the delivery of Shell's objectives and the operating plan (including sustainability-related initiatives) and supports preserving integrated country value with a long-term perspective. They lead Shell's reputation management, policy and advocacy ambitions in country, and ensure an integrated, local stakeholder engagement plan is maintained and implemented.

Business assurance

Each EC member must submit an annual assurance letter to the CEO that their business or function's activities have been conducted in accordance with the requirements set out in our Commitment and Policy on HSSE & SP and our SEAM Standards. This assurance includes an assessment of the effectiveness of our internal controls in managing sustainability-related risks.

Independent assurance

Shell Internal Audit and Investigations (SIAI) provides independent assurance of sustainability-related risks as part of its broader mandate and advises management and the Board on the effectiveness of internal controls. For further information, see "Internal Audit" on page 172.

Management's role in assessing and managing sustainability including climate-related impacts, risks and opportunities ¹

Sustainability including climate governance



[A] President, Projects & Technology was responsible for SEAM Standards, supply chain, major projects and technology development in 2025 and up to the leave date of February 28, 2026.

Processes by which management is informed about sustainability including climate-related issues

We have several processes to help ensure that management teams can effectively monitor and manage sustainability matters. Our response to the evolving risk outlook requires transparency and clarity around our plans and actions to achieve our sustainability targets.

We have established a number of policies, standards, frameworks, internal forums and capability development programmes related to sustainability, climate change and the energy transition. These are employed at all levels of the organisation and seek to monitor, manage and review sustainability issues.

Each business and function regularly reviews its risk profile, risk responses and assurance activities throughout the year to ensure sustainability-related risks are effectively addressed and managed. These reviews and insights are also used to provide management with regular updates on the operational management of sustainability and to help us to update our plans and guide our day-to-day operational decisions and our risk response plans.

Policies and standards

Our commitment to contribute to sustainable development has been part of the Shell General Business Principles (SGBP) since 1997. These principles are supported by our Code of Conduct [A], which describes the behaviours expected of our employees with regard to sustainability-related matters including HSSE & SP, human rights and equal opportunities.

[A] In January 2026, we introduced the refreshed Code of Conduct.

The Shell Performance Framework (SPF) is the overarching framework adopted by Shell to deliver on its strategy and business objectives. It applies to all Shell companies and provides a consistent approach for how each company in Shell operates. It includes our risk management and internal control framework to support adherence to the SGBP and Code of Conduct.

See "Living by our values" on pages 123-124 and "Shell Performance Framework" on page 212.

Shell's policies and standards aligned with the Shell Performance Framework (SPF)

Group Policies

- Shell General Business Principles (SGBP)
- Code of Conduct
- Commitment and Policy on HSSE & SP

Group Standards

- Safety, Environment and Asset Management (SEAM) Standards
- Legal Group Requirements
- Opportunity Realisation Standard

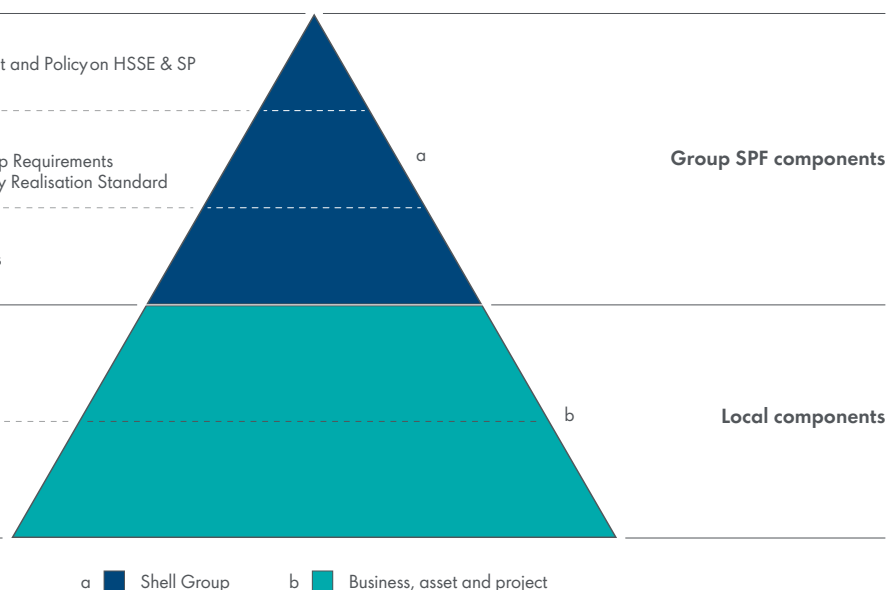
Group Practices and assurance protocols

- Guidance on how to operate within the Group Standards
- Support for outcome-based assurance

Local management systems

- Operating standards and procedures
- Process descriptions

Worksite-specific instructions



Commitment and Policy on HSSE & SP

The Shell Commitment and Policy on HSSE & SP is a set of core principles intended to ensure the health and safety of our workforce, minimise environmental impact, respect our neighbours and contribute to sustainable development.

SEAM Standards

We implement the Commitment and Policy on HSSE & SP through a set of five standards under the SPF collectively referred to as the Safety, Environment and Asset Management (SEAM) Standards. The SEAM Standards require the businesses, projects and assets we operate to identify and manage impacts, risks and opportunities so their activities can be carried out in a safe, environmentally responsible and consistent way.

We aim to comply with all regulations and follow the requirements set out in our SEAM Standards to develop suitable governance structures and mitigation strategies designed to prevent HSSE risks from materialising. We use metrics and assurance processes to give us

confidence that our systems and processes are working as intended and highlight areas of risk before incidents happen. Further, if an HSSE risk materialises, we aim to ensure that we avoid the worst possible consequences and have ways to remediate any environmental damage. For example, our standards describe the key controls required to ensure safe production and equipment care, and the types of skills and training that are required for relevant employees. They also describe emergency response plans to be followed should an incident occur.

Each project, asset or business is accountable to assess which mandatory requirements are relevant based on their objectives, risk profile and activities, and to apply these via their local management system. The requirements are designed to be outcome-based – meaning they define the desired results and allow the business to determine a fit-for-purpose process to achieve them. They are supported by practice documents, which share best practices for implementation, as well as assurance protocols to assist in testing the health of controls.

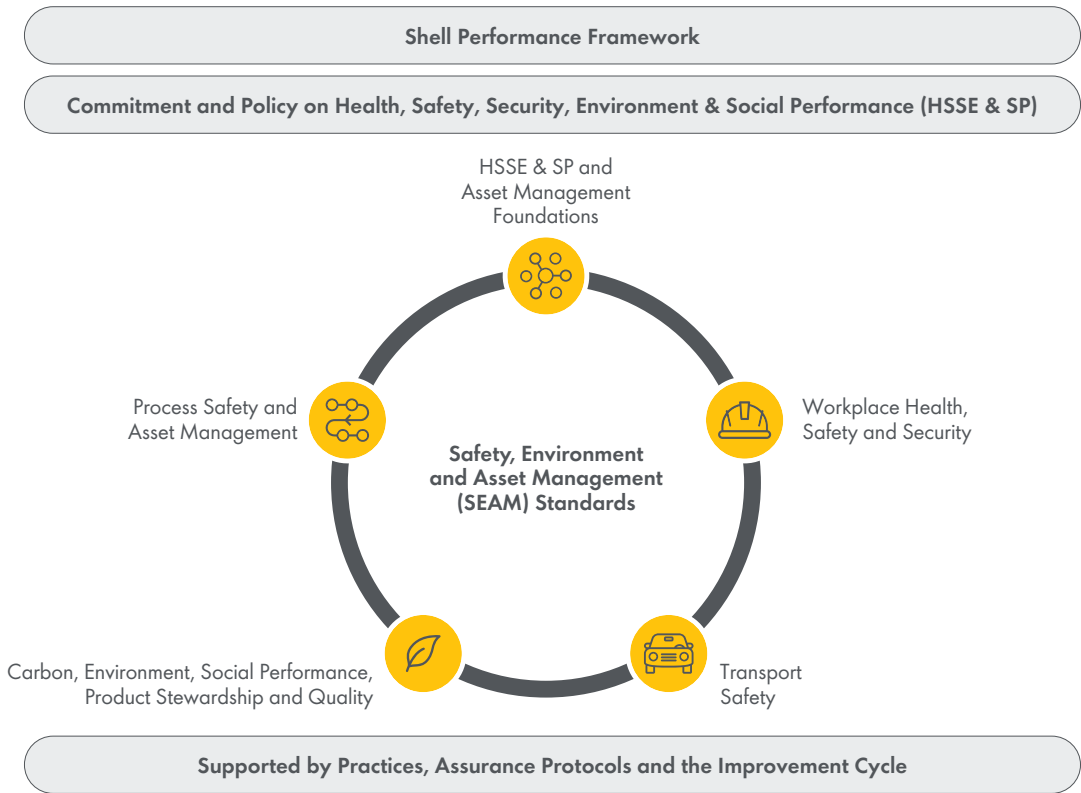
The requirements align with industry standards where practicable. Where applicable, we follow the most stringent of either our SEAM Standards or local regulations. In some cases, where no local regulation exists, our standards set mandatory requirements based on internationally accepted standards or practices.

Requests for exceptions from the SEAM Standards must be reviewed and advised on by subject matter experts and authorised by a senior

executive for the relevant business, asset or function. Permanent exceptions are reviewed on an annual basis and are subject to conditions.

The five SEAM Standards are described below.

SEAM Standards



HSSE & SP and Asset Management Foundations

This standard includes requirements intended to manage the common elements of our processes and management systems. These include our assurance processes, HSSE & SP risk management practices, impact assessment, contractor HSSE management, performance monitoring and reporting, and learning and improvement, among others.

Carbon, Environment, Social Performance, Product Stewardship and Quality

This standard includes managing our decarbonisation targets, protecting biodiversity, preserving water quality, improving air quality and increasing circularity. It also covers the mitigation of social impacts arising from our business activities and management of any hazards associated with the products we make, buy, sell or handle.

See "Less emissions" on pages 72-102, "Our contribution to society" on pages 118-119 and "Environment" on pages 120-122.

Workplace Health, Safety, and Security

This standard is about protecting workers involved in our activities from potential health and safety hazards that may cause harm to them or others. It includes worker welfare and labour rights, and contains requirements intended to protect our people and assets from security threats.

Process Safety and Asset Management

This standard is about keeping hazardous substances contained in wells, pipes, tanks and vessels. In the SEAM Standards, we have integrated Asset Management work processes with Asset Integrity-Process Safety Management, which streamlines requirements and recognises the alignment of operating safely and optimising production in our assets.

Transport Safety

This standard is about reducing the safety risks posed during transport of people, products and materials by road, rail, sea or air.

See "Safety" on pages 111-113.

Sustainability including climate impact, risk and opportunity management

We use two key processes for assessing and managing sustainability including climate-related impacts, risks and opportunities – Impact Assessment and the Hazards and Effects Management Process (HEMP). These are covered in the HSSE & SP and Asset Management Foundations Standard in alignment with our broader risk management practice in the SPF. For more information on our risk management processes, see "Risk management" on page 125.

When planning projects, we conduct impact assessments, which help us to identify and assess a project's potential impact on the environment, people and communities. Once identified, we apply a mitigation hierarchy, which is a sequence of actions to manage potential risks. For example, in a biodiversity context, we seek to avoid, minimise, restore and offset.

HEMP is applied to identify, assess and manage HSSE & SP risks in our projects and operations. This systemic approach starts with the identification of potential hazards (such as working at heights) and evaluation of their likelihood and potential impact. We then implement controls (such as fall protection) to reduce the risks to as low as reasonably practicable (ALARP). In doing this, we apply the hierarchy of controls, which prioritises the elimination, substitution and isolation of hazards, before implementing engineered safeguards, administrative controls and personal protective equipment. We monitor the effectiveness of these controls via regular assurance activities.

Non-operated ventures

More than half of Shell's joint ventures are not operated by Shell. As per our SGBP, Commitment and Policy on HSSE & SP and our joint-venture requirements in the HSSE & SP and Asset Management Foundations Standard, we request non-operated ventures (NOV) to apply policies and principles materially equivalent to our own and, in relation to particular (higher-impact) risks, implement materially equivalent standards or standards acceptable to us. We do not have direct control over how these ventures embed sustainability in their operations, but we do seek to influence and offer support. We periodically evaluate sustainability, including climate-related impacts, risks and opportunities, within our NOVs, and if an NOV does not meet our expectations, we seek to influence it to implement performance improvement plans.

Sustainability including climate through the life cycle

Our principles, policies and standards regarding sustainability, including climate, extend across the entire lifespan of a project or the facility – from initial design and construction or acquisition to operation over many years and, finally, divestment or decommissioning.

Acquisitions and divestments

Shell considers several factors, including regulations, sustainability and alignment with our strategy, in our review of potential new investment opportunities and divesting from existing opportunities. Sustainability factors, including emissions, are considered during the due diligence process for material acquisitions and divestments.

Before acquiring or divesting a business, we take care to assess the counterparty's financial strength; operating capabilities; policies governing HSSE & SP; ethics and compliance; and, where relevant, its approach to social performance.

For material divestment proposals, such reviews allow us to assess the potential purchaser's capability to manage the assets and surrounding environment in accordance with regulatory requirements and industry best practices, as well as the transition of sustainability-related responsibilities and commitments, as appropriate. Where applicable, we also share our existing emissions reduction plans in relation to compliance with regulations and commitments for the purchaser's consideration.

Decommissioning and restoration

Decommissioning is part of the normal life cycle of every asset. We aim to decommission assets, including wells, in a safe, cost-effective and environmentally responsible manner while meeting regulatory requirements. This includes restoring the sites of assets in line with relevant legislation, while taking our own environmental standards into account. We seek to reuse, repurpose and recycle materials in decommissioning. Current and non-current decommissioning liabilities and other provisions are accounted for on our balance sheet.

See Note 25 to the "Consolidated Financial Statements" on page 291.

Working with others

Shell understands the need to work with others to achieve our commercial, environmental and social goals. We engage with local communities and other stakeholders in all our activities. We listen to their ideas and the concerns they might have so these can be addressed in the design and operation of our assets.

Shell participates in external collaborations, industry associations and partnerships. We do this in compliance with antitrust rules and regulations. These engagements are a proven way to learn and share best practices, achieve specific objectives and build trust with the many different stakeholders who have an interest in Shell. Our key sustainability, including climate, partnerships include the International Union for the Conservation of Nature (IUCN), Ipieca (the global oil and gas industry association for advancing environmental and social performance across the energy transition), United Nations Global Compact, Business for Social Responsibility (BSR), Rocky Mountain Institute (RMI) and World Business Council for Sustainable Development (WBCSD). These organisations, and many others, help inform our thinking on sustainability including climate-related risks, opportunities and good practices.

Non-Financial and Sustainability Information Statement

The table below constitutes Shell's Non-Financial and Sustainability Information Statement, produced to comply with sections 414CA and 414CB of the Companies Act 2006 (as amended by The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022).

Non-Financial and Sustainability Information Statement

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Task Force on Climate-related Financial Disclosures (TCFD)

Shell supports the recommendations of the TCFD. In accordance with the UK Listing Rule 6.6.6R, and set out below, we report our climate-related financial disclosures consistent with all the TCFD Recommendations and Recommended Disclosures [A]. We also consider relevant supplemental guidance including, for example, the TCFD's additional guidance "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures" (also known as the 2021 TCFD Annex) published in October 2021 by the TCFD. We continue to align and enhance our climate-related disclosures.

TCFD disclosures index

TCFD Pillars	TCFD Recommended Disclosures	Reference
Governance	Describe the board's oversight of climate-related risks and opportunities	Board oversight of sustainability including climate-related risks and opportunities is described on page 104.
	Describe management's role in assessing and managing climate-related risks and opportunities	Management's role in assessing and managing sustainability including climate-related risks and opportunities is described on page 106.
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	See page 75.
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning	See page 80.
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario	See page 81.
Risk Management	Describe the organisation's processes for identifying and assessing climate-related risks	Descriptions of the company's processes used to identify and assess risks, including climate-related risks, can be found on page 125 under the paragraphs "Risk identification" and "Risk assessment".
	Describe the organisation's processes for managing climate-related risks	Descriptions of the company's processes used to manage risks, including climate-related risks, are described on page 125 under the paragraphs "Risk Response" and "Management and Board risk reviews".
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Our climate-related risk management process follows the approach set out by the Shell Performance Framework, ensuring that it is integrated into the Company's overall risk management processes, and is described on page 125 in the section "Risk Management".
Metrics and Targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk-management process	See page 88.
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	See page 88.
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	See page 95.

Information that supports TCFD disclosures is indicated with **11**.

[A] By this we mean the four recommendations and the 11 recommended disclosures set out in Figure 4 of Section C of the report titled "Recommendations of the Task Force on Climate-related Financial Disclosures" published in June 2017 by the TCFD.



Safety

As we implement our strategy, we will continue to focus on achieving our Goal Zero ambition: to do no harm to people and to have no leaks across operations. This goal lies at the very heart of our plans and our activities.

The nature of our operations exposes us to a wide range of safety risks. We plan and execute our work with the aim of preventing harm to people or leaks to the environment and to be prepared to respond if something goes wrong.

We seek to improve safety by focusing on the three areas where the safety risks associated with our activities are highest: personal safety, process safety and transport safety. We strive to reduce risks and to minimise the potential impact of any incident. We place a particular emphasis on the risks that could lead to the most serious consequences if they materialise.

We have adopted the International Association of Oil & Gas Producers (IOGP) Human Performance Principles, which is the industry standard for managing human performance to improve safety and productivity. Shell people are encouraged to apply a learner mindset, which embodies the belief that we can always improve, enhance individual capabilities, learn from mistakes and successes, and speak up freely without repercussions.

In practice, our approach to safety is about enhancing how we prepare for and conduct high-risk activities by:

- improving our preparation and execution of front-line work, building an environment of trust and learning;
- moving to industry-wide tools so that Shell and contractors work on the same basis to manage risks; and
- using technology to reduce exposure and identify conditions that could lead to serious incidents.

It is also about capturing more insights by:

- focusing on eliminating fatality and permanent impairment (FPI) incidents and learning from high-potential incidents where the most serious consequences that could have led to an FPI did not materialise;
- focusing on learning from losses or potential losses of containment, and on any degradation of barriers designed to prevent or minimise the consequences of leaks;
- capturing underlying causes through incident investigations; and
- embedding lessons learned in our training and instructions for future work.

Our approach is governed by our Safety, Environment and Asset Management (SEAM) Standards, which set out our detailed requirements for personal, process and transport safety.

See page 107 of "Our approach to sustainability".

Assurance activities play a key role for Shell in providing real-time feedback concerning the health of critical human and technical safeguards that help prevent a safety incident. Our assurance activities aim to verify the design and functioning of controls, validate the overall efficiency of risk management and highlight areas for improvement.

We report data in this section on a 100% basis for companies and joint ventures in which Shell is the operator, unless stated otherwise.

Technology and safety

We are using digitalisation and AI to gather and process data from our operations and to improve analysis and reporting. This enables us to act more quickly to ensure safe and efficient operations.

We continue to expand the deployment of T-Pulse, an AI-automated safety monitoring solution developed by Detect Technologies. T-Pulse uses closed circuit television (CCTV) to identify and report real-time safety issues, unsafe acts, conditions and potential leaks. These observations are used to inform the sites and enable them to take more focused preventative measures. Sites have achieved an average 70% reduction in the number of safety observations made by T-Pulse since the start of deployment. This includes categories such as line of fire and material handling.

We continue to roll out active fatigue and distraction detection (AFDD) devices across Shell-operated ventures and affiliated contractor vehicles, starting with high-risk countries then expanding to lower-risk ones. These devices, currently in use in 20 countries, monitor fatigue and distraction to help improve driving behaviour, provide feedback and generate insights that help us to improve operating practices. On average, we have seen a 25% reduction in the severe motor vehicle incident (SMVI) rate for heavy transport vehicles globally, compared to individual locations benchmarks prior to deployment.

Personal safety

We continue to focus on strengthening the safety culture and leadership among our employees and contractors. This aligns with our focus on care for people.

Our SEAM Standards establish requirements for managing occupational health and safety hazards that have the potential to result in harm to people. When our employees and contractors perform tasks, we expect them to consider the hazards that could potentially cause harm and the effectiveness of the barriers in place to prevent incidents and manage the consequences should an event occur. We establish and maintain competence management systems to help ensure people are competent to perform their roles and responsibilities.

We run safety awareness programmes and hold an annual global Safety Day to give employees and contractors time to discuss safety culture on the front-line and to reflect on how to prevent incidents and improve performance. In 2025, the focus was on "How I respond matters" because how each of us responds to concerns, dilemmas and errors sets the tone for our workplace and influences our culture. These responses can either lead to learning or diminish the opportunity to improve. Demonstrating care and responding positively to concerns encourages staff to raise issues and ideas in the future.

Process safety

Process safety management is about keeping hazardous substances inside pipes, tanks and vessels, and ensuring that well fluids are contained during construction, interventions (such as maintenance) and incidents. Our SEAM Standards establish requirements from project design and construction throughout the life cycle of the asset to keep sites, employees, contractors and communities safe.

Our SEAM Standards set out our requirements for managing process safety risks, from identifying potential safety hazards to designing the controls that prevent them from occurring. Our standards require the use of barriers that operate independently of each other to reduce the likelihood of a release becoming catastrophic. Such barriers are designed so that if one fails, this does not lead to the failure of others.

In 2025, we continued to focus on standardising our risk assessment tools, improving human performance, working to mitigate process safety risks and moving from lagging indicators (measuring past outcomes) to leading indicators for future performance. With the implementation of the SEAM Standards, our assurance methodologies for process safety have been updated to provide more insight on the health of barriers designed to reduce the likelihood of leaks and mitigate any potential consequences should a leak occur.

We continue to learn from investigations into industry incidents and embed this knowledge into our process safety standards and training programmes.

Preparing for emergencies

We prepare and routinely practise our emergency response plans for potential events, such as spills or fires. This involves working closely with local emergency services and regulatory agencies to jointly test our plans and procedures. Shell requires key operating facilities to test their emergency response preparedness in accordance with regulatory requirements and in line with industry best practices. In 2025, we held large-scale emergency response exercises in Brazil, the Gulf of America, Brunei and Qatar.

We manage three regional Emergency Response Leadership Councils for the Americas; Asia-Pacific; and Europe, the Middle East and Africa. The councils bring together experts from different teams that need to be able to work together in case of emergencies. In 2025, the councils' annual regional conferences covered a variety of topics, such as lessons learned, fire dispersion modelling, cloud vapour ignition, drone application, rail response tactics and response preparedness.

Transport safety

Transporting large numbers of people, products and equipment poses safety risks. We seek to reduce these risks by developing best-practice standards within Shell. We also work with specialist contractors, industry bodies, non-governmental organisations and governments to find ways of reducing transport safety risks.

Road safety

In 2025, we continued to focus on strengthening our controls and implementing technologies that help us to better detect the conditions that can lead to incidents. Our SEAM Standards require Shell employees and contractors who are identified as driving on work-related business on public roads to undergo defensive driver training.

In 2025, Shell employees and contractors drove around 326 million kilometres on company business, equivalent to approximately 8,135 times around the world. Transport managed by contractors accounts for most of the kilometres driven. There were 14 SMVIs, including one fatality. An SMVI is defined as a motor vehicle incident resulting in a fatality, serious injury or a rollover of a vehicle.

Maritime safety

At the end of 2025, we managed and operated a global fleet of 23 tankers, LNG carriers and the world's first liquefied hydrogen carrier. We are one of the world's largest charterers of oil and gas vessels. We work with our global maritime partners through our Maritime Partners in Safety Programme to improve the safety performance of the shipping industry.

Aviation safety

Aviation safety is fundamental to protecting lives. Our aviation standards are aligned with the IOGP Air Transport Recommended Practices and include processes for identifying and managing risks across fixed-wing aircraft, helicopters and remotely piloted systems. In 2025, for Shell-operated ventures, our owned and contracted aircraft flew around 30,000 hours and carried around 212,000 Shell and contractor passengers to destinations around the world. In addition, remotely piloted aircraft completed flights on surveys, inspections, emissions surveillance, and security and incident response.

See [shell.com](https://www.shell.com) for more information on transport safety.



Photo: Robert deep-water training centre, Louisiana, USA.

Working with others

We work with contractors and suppliers to help them understand our safety requirements. We strive to improve the energy industry's safety performance by sharing safety standards and experience with other operators, joint-venture partners, contractors and professional organisations.

Executives from Shell and our major contractor companies have collaborated on Shell's contractor safety leadership programme since 2014. The programme seeks to identify strategies and practical ways to foster a shared safety culture and achieve our Goal Zero ambition of no harm and no leaks. The current multi-year focus is "Learning from Normal Work".

Safety performance

Tragically, four of our contractor colleagues in Shell-operated ventures lost their lives in incidents in 2025 while working for us. One contractor colleague who sustained burn injuries in a flash fire at our EcoOils facility in Malaysia in February 2025 passed away later that month. A contractor colleague working on a mobile drilling rig in Malaysia was trapped by a hydraulic watertight door and lost his life in April 2025. Another contractor colleague in Argentina died when the minivan he was travelling in was hit by a third-party vehicle in July 2025. In November 2025, a contractor colleague died as result of falling from a height from a crane cabin on a contracted drilling rig in the North Sea.

Shell is profoundly impacted by this loss of life. We are committed to learning from these incidents, and we aim to take the necessary measures to prevent anything similar from happening again. We continue to work closely with our contractors to help build a strong safety culture at the front-line.

We have adopted the IOGP metrics of fatality and permanent impairment (FPI) and FPI frequency (FPI-F) to measure our safety performance. FPI is defined as the outcome of work-related injury from which the person cannot or is not expected to return to their previous whole person function as a result of an acute single incident. FPI-F is calculated by dividing the number of employee and contractor FPIs by 100 million working hours. Analysing FPIs enables us to focus our investigations on the most serious incidents. The aim is to collect and analyse relevant, high-quality data that can help us improve our efforts to prevent serious injuries and fatalities.

See The REMCO's reflections on safety on page 186.

In 2025, the number of FPIs was 8, compared with 8 in 2024. The FPI-F was 2.1 cases per 100 million working hours compared with 1.7 in 2024. The number of FPIs for 2024 was revised from 7 to 8, as an incident which occurred in 2024 was confirmed in 2025 as having caused permanent impairment. The resulting FPI-F was revised from 1.5 to 1.7.

We measure our process safety performance through Tier 1 and 2 events. A Tier 1 process safety event is an unplanned or uncontrolled release of any material from a process, including non-toxic and non-flammable materials, with the greatest actual consequence resulting in harm to employees, contract staff or a neighbouring community, damage to equipment or exceeding a defined threshold quantity. A Tier 2 process safety event is a release of lesser consequence.

The number of Tier 1 and 2 operational process safety events in 2025 showed a decrease compared with 2024. There were 62 events reported during the year compared with 89 in 2024 (revised from 90 reported in 2024 as an incident initially classified as Tier 2 was reclassified following the investigation as not meeting Tier 2 criteria). This reduction reflects our efforts to enhance process safety competence at the front line and increased leadership focus, along with asset-specific plans to reduce Losses of Primary Containment (LOPC). We remain vigilant and committed to sustaining our progress.

A well control incident is defined as a non-compliance with the requirement that well operations be executed under the protection of at least two barriers for each potential flow path. In 2025, there were no Level 1 or Level 2 well control incidents in Shell-operated ventures. This is the fourth consecutive year without a Level 1 or Level 2 well control incident, since we began reporting these data in 2022.

As part of our learner mindset approach, we investigate serious incidents so we can understand the underlying causes, including technical, behavioural, organisational and human factors. We share what we learn, internally and with contractors. We implement mitigations at the site of the incident as well as at a country or business level where appropriate. We seek to turn investigation findings into improved standards or better ways of working that can be applied across similar facilities.

Security

Our operations expose us to criminality, civil unrest, activism, terrorism, cyber disruption and acts of war that could have a material adverse effect on our business. Our security risk mitigations follow the principles of "deter, detect, delay and respond". We strengthen the security of our assets, people and operations to reduce our exposure as appropriate, for example by conducting site security risk assessments, using journey management plans and performing travel risk assessments. We also invest in information risk management capabilities and crisis management and business continuity measures.

Shell is a member of the Voluntary Principles on Security and Human Rights (VPSHR), a multi-stakeholder initiative that gives guidance on how to respect human rights while providing security for business operations. We implement this guidance within our own operations, concentrating on countries where the risks of working with government and private security providers are identified as greatest.



Our people

Our people are essential to our strategy of delivering more value with less emissions. As we build our performance culture, we want our people to feel valued and respected, with a strong sense of belonging.

We are transforming Shell to be a leaner, more competitive organisation as we focus on performance, discipline and simplification across our organisation. Simultaneously, we are building a performance culture that we believe will help us succeed as we navigate the energy transition. We aim to support positive social and economic impacts for our workforce by providing competitive pay, benefits and working conditions.

As part of our performance culture, we aim to create a workplace that delivers results, where all employees can learn and adapt, collaborate as one team and care for each other, building resilience as we transform. We promote equal opportunity and aim to create an environment where people feel included.

People development remains a priority for our organisation. We proactively identify skill and capability gaps for our traditional and emerging businesses; offer training to address these gaps; and if needed, recruit talent externally to add to the skills and experiences of our workforce. To enable our leaders to lead this change, we support them through targeted interventions including leadership development and coaching.

See "This is Shell" on pages 6-8 for more about our performance culture.

All metrics in this section exclude employees from portfolio companies [A], except for those showing the total number of employees by gender and region, employee contract type by gender, the percentage of women employees, employee turnover and certain mandatory training courses. Starting in 2025, the metrics for employee contract type by gender and employee turnover include employees from portfolio companies.

[A] Portfolio companies are non-integrated entities within the Shell Group. To give these companies the flexibility they need, they operate as subsidiaries while generally retaining their own processes and systems. Portfolio companies comply with Shell's minimum requirements for controls and compliance. This includes the Shell Performance Framework and mandatory requirements for ethics and compliance, risk management and safety.



Employees
85,000



Countries and territories
70
countries in which we operate



Directors
42%
women on the Board of Directors



Executive Committee
44%
women on the Executive Committee



Senior leaders
35%
women in senior leadership positions



Women employees
35%
women employees



Training
253,000
training days for employees and joint-venture partners in 2025



External hires
3,593
people joined Shell (35% women, 65% men) in 2025

The numbers presented above reflect data as at December 31, 2025, unless otherwise stated.

Employee overview

We employed 85,000 people on a full- or part-time basis as of December 31, 2025. This compares with 96,000 at the end of 2024 and 103,000 at the end of 2023.

The reduction in the number of employees in 2025 compared with 2024 reflects our continued focus on performance, discipline and simplification as we implement our strategy. We improved efficiencies, and made divestments in Singapore (Bukom, Jurong), in Nigeria (SPDC) and in the UK to the Adura joint venture and ended several activities in our Downstream, Renewables and Energy Solutions business. We also improved efficiencies in our Projects & Technology, IT and Finance functions.

Employee overview figures include people working for Shell companies and Shell-operated joint ventures, as well as those seconded to non-operated joint ventures, but exclude contingent workers, otherwise referred to as contractors. Contractors are external workers who are engaged directly or through third parties to provide services to Shell. They work alongside Shell employees across several of our businesses.

Changes in headcount

We employed 72,000 people in Shell, excluding portfolio companies, at the end of December 2025. This is fewer than the 81,000 at the end of 2024. Shell's portfolio companies, which generally maintain their own HR systems, employed 13,000 people at the end of 2025 compared with 15,000 at the end of 2024.

See Note 33 to the "Consolidated Financial Statements" on page 305 for the average number of employees by business segment.

The table below presents the total number of employees by gender and region as of December 31, 2025.

Number of employees by gender and region [A]

	2025			thousand	
	Men	Women	Total	2024	2023
Number of employees	55	30	85	96	103
Breakdown by region					
Africa	1.2	0.6	2	3	4
Asia	19.7	13.0	33	36	38
Europe	16.3	9.5	26	30	31
North America	15.1	5.7	21	23	24
Oceania	1.8	0.8	3	3	4
South America	0.9	0.6	2	2	2

[A] Split may not add up to the total due to rounding.

The table below presents the distribution of employee contract type by gender as of December 31, 2025.

Employee contract type by gender [A]

	2025		thousand	
	Men	Women	Men	Women
Permanent contract/ Employment at-will [B]	54.2	29.8	52.0	28.0
Fixed-term contract	0.7	0.4	0.8	0.3

[A] 2024 data excludes employees in portfolio companies.

[B] Employment-at-will is used in the USA to describe the employment relationship.

The table below presents the number of employees by age group.

Employees by age group [A] [B]

	% of employees		thousand		
		2025	2024	2023	
Under 30 years old	13%	9	10	12	
Between 30 and 50 years old	65%	47	52	54	
Above 50 years old	22%	16	19	18	
Total employees	100%	72	81	84	

[A] Excludes employees in portfolio companies.

[B] Includes employees seconded to joint ventures.

Shell aims to be an attractive employer to its existing and prospective employees. We offer employees the opportunity to develop their careers within Shell to enable them to build their skills and progress.

See "This is Shell" on pages 6-8.

As of December 31, 2025 employee turnover was 18.3%. A total of 16,613 employees left Shell including 8,416 voluntary resignations. The total includes 5,652 voluntary resignations from non-integrated portfolio companies, which we report separately for transparency [A]. In 2024, Shell collected turnover data only for integrated companies, which did not include portfolio companies. Excluding portfolio companies, turnover in 2025 was 11.2%, with 8,565 employees leaving Shell of whom 2,764 resigned voluntarily. This compares to 7.6% in 2024 with 6,227 employees leaving of whom 2,931 resigned voluntarily excluding portfolio companies.

[A] Turnover levels in portfolio companies are typically higher, reflecting operating models and workforce dynamics that differ materially from our fully integrated entities.

Employee engagement

Insight into employee needs and perspectives enables Shell to continually learn and improve our policies, processes and practices.

Management regularly engages with employees through elected employee representatives and a range of local formal and informal channels. These channels include webcasts and all-employee messages from our Chief Executive Officer (CEO) and other senior leaders, as well as town halls, team meetings and site visits by the Board and Executive Committee (EC).

In 2025, members of the Board and EC visited Shell sites in Queensland, Australia where they engaged with employees on our business strategy and operations. The Board Chair also met with employees based in London, China and the Netherlands.

See "Workforce engagement" on page 158

In 2025, 253,000 formal training days were delivered to employees and joint-venture partners. This compares with 264,000 training days in 2024 and the reduction mainly reflects lower employee numbers in 2025 [A]. In 2025, we expanded access to self-directed learning via the Learning Experience Platform, where we are curating internal and external learning content. In parallel, we continue to streamline the training content and assignments by making them more targeted for our people. These shifts support an enhanced learner-led culture, with employees taking greater ownership of their development.

[A] Training days are counted for all employees active at any point in the year, including those who left before year-end.

We seek to comply with applicable local laws and regulations, including those on working hours. Shell is committed to respecting human rights. This includes, but is not limited to, the elimination of forced and child labour, respect for freedom of association and the effective recognition of the right to collective bargaining. Where appropriate, engagements take place with union and employee representatives at asset and country level, as well as with the Shell European Works Council. Employees have access to senior leaders, local employee forums and employee resource groups. We believe these engagements enable Shell to maintain a constructive employee and industrial relations environment.

The Shell People Survey

The Shell People Survey is one of the key tools we use to measure employee engagement, motivation, affiliation and commitment to Shell. External and internal research shows that increased employee engagement can result in better business performance and improved safety. In 2025, the response rate to the survey was 85%, compared with 86% in 2024, which indicates our people's continued desire to provide feedback. The overall employee engagement score increased to 76 in 2025 from 75 points in 2024 (compared with the top quartile organisations which scored 80 and above points). We believe this reflects the level of continued change within the organisation as we transform our business.

Pay, benefits and well-being

Our Fair Pay Principles are designed to manage pay at Shell and help us ensure that employees are valued, respected and recognised for the work they do. Shell's pay is designed to be market competitive and free from bias. The basis for paying fairly is equal pay for equal work, taking into account factors such as performance and experience. Through regular benchmarking, Shell's compensation is typically higher than the minimum wage level observed locally, including in countries without legislation on minimum wage. Pay adjustment at Shell is linked to performance and we share this information with employees to help them understand how their pay adjustments are made. We continue to engage employees transparently and openly about our pay policies to help build understanding, trust and confidence in our approach.

Shell provides a range of benefits, such as global minimum standards for life, accident and disability cover, as well as maternity and parental leave, except in certain cases where we are precluded from offering this. Our benefit packages are tailored to each country to meet the requirements of local laws and regulations.

Flexible work

We seek to build a sense of community and collaboration within Shell's sites, where we want employees to feel welcome and valued. By enabling people to balance their work and personal lives, we can help them perform at their best. Our Future of Work guide advises employees and team leaders on hybrid working options.

Employee well-being

Our goal is to empower our employees to feel their best and perform at their best. Care for people is a key desired behaviour within our performance culture. We do this by promoting mindsets and behaviours that support good health, and protecting our people from illness by mitigating known risk factors. We use evidence-based tools and provide access to timely support and care for those who are injured, ill or struggling.

Interventions to promote mental, physical and social well-being are delivered via a mix of measures. For example, through the design of our workspaces, through local benefit offerings such as gyms and health checks, and through our country-based employee networks, group activities and events. Our programmes and global campaigns, such as that for World Mental Health Day, help develop individual and team well-being skill sets to create healthy and psychologically safe working environments and nurture a culture of care.

Mental well-being

We work to reduce the stigma associated with mental ill health through open conversations, global and country-level campaigns, senior leader communications, engagements with elected employee representatives and through our experience-sharing portal for employees. This commitment is underscored by our CEO's leadership pledge with MindForward Alliance and the launch of our Global Mental Well-being Programme in 2023. The programme's interventions focus on developing a workplace culture that supports good mental health and offers

employees the opportunity to complete an anonymous and voluntary survey in which they can voice their experience of well-being at Shell. We monitor the survey results to identify opportunities to improve employee well-being. In 2025, we continued to improve the programme, adding adaptive e-learning content for line managers in workplace mental health, enhancing accessibility of programme resources for front-line staff and introducing new resources such as those that address resilience and financial well-being.

Diversity, equity and inclusion (DE&I)

We aim to become one of the world's most diverse and inclusive organisations, a place where everyone feels valued, respected and has a strong sense of belonging. It is the diverse perspectives, experiences, expertise, cultures and working styles of each employee that make Shell unique. This uniqueness combined with equity and inclusion enables our performance culture. Our Code of Conduct prohibits discrimination and sets our Group expectations for equal opportunity in employment decisions, based on factors such as merit, qualifications, performance and business considerations. Our ambitions around diversity, equity and inclusion are monitored on a regular basis. We continually assess our culture and employee engagement through tools such as the annual Shell People Survey.

We promote equal opportunity and aim to create an environment where people feel included. Our approach seeks to reinforce respect for people and to provide psychological safety for all our employees.

In 2025, our Shell People Survey showed a result of 82 points out of 100 for all questions relating to DE&I. This is an increase of one point from 2024. However, we are still below the top quartile of organisations in the comparison group which scored 85 and above. We will continue to focus on improving these efforts in the workplace.

As of 2025, and where legally permissible, Shell is able to provide 92% of employees with the option to voluntarily declare their gender identity, sexual orientation, race and ethnicity, and disability via the HR system. Data from this self-identification initiative allow us to monitor progress against our DE&I aspirations.

See "Nomination and Succession Committee" on pages 162-164.

Gender

We strive to achieve gender equality. We have signed the World Economic Forum declaration on closing the gender gap in the oil and gas sector and, in line with the UK Listing Rules, the Board of Shell plc aims for gender balance on the Board, with at least one senior Board position [A] held by a woman. To provide flexibility for periods of change, we aim to maintain the representation of both men and women on the Board at, or above, a minimum of 40%. As of December 31, 2025, women made up 42% of the Board and the position of Chief Financial Officer (CFO) was held by a woman.

Over the years, Shell has progressively increased the representation of women on the EC and in senior leadership roles. As of December 31, 2025, we had 44% women and 56% men on our EC. Our aim was to achieve 35% representation of women in our senior leadership positions by 2025. As of December 31, 2025, we had achieved 35%, up from 33% in 2024. We aim to achieve 40% by 2030.

In accordance with applicable laws, and where permissible in local jurisdictions, Shell has global aspirations for representation. We are committed to building a diverse and inclusive workforce. All employment decisions, including hiring, promotions and separations, are based solely on factors such as merit, qualifications, performance and business considerations. The following table shows the representation of men and women as of December 31, 2025.

[A] Senior Board position means Chair, CEO, Senior Independent Director or CFO.

Gender diversity at Board and management level [A]

Level	Men		Women	
	2025	2024	2025	2024
Board	58%	58%	42%	42%
Executive Committee	56%	43%	44%	57%
Senior Leadership roles [A] [B]	65%	67%	35%	33%

[A] Senior Leadership is a Shell measure based on compensation grade levels. This measure is distinct from "senior manager" as per statutory disclosure requirements set out in the table below.

[B] Excludes employees in portfolio companies.

Gender diversity (at December 31, 2025)

	Men		Women	
	Number	%	Number	%
Directors of the Company	7	58%	5	42%
Senior managers [A]	695	64%	394	36%
Employees (thousand)	55	65%	30	35%

[A] Senior manager is defined in section 414C(9) of the UK Companies Act 2006 and, accordingly, the number disclosed comprises the EC members who were not Directors of the Company and other directors of Shell subsidiaries (excluding Directors of portfolio companies).

As of December 31, 2025, 35% of Shell employees were women. Of the external hires who joined Shell as of December 31, 2025, 35% were women, compared with 39% in 2024.

A crucial element of achieving gender balance is addressing any pay gap [A] and we continue to work towards improvements in this area. The basis for paying fairly is equal pay for equal work, taking into account factors such as performance and experience. At Shell, we monitor pay equity [B] through regular analysis to be confident that we have pay equity between genders for performing the same jobs. We address any unexplained pay differences related to gender through rigorous internal processes and apply our Fair Pay Principles. We continue to make progress in our gender ambitions at Shell, but a gender pay gap exists for several reasons, including fewer women in senior leadership positions and fewer women in higher-paid specialist roles.

[A] Shell seeks to comply with applicable requirements and regulation on pay gap reporting.

[B] Men and women who are paid the same for doing similar jobs, at similar level, responsibility, tenure and performance.

Race and ethnicity

Through racial and ethnic representation across our workforce, we aim to reflect the communities in which we work. Shell's Global Council for Race is supported by an Employee Advisory Board which aims to advance diversity in our workforce.

Shell aims to maintain or exceed having at least one Board member from an ethnic minority background, while acknowledging that in periods of Board change this may not be achieved. As of December 31, 2025, the Board had three members who identify as being from an ethnic minority group and one EC member who identifies as being from an ethnic minority group [A].

In line with the Parker Review recommendations, Shell aimed to achieve 15% ethnic minority group representation in Senior Management [B] by 2027, which has been achieved in advance of the target date. We will now aim to achieve 17% by 2027. As at the end of 2025, ethnic minority representation in Senior Management was 16%.

[A] Ethnic minority refers to an individual who self-identifies as Asian, Black, Mixed/multiple or other ethnic minority group, in line with UK Office for National Statistics classifications.

[B] Senior Management refers to senior leadership based in the UK, measured based on compensation grade, and aligned with our self-identification data collection and processes.

* Non-GAAP measure. See page 430.

In some countries, there are local restrictions on collecting and reporting race and ethnicity data. Shell offers employees the option to voluntarily declare their race and ethnicity via our self-identification initiative.

See shell.com for more information on our DE&I progress.

LGBT+

We are working to advance lesbian, gay, bisexual and transgender plus (LGBT+) inclusion within Shell and the communities where we work. Most of our work around LGBT+ inclusion happens at a country level, in line with local policies, laws and regulations.

Disability inclusion and accessibility

We are working to advance an inclusive, psychologically safe and accessible environment where people with disabilities can excel. We provide support and adjustments for people with disabilities during the recruitment process. For example, candidates with a disability or long-term health condition can indicate whether they require adjustments to our facilities or our job application process. Our support teams and systems are equipped to make these adjustments if required. We also support employees throughout their careers with Shell, including through access to educational resources, training programmes, and personal and professional development. Our Disability, Accessibility and Inclusion portal provides comprehensive guidance and tools for line managers, leaders, people with disabilities and employees to be active allies. Shell's enABLE employee resource groups provide expertise and advice to Shell leaders and our businesses on accessibility and disability inclusion. We also offer a workplace accessibility service which covers 64 locations in 32 countries. The team is supported by functions such as Shell Health, HR, Real Estate and IT.

Shell is part of the Valuable 500, which comprises 500 of the world's largest companies and organisations that are working collectively to progress disability inclusion. We are also an active member of the Business Disability Forum and PurpleSpace.

Employee share plans

Our share plans align employees' interests with our performance and shareholder interests.

See the "Directors' Remuneration Report" on pages 176-199.

Discretionary share awards

For 2025, Restricted Share Awards (RSA) and/or Performance Share Awards (PSA) were awarded to nominated employees on a selective basis. These awards have a three-year vesting period. RSAs provide a stake in the Company's future. PSAs have performance conditions that are clearly aligned with Shell's strategic ambitions.

For the 2025 PSA, 25% of the award is linked to organic free cash flow*, 25% to the energy transition, and 50% is linked to competitive capital allocation (defined as CFFO divided by average capital employed) and total shareholder return (TSR) versus other energy majors. Under all plans, vesting shares are increased by notional dividends accrued during the period from award to vesting. In certain circumstances, awards may be adjusted before delivery or be subject to clawback after delivery. None of the awards result in beneficial ownership until the shares vest.

See Note 28 to the "Consolidated Financial Statements" on page 299.

Employee Share Ownership Plans

Eligible employees in participating countries may participate in a plan that enables them to purchase the Company's shares at a discount to the market price or with a matching element.



Our contribution to society

Shell strives to make a positive impact on society by providing the energy people need, contributing to local economies, managing our impacts on communities and respecting human rights.

For more than a century, Shell has been at the heart of the global energy system, fuelling people's homes, industries and transport from cars to planes and ships.

Our activities contribute to economies and communities around the world through job creation, spending on goods and services, and through the payment of taxes and royalties to governments. As we navigate the energy transition, we continue to work with governments and society to support positive economic and social impacts on our workforce, communities, suppliers and customers.

Many of our operations are located close to communities and we aim to be a good neighbour. This includes strong community engagement, managing the negative social impacts of our operations and delivering a range of benefits through jobs, support for local businesses and social investment programmes. This engagement enables us to identify and manage positive and negative impacts from our activities and, where necessary, provide access to remedy.

In 2025, the Energy Access Fund – a \$500 million joint investment commitment with Shell, bp, Equinor and TotalEnergies announced in November 2024 – started making energy access investments in emerging markets. These investments, including Shell's \$200 million contribution, aim to bring access to electricity and improve clean cooking for millions of people in underserved communities.

Spending and taxes

In 2025, our total spend on goods and services (in operated and non-operated ventures) was around \$40 billion* from suppliers around the world, compared with \$41 billion in 2024. [A] The reduction is mainly driven by structural cost reductions across our organisation and disciplined capital expenditure as we implement our strategy to deliver more value with less emissions.

Our activities also generate revenues for governments through the taxes and royalties we pay, which can help governments fund health care, education and other essential services. We publish an annual Tax Contribution Report which sets out the corporate income tax that Shell pays in the countries and locations where we have a taxable presence. In 2025, Shell paid \$17 billion in taxes* to governments, of which \$12 billion was paid in corporate income taxes and \$5 billion in government royalties and production taxes.

See [shell.com](https://www.shell.com) for more information about Shell's tax transparency.



Spend on goods and services*
\$40 billion
Total spend



Taxes paid*
\$17 billion
Corporate income taxes, royalties and production taxes



Social investment
\$115 million
Mandatory and voluntary spend

The numbers presented above reflect data for the full year 2025.

Supply chain

Our business activities depend on a competitive and resilient supply chain. Suppliers play an important role in helping to deliver our strategy and helping to create value for our stakeholders.

As part of Shell's responsible sourcing approach, we aim to work with suppliers that behave in an economically, environmentally and socially responsible manner. Shell partners with suppliers who adhere to our Shell General Business Principles and Shell Supplier Principles. The Shell Supplier Principles set out our expectations of suppliers with respect to business integrity; health, safety, security, environment and social performance (HSSE & SP); and labour and human rights. Our standard contract terms require adherence to these or equivalent principles.

Worker welfare

Our approach to worker welfare focuses on the well-being of supplier staff on Shell sites and dedicated supplier staff on non-Shell sites, where we have the most ability to influence safety, working conditions and labour rights. We also work with our partners and peers to include worker welfare in industry standards, guidance and best practice. This helps raise standards and levels of consistency across the industry. Our approach is based on the principles established by Building Responsibly, an alliance of companies that seeks to promote the rights and welfare of workers in the engineering and construction industry.

In 2025, we continued to collaborate with peers to drive consistency across the industry on worker welfare. For example, together with Ipieca, we helped to create a toolkit on worker welfare with resources, guidance and definitions to help align the industry around common definitions and good practices.

See [shell.com](https://www.shell.com) for more information about how we engage with contractors and suppliers.

[A] 2024 comparative figure has been revised from \$42 billion to \$41 billion. See "Non-GAAP measures reconciliations" on pages 430-435 for further details.
* Non-GAAP measure. See page 430.

Working with communities

We engage with communities to help us understand their needs and expectations. This engagement enables us to identify and manage impacts from our activities and provide access to remedy. Engagement is a continuous process that helps us improve our decision-making and performance. Shell's Safety, Environment and Asset Management (SEAM) Standards are designed to help us to operate responsibly and avoid or minimise any potentially negative environmental and social impacts that may result from our operations.

Communities can raise concerns in a number of ways. At large projects and assets, community engagement practitioners act as a bridge between local communities and our operations. Community feedback mechanisms allow us to receive, track and respond to questions and complaints. In 2025, we continued to track how satisfied community members using the mechanism were with how we managed and responded to their feedback. Communities can also raise concerns anonymously through the Shell Global Helpline.

Our SEAM Standards require us to apply special procedures in situations involving involuntary resettlement, cultural heritage, Indigenous Peoples or operations in environments with high or unusual social risks. In 2025, we engaged in plans to manage impacts associated with economic displacement in India. We also provided support to help avoid or manage involuntary resettlement impacts in a number of our non-operated ventures.

See "Our approach to sustainability" on page 107.
See shell.com for more information about our work with communities.

Social investment

Our activities contribute to economies through taxes, jobs and business opportunities. We also make social investments in areas determined by local community needs and priorities. These investments are sometimes voluntary, sometimes required by governments, or part

of a contractual agreement. Shell has three priority areas for social investment: access to energy; skills and enterprise development; and science, technology, engineering and mathematics (STEM) education.

In 2025, we spent \$115 million on social investment, of which \$12 million (11%) was required by government regulations or contractual agreements. We spent the remaining \$103 million (89%) on voluntary social investment.

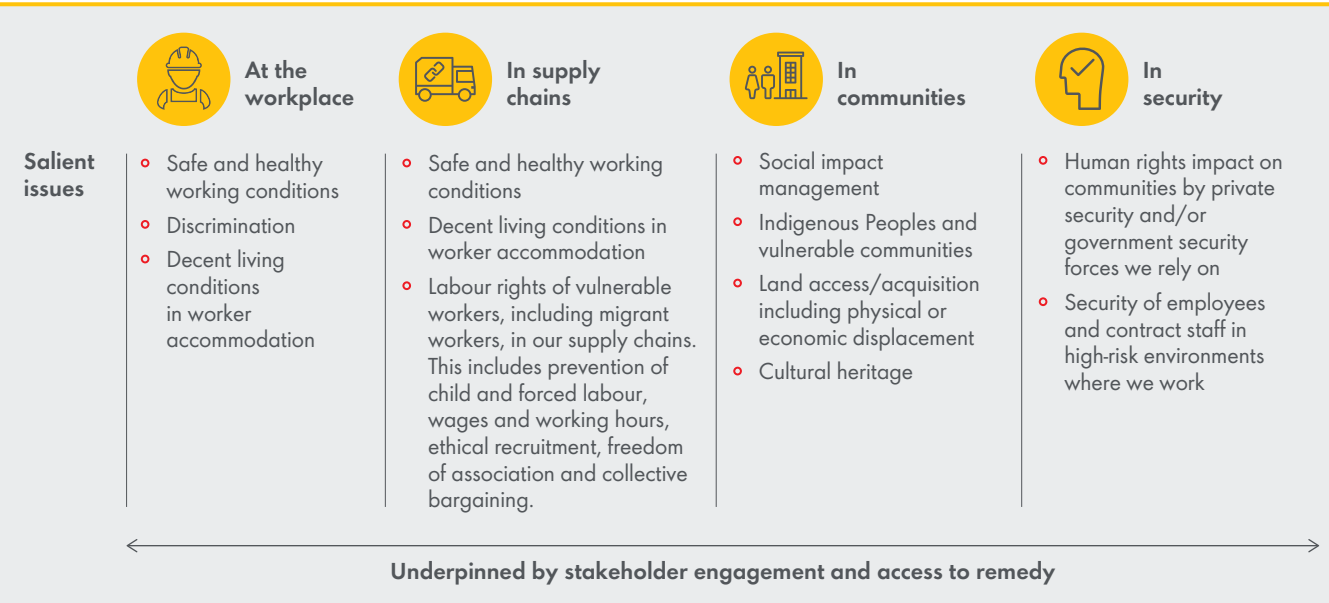
See shell.com for more information about our social investment.

Human rights

Human rights are fundamental to Shell's core values of honesty, integrity and respect for people. Respect for human rights is embedded in the Shell General Business Principles and our Code of Conduct. Shell is committed to respecting human rights, as set out in the United Nations Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our approach is informed by the UN Guiding Principles on Business and Human Rights. We work closely with various organisations to improve how we apply these UN guiding principles.

In 2025, we continued to work on salient human rights issues, which are the rights potentially most at risk from our operations. We prioritise four focus areas where respect for human rights is critical to how we operate: at the workplace, including labour rights, and in supply chains, communities and security. For each of these areas, we have systems to identify potential impacts and to avoid and mitigate them. Shell employees working in these focus areas need to complete human rights training. We updated this training in 2025 to make it more scenario-based. We encourage all employees to complete the course regardless of their role, to build greater understanding of human rights across Shell.

Human rights focus areas



See "Safety" on pages 111-113.
See shell.com for more information about our approach to human rights.



Environment

Shell believes that no business can succeed without an unwavering commitment to respecting the environment and the communities within which it works.

Our business activities can impact the environment through our use of natural resources, our emissions and discharges, our generation of waste and through changes to natural habitats. We seek to protect the environment, increase our reuse and recycling, make a positive contribution to biodiversity, and use water and other resources efficiently. This is embedded in our activities and decision-making, supported by strengthened data reporting to meet regulatory requirements. We also build the knowledge and skills of our employees to help them manage our environmental impacts in line with our standards.

We require our operated assets to be certified to an independent and internationally recognised standard for environmental management systems, such as ISO 14001 or equivalent, if they have significant environmental risks.

Data in this section is reported on a 100% basis for companies and joint ventures in which Shell is the operator, unless stated otherwise.

See "Our approach to sustainability" on page 107.

Biodiversity and ecosystems

We aim to manage the impact of our activities on the environment and to make a positive contribution to biodiversity in our operations.

- Forest habitats: We are replanting forests and working to achieve net-zero deforestation from new activities while maintaining biodiversity and conservation value.
- Critical habitats: Our new projects in areas rich in biodiversity, known as critical habitats, are designed to achieve a net positive impact on biodiversity.
- World Heritage Sites: Since 2003, we do not explore for or develop oil and gas in natural and mixed World Heritage Sites.

When planning a project, our standards require us to assess the potential impact of projects on biodiversity and communities as part of our impact assessment process. We then apply the mitigation hierarchy, a decision-making framework that involves a sequence of four key actions: avoid, minimise, restore and offset.

Achieving a positive impact on biodiversity can take many years because complex ecosystems need time to develop after conservation efforts. We believe it is important to involve communities in conservation projects, so we often work in collaboration with local organisations.



Projects in critical habitats
100%
with a biodiversity action plan as at December 31, 2025



Deforestation
186
total hectares deforested



Reforestation
186
total hectares replanted



Waste disposed
1,987
thousand tonnes



Reusable or recyclable packaging by design
99%
of total by weight [A]



Water-stressed areas
6
million cubic metres fresh-water consumption



Operational spills - number
34
number of incidents [B]



Operational spills - volume
0.16
thousand tonnes [B]

[A] Shell-branded plastic packaging in Lubricants and Mobility.
[B] Hydrocarbon spills of more than 100 kilograms to the environment.

The numbers presented above reflect data for the full year 2025, unless otherwise stated.

Forest habitats

Deforestation occurs when forests are converted to non-forest uses. We apply the definition of forest used by the UN's Food and Agriculture Organization (FAO). Our commitment to net-zero deforestation commenced in 2022.

Our aim is to avoid deforestation, in line with the mitigation hierarchy. Where avoidance is not achievable, we require our assets, projects and businesses to develop and implement reforestation plans. These plans include measures designed to achieve net-zero deforestation, while maintaining biodiversity and conservation value. We work with partners and stakeholders to develop robust and credible plans unique to each reforestation project.

There is typically a time lag between the deforestation of an area and the start of the replanting process, which can range from months to years. As a result, there is often a difference in the number of hectares deforested and the number of hectares replanted within a single year.

In 2025, around 186 hectares were deforested as a result of our activities. This occurred largely in Australia, Canada, and Trinidad and Tobago, where we are preparing for or implementing reforestation programmes in line with local plans. In 2025, we reforested 88 hectares in Australia and 98 hectares in Canada.

Critical habitats

Critical habitats are specific areas of high biodiversity value in which receptors are particularly sensitive to development.

When undertaking a project in a critical habitat, we aim to go beyond compensating for a residual adverse impact to deliver an overall conservation gain to or net positive impact on biodiversity.

If a project is located in a critical habitat, we develop and implement a biodiversity action plan. This sets out the actions needed to follow the mitigation hierarchy and includes measures to achieve a net positive impact on biodiversity.

At the end of 2025, 45 new projects for which the final investment decision had been taken after February 2021 were located in critical habitats. All of these have a biodiversity action plan in place to work towards a net positive impact.

Examples of activities in development or under way in 2025 include:

- In Norway, we supported a local landowner to restore areas of degraded coastal heathland around our Ormen Lange operations, removing overgrowth and invasive species and introducing sheep grazing to maintain the habitat quality over time.
- Following completion of a seismic exploration programme in the Red Sea in 2022, we partnered with the Hurghada Environmental Protection and Conservation Association (HEPCA) to install 32 mooring buoys near several coral reef sites in Egypt. The buoys are designed to prevent damage caused by diving vessels' anchors, helping to protect ecosystems and preserve marine biodiversity.
- Together with ConocoPhillips, Santos and Eco Logical Australia, we completed a decade-long monitoring programme under the Gladstone Long-term Turtle Management Plan. The plan focuses on conserving and advancing scientific understanding of marine turtles in the Great Barrier Reef region of Queensland, Australia.

Resource use and circular economy

We aim to use resources efficiently and to increase our reuse and recycling. Our businesses are continuing their efforts to address the waste we generate and working to identify options to increase circular approaches.

Waste and circularity

Our SEAM Standards require our assets, projects or businesses to develop strategies to identify circularity-related risks and opportunities. We aim to encourage the development of fit-for-purpose objectives and strategies based on the principles of rethink, refuse, reduce, reuse, recycle and repair.

Between 2021 and 2024, we completed 26 detailed assessments across our businesses to better understand the types of waste we generate and identify options to increase circular approaches. Using the results of these assessments, our assets are improving local waste management practices by prioritising waste prevention, reuse and recycling over energy recovery and disposal.

Key developments related to waste and circularity in 2025 include:

- In Malaysia, our upstream operations are sending waste materials from drilling activities to be recovered and used in cement and lubricant production.
- In Qatar, our Research and Technology Centre received regulatory approval to conduct a commercial trial using bio-sludge from our Pearl GTL facility to enhance soil in the landscaping sector.
- In the Gulf of America, our operations are reducing their disposal of unused chemicals by returning them to suppliers for reuse.

In 2025, we disposed of 1,987 thousand tonnes of waste, compared with 1,933 thousand tonnes in 2024.

Plastics

Shell supports the need for improved circularity of the global plastics market. We encourage reduction, reuse and recycling of plastics and are a founding member of the Alliance to End Plastic Waste, which helps governments to assess and improve waste collection and waste management. We are working with partners across the plastic waste value chain, such as the waste management industry and pyrolysis oil producers, to encourage the development of a more circular value chain.

Since 2019, Shell has been processing pyrolysis oil made from mixed plastic waste at the Shell Norco Energy and Chemicals Park in the USA. In 2025, we completed our first full year of production at our new pyrolysis oil upgrader at the Shell Chemicals Park Moerdijk in the Netherlands. The upgrader improves the quality of pyrolysis oil, a liquid made from hard-to-recycle plastic waste, and turns it into chemical feedstock.

Packaging

Shell aims to increase the amount of recycled plastic in Shell-branded packaging to 30% by 2030 based on the reference year of 2022 and to use packaging for our products that is reusable or recyclable by design. These aims apply to Shell-branded Mobility and Lubricants products.

- Packaging classified as reusable or recyclable: In 2025, we continued to meet our aim to use packaging for our products that is reusable or recyclable by design. We maintained 99% total Shell-branded product packaging classified as reusable or recyclable in our Lubricants business and achieved 96% in our Mobility business, compared with 79% in the base year of 2022.
- Recycled plastic content in packaging: By the end of 2025, we had achieved a level of 21% recycled plastic content by weight in Shell-branded plastic packaging compared with 10% in the base year of 2022.

As of January 1, 2026, we have retired the portion of this aim related to packaging classified as reusable or recyclable by design as this has been consistently achieved. We have processes in place to maintain a similar level of performance. With respect to the portion of this aim related to recycled plastic content in packaging, we have narrowed the Mobility scope to car care products only. Other product areas contribute to less than 0.5% of total Shell-branded packaging for Mobility and Lubricants.

Water

We require our assets, projects or businesses to manage sourcing, use, treatment and disposal of water based on recognised water stewardship principles and to implement this through a water stewardship management plan. These plans help us to move away from focusing only on our impact on the environment to a holistic approach that considers how we potentially impact, and are impacted by, the environment. They also help us to reduce consumption in water-stressed areas.

Since 2021, we have conducted water stewardship assessments at 25 assets across different businesses and regions, with a priority on operations in areas of high water stress and those that use significant

quantities of fresh water. The insights gained from these assessments have moved us towards a more holistic stewardship approach. This goes beyond only focusing on water use to also considering factors such as water footprint, regional water stress, water quality, catchments, governance and stakeholder engagement.

In 2021, we set a voluntary commitment to reduce our consumption of fresh water by 15% by 2025 compared with 2018 levels in areas where there is high fresh-water stress. We achieved this commitment ahead of time in 2022. In 2025, our consumption of fresh water in areas of high water stress was 6 million cubic metres compared with 25 million cubic metres in the base year of 2018, a 76% reduction over the period. Changes to our portfolio, including divestments, are a key driver of this reduction, alongside operational improvements. Having met our commitment three years ahead of time, and with our exposure to water-stressed areas having been reduced significantly over this period, this commitment was retired on schedule at the end of 2025.

Examples of activities in development or under way in 2025 include:

- In Malaysia, the Shell MDS GTL plant completed the testing of a small-scale water treatment facility to recycle wastewater back into the process. The plant is exploring opportunities to scale and implement this.
- Shell Chemicals Park Moerdijk in the Netherlands and the Pearl GTL facility in Qatar reached final investment decisions to install advanced anaerobic water treatment units, which better manage effluent discharges.

Discharges to water

We track pollutants in water returned to the environment from the day-to-day running of our facilities (referred to as "discharges to surface water"). We work to minimise these discharges according to local regulatory requirements and our SEAM Standards.

Air quality

We follow the most stringent of either the SEAM Standards or local regulations to manage airborne pollutants in our operations, including emissions of nitrogen oxides (NO_x), sulphur oxides (SO_x) and volatile organic compounds (VOC).

There are often synergies to be achieved between greenhouse gas improvement opportunities and reducing emissions of other air pollutants. For example, operational emission reductions achieved from greenhouse gas abatement projects (e.g. reduced flaring, increased energy efficiency and use of renewable electricity) can also reduce emissions of VOCs, SO_x and NO_x. In 2025, we continued to implement leak detection and repair programmes to reduce emissions of VOCs, with a focus on sources exceeding 100 tonnes per year.

We are developing choices for customers to help people and companies reduce their transport emissions. This includes building our electric vehicle charging business. For heavy-duty road transport, LNG as a fuel, and GTL fuel and motor oils help reduce sulphur emissions, particulates and nitrogen oxide compared with oil-based products.

Our key metrics in 2025 include:

- SO_x emissions in 2025 decreased to 18 thousand tonnes, compared with 21 thousand tonnes in 2024.
- NO_x emissions in 2025 decreased to 73 thousand tonnes, compared with 92 thousand tonnes in 2024.
- VOC emissions in 2025 decreased to 31 thousand tonnes compared, with 37 thousand tonnes in 2024 (revised from 32 thousand tonnes following a review of the performance data).

See "Less emissions" on page 72.

Spills

Our assets are designed to avoid discharges to soil or groundwater. However, spills can occur due to operational failure, accidents, unusual corrosion, or theft and sabotage. Large spills of crude oil, oil products and chemicals can harm the environment. They can also result in major clean-up costs, fines and other damages. Spills can affect our licence to operate and harm our reputation.

Spill prevention and response

Our policies on asset integrity and process safety are in place to prevent losses of containment from happening. We design, operate and maintain our facilities with the intention of preventing spills by identifying potential hazards and implementing controls that can prevent them from occurring. This is integral to our Goal Zero ambition of doing no harm to people and to have no leaks across our operations. If a spill or a leak occurs, we use barriers that operate independently of each other to reduce the likelihood of a release becoming catastrophic. Such barriers are designed so that, if the failure of one occurs, it does not lead to the failure of others. Our policies on soil and groundwater are designed to manage the potential health and environmental impacts should spills occur.

Our business units are responsible for organising and executing spill responses in line with our SEAM Standards and relevant legal and regulatory requirements. Our assets have spill response plans, based on worst-case spill scenarios, should an incident occur. We also continue to be involved in industry groups to improve well-containment capabilities. These include the Marine Well Containment Company in the Gulf of America and Oil Spill Response Limited, a global industry group. For oil spills, we have a global response network that enables us to deal more effectively with oil spills, supplementing local response capability.

See "Safety" on page 112.

In 2025, there were 34 operational spills of more than 100 kilograms compared with 69 in 2024. The volume of operational spills of oil and oil products in 2025 was 0.16 thousand tonnes, compared with 1.23 thousand tonnes in 2024. This reduction reflects several factors, including the divestment of The Shell Petroleum Development Company of Nigeria (SPDC) and improved process safety performance.

Spills in Nigeria

On March 13, 2025, Shell completed the sale of The Shell Petroleum Development Company of Nigeria Limited (SPDC) to Renaissance. By preserving the full range of SPDC's operating capabilities, the transaction was designed to enable SPDC (now, under its new ownership, Renaissance Africa Energy Company Limited) to continue to perform its role as operator of the joint venture (previously known as the SPDC JV) and to meet its share of commitments within the joint venture, including those relating to health, safety, security and environment.

In the period January 1, 2025, to March 13, 2025, the volume of operational spills of oil and oil products of more than 100 kilograms from SPDC JV facilities was 0.01 thousand tonnes (3 incidents). In the same period, the volume of crude oil spills of more than 100 kilograms from SPDC JV facilities caused by crude theft and sabotage was 0.01 thousand tonnes (6 incidents).



Living by our values

Our core values of honesty, integrity and respect for people, and our focus on safety, people and sustainability are the foundations of Shell. We are guided by the Shell General Business Principles (SGBP) and our Code of Conduct.

Ethics and transparency

At Shell, we are committed to doing business in an ethical and transparent way. Our core values underpin our work with customers, investors, employees, contractors, communities, civil society and governments. The SGBP and Code of Conduct, as well as our Legal Group Requirements, are designed to help everyone at Shell behave according to our values. The Chief Ethics and Compliance Officer (CECO) is the custodian of the Code of Conduct and oversees ethics and compliance activities. The CECO reports to the Chief Legal Officer.

Shell General Business Principles

The SGBP set out our responsibilities to shareholders, customers, employees, business partners and society. They set the standards for how we conduct business with integrity, care and respect for people. As part of these principles, we commit to contribute to sustainable development. All Shell employees and contractors, and those at the joint ventures we operate, are expected to behave in line with these principles. We undertake a range of activities to help embed the SGBP and the Code of Conduct throughout the organisation. This includes training and encouraging people to discuss the dilemmas they face in their work.

Code of Conduct

Our Code of Conduct explains how employees, contractors and anyone else acting on Shell's behalf must behave to live up to our business principles. It addresses key topics including safety, anti-bribery and corruption, fair competition and human rights. In January 2026, we introduced the refreshed Code of Conduct, which gives even greater emphasis to the behaviours we expect from everyone who works for Shell. A key objective is to reinforce a working environment where people feel encouraged to speak up. We have also clarified our expectations for the responsible use of AI.

Shell employees, contractors and third parties with whom Shell has a business relationship can report any potential breaches of the Code of Conduct confidentially through several channels, including anonymously through a global helpline operated by an independent provider. We maintain a stringent no retaliation policy to protect any person making an allegation in good faith. This protection extends to those who participate in or conduct an investigation. We investigate allegations of potential violations of the Code of Conduct or applicable laws promptly and independently of the management line concerned.

In 2025, there were 1,983 reports to the Shell Global Helpline. We confirmed 332 cases involving breaches of the Code of Conduct, 337 employees or contractors were subject to disciplinary action, and of those 87 people were dismissed. Confirmed breaches include cases in which an allegation received in 2025 or a prior year was substantiated and closed.

Ethics and compliance

On December 1, 2025, we replaced our Ethics and Compliance Manual with the Legal Group Requirements. These requirements include the topics that were previously contained in the Ethics and Compliance Manual: anti-bribery and corruption, anti-money laundering, fraud, preventing the facilitation of tax evasion, antitrust, data privacy and trade compliance. The Legal Group Requirements are a set of standards within Shell's Performance Framework which are designed to simplify how we achieve compliance, and further strengthen disciplined integrity, for example, through mandated processes explaining how to comply with the standards.

Our employees receive guidance on the requirements in our Legal Group Requirements, including via a dedicated website and training modules where completion is monitored. This guidance is reinforced by messages from Shell leaders. In response to fast-moving external developments and trends, internal guidance is continually being monitored to help maintain its relevance.

The type and depth of training is dependent on the level of risk. Training is repeated on a periodic basis determined by an individual's risk exposure. Those considered to be higher risk for exposure to bribery include, but are not limited to, persons involved in procurement and contracting, new business development and engaging with government officials. Shell Internal Audit and Investigations (SIAI) conducts risk-based audits of potential ethics and compliance issues in support of our Group-wide ethics and compliance programme.

To help manage antitrust, competition, anti-bribery, fraud, tax evasion, anti-money laundering and trade compliance risks with adequate resources, we maintain risk-based compliance programmes, a comprehensive governance structure, established reporting lines, and policies and procedures, including mandatory due diligence, counterparty screening and regular risk assessments.

Compliance in trading and supply

We maintain a Trading Compliance function managed by a Chief Compliance Officer, as regulated by the UK Financial Conduct Authority, the US Commodities Futures Trading Commission and the Securities Commission of The Bahamas, with adequate resources, including employees and a budget; a governance structure; controls, policies and procedures; and established reporting lines. Employees in Shell's trading organisation receive guidance through several means, including the Code of Conduct; the organisation's Trading and Supply Compliance Manual, supplemented with specific policies; a specific compliance website; mandatory training modules where completion is monitored; and other relevant training.

Shell leaders reinforce the importance of managing compliance and conduct risk in the trading organisation through monitoring risk metrics, reporting to compliance risk management and governance committees, setting clear expectations via townhall meetings and other channels, and enforcing consequences for non-compliance.

Shell's Trading Compliance function has systems for trade surveillance and monitoring communication, in addition to a dedicated conduct and ethics investigation function to assess breaches of compliance and thematic trends.

Data protection

We maintain a privacy compliance programme based on our Binding Corporate Rules (BCR). Every Shell company is required to manage personal data in a professional, ethical and lawful manner. Our "privacy by design" process seeks to ensure that controls are embedded in IT systems and solutions, supported by the monitoring of regulatory developments, to protect personal data.

Shell has appointed a Data Protection Officer (DPO) who serves to support requirements under the EU's General Data Protection Regulation (GDPR) and other applicable data privacy laws, except where there is a requirement to have a locally based DPO, such as in China and the Philippines.

We monitor new data privacy legislation and seek to ensure we have a robust impact assessment process in place for the relevant businesses. We design our operations and processes based on relevant data privacy requirements and we build controls into our processes and practices which cover the handling of personal data.

We maintain a Group-wide incident management process designed to identify and remediate data privacy breaches. The process also helps us to comply with country-level requirements for reporting breaches. Some of our acquired companies are not yet in full compliance with our BCRs. Following assessments for each of those companies, specific actions are planned and put in place to achieve compliance, with regular updates made on their progress to management.

Reputation and brand

We continually assess and monitor the external environment for potential risks to our reputation. We engage in dialogue with our key stakeholders, such as investors, industry and trade groups, academics, governments and non-governmental organisations, to gain greater insights into societal expectations of the Shell Group. We communicate with our stakeholders on what the Company is doing and why, our climate-related targets and ambition and our progress towards meeting them. We take proactive steps when appropriate through legal means to protect Shell's reputation from unwarranted accusations.



Photo: CEO Wael Sawan's all-staff engagement, Krakow, November 2025.

Risk management and risk factors

Risk management

How we manage risks ^I

The Board is responsible for establishing and maintaining an effective risk management and internal control framework, and for determining the nature and extent of the principal risks that Shell is willing to take to achieve its long-term strategic objectives.

Our approach to managing risk sits at the heart of the Shell Performance Framework and is embedded in the Improvement Cycle, which integrates performance management, risk management, learning and improvement. This approach is designed to manage rather than eliminate the risk of failure to achieve our business objectives and covers the areas below.

See Shell Performance Framework on page 212.

Risk identification ^I

We employ different methods to identify risks. These include monitoring external developments, such as policy changes and new regulations. We also assess changes in the internal operating context, such as monitoring incidents that have occurred across our activities to determine if these could give rise to new risks.

We seek to identify and define risks across a spectrum of strategic, operational, conduct and culture risks. With strategic risks, we consider the current and future portfolio, examining parameters such as country concentration or our exposure to higher-risk countries. We consider long-range developments to test key assumptions or beliefs in relation to energy markets. When assessing operational risks, we consider exposures across our value chain. Through conduct and culture risks, we consider how our policies and practices align with our purpose, core values and desired behaviours.

These perspectives help us to maintain a comprehensive view of the different types of risks we face and the different time horizons during which they may affect us.

Risk assessment ^I

To further understand the risks we face, we evaluate the impact and likelihood of each risk occurring. This helps us to prioritise risks by understanding their significance to our strategy and objectives, individually and relative to other risks.

When assessing the potential impact of a risk, we consider its materiality in terms of the possible financial consequences. We also consider the impacts on people, the environment and the communities where we operate, our reputation and our ability to comply with regulations. For example, the technical complexity of our operations gives rise to safety risks, which could result in injuries, loss of life, environmental harm and financial losses.

When assessing the likelihood of a risk occurring, we consider several factors, such as our ability to prevent the risk from happening and whether the risk has occurred in the past.

^I Indicates information that supports TCFD disclosures.

To support risk assessments, we also seek to establish and articulate our risk appetite, which is the level of risk that we are willing to accept in pursuit of Shell's strategy and objectives. We consider the resources available – such as financial resources, people, processes, systems and controls – that we are willing and able to allocate to manage each risk in pursuit of our objectives, and the impact on Shell's overall risk profile. The financial framework, which shapes Shell's financial resilience, sets an overarching boundary condition for risk appetite. The impact and likelihood assessments, combined with risk appetite, determine the type of risk responses, such as controls and assurance activities, that may be necessary to manage each risk.

Risk response ^I

Risk responses are developed based on the assessment of impact, likelihood and risk appetite.

Possible responses include:

- managing the risk by using appropriate processes and controls to maintain the risk within risk appetite. These processes and controls include, for example, the requirements and guidance in the Shell General Business Principles, Code of Conduct and our Group Standards, which establish the rules that are to be applied in all Shell companies and operations;
- transferring the risk, for example to insurance providers where possible and appropriate; and
- avoiding the risk, by stopping or exiting the activity that gives rise to the risk or doing the activity differently.

We use internal assurance activities to objectively assess the effectiveness of our risk management activities and to improve them.

Emerging risks ^I

Management and the Board also consider emerging risks. These are defined as risks where the scope, impact and likelihood are still uncertain, but which may have a significant effect on achieving Shell's strategy and objectives in the future. These are identified through the monitoring of external developments, the status of risk indicators, learnings from incidents and assurance findings, and the appraisal of Shell's forward-looking plans. Once identified, we undertake activities to monitor, prepare for and plan appropriate responses, should such emerging risks occur.

In 2025, management and the Board considered the emerging risks presented by the pace and evolution of digital technological developments in areas such as artificial intelligence and quantum computing, given their potential impacts, for example, on cyber security. Management and the Board also considered how technological developments present potential opportunities for transforming how Shell operates. The Board continued to consider the risks from ongoing geopolitical tensions and their potential impacts on Shell.

Management and Board risk reviews ^I

Throughout the year, each business and function regularly reviews its risk profile, risk responses and assurance activities to ensure that significant risks are managed effectively.

The Board, Board committees and management also regularly review Shell's principal risks or risk factors, conducting deeper dives on individual risks, as appropriate. These reviews support them in assessing the effectiveness of existing risk management activities, and whether changes may be needed. In 2025, we also considered readiness for compliance with the new Provision 29 of the 2024 UK Corporate Governance Code which, among other things, will require the Board to make a declaration of the effectiveness of Shell's material controls in the 2026 Annual Report.

See "Other regulatory and statutory information" on pages 207-214 for other Board and Board committee responsibilities on risk management.

Risk factors

The risks discussed below could have a material adverse effect separately, or in combination, on our earnings, cash flows and financial condition. Accordingly, investors should carefully consider these risks.

Further background on each risk is set out in the relevant sections of this Report, indicated by way of cross references.

1. Portfolio risks

Risk type: ☒ Strategic risk ☒ Operational risk ☐ Conduct and culture risk

We are exposed to risks that could adversely affect the resilience of our overall portfolio of businesses. These include external risks such as macroeconomic risks, including fluctuating commodity prices, competitive forces and political, geopolitical, legal and fiscal developments. Our future performance depends on the successful development and deployment of new technologies that provide new products and solutions. In addition, our future hydrocarbon production depends on the delivery of integrated projects and our ability to replace proved oil and gas reserves. Many of our major projects and operations are conducted in joint arrangements or with associates, which could reduce our degree of control and our ability to identify and manage risks.

Risk description

We are exposed to various external risks, such as macroeconomic, competitive and country risks, and internal risks associated with growing and maturing our business opportunities through our portfolio of businesses and joint arrangements, as follows:

a. Macroeconomic risks:

- The prices of crude oil, natural gas, oil products, chemicals and power are affected by supply and demand, both globally and regionally. Factors that influence supply and demand include operational issues; natural disasters; pandemics; political instability; geopolitical tensions, including conflicts; macroeconomic conditions, including inflation and tariffs (such as those announced by the USA); actions by major oil and gas producing countries; and technological uncertainties. These have in the past resulted in, and similar events could in the future result in, material price fluctuations. Government decisions may affect the prices of energy products. These include price caps and tariffs, and policies which speed up or slow down the adoption of low-carbon products and technologies.
- In a low oil and gas price environment, we have generated, and could in the future again generate, less revenue from our Integrated Gas and Upstream businesses, and parts of those businesses could become less profitable or incur losses. Low oil and gas prices have also resulted, and could result in the future, in the debooking of proved oil or gas reserves, if they become uneconomic in this type of price environment. Prolonged periods of low oil and gas prices, or rising costs, have resulted, and could result in the future, in projects being delayed or cancelled. Assets have been impaired in the past, and there could be impairments in the future. Low oil and gas prices have affected, and could affect in the future, our ability to maintain our long-term capital investment and shareholder distribution programmes.
- Under high oil and gas prices, our entitlement to proved reserves under some production-sharing contracts has been, and could be in the future, reduced. Higher prices could also reduce demand for our products, which could result in lower profitability in certain businesses in the Group, particularly in our Chemicals and Products, and Marketing businesses. Some of the reduction in demand could be permanent. Higher prices can also lead to more capacity being built, potentially resulting in an oversupplied market which could negatively affect our businesses.
- We use a range of commodity price and margin assumptions to evaluate the robustness of our capital allocation across our different projects and commercial opportunities. Due to volatility in macroeconomic conditions, actual results have differed from our assumptions and may do so in the future. Such differences could result in returns being lower than planned.

b. Competitive risks:

- We face competition in all our businesses, which is amplified by the energy transition and competing products. We seek to differentiate our services and products, though many of our products are competing in commodity-type markets. Accordingly, a failure to manage our costs and our operational performance could result in a material adverse effect on our earnings, cash flows and financial condition. We also compete with state-owned hydrocarbon entities and state-backed utility entities with access to financial resources and local markets. Such entities could be motivated by political or other factors in making their business decisions and may not require competitive returns. Consequently, when bidding on new leases or projects, we could find ourselves at a competitive disadvantage or unable to obtain competitive returns. Furthermore, the mainstream arrival of generative AI has the ability to modify how companies improve efficiency and where they compete, potentially altering dynamics of our commodity-type markets, affecting our competitive position.

c. Delivery of capital projects and our ability to replace proved oil and gas reserves:

- Shell's ability to deliver capital projects and sustain future production is subject to a range of risks. These include strategic, operational and external factors that may impact the performance, resilience and competitiveness of our investment portfolio. Challenges in developing capital projects, particularly integrated and frontier ventures, include uncertain geology, deep drilling conditions, supply chain constraints, the lack of available skilled labour and technology, the absence of transport infrastructure, permitting delays and cost overruns. These risks are compounded by geopolitical instability, inflationary pressures and evolving legal and regulatory landscapes. We may fail to assess or manage these and other risks properly. Such potential obstacles have adversely impacted, and could in the future adversely, impact our delivery of these projects, our ability to realise the full potential value of the project as assessed when the investment was approved, and our ability to fulfil related contractual commitments. This has led, and could in the future lead, to impairments of our investments.
- Our future oil and gas production depends on our access to new proved reserves through exploration, negotiations with governments and other owners of proved reserves and acquisitions, and through developing and applying new technologies and recovery processes to existing fields. A failure to replace proved reserves would result in an accelerated decrease of future production and would negatively impact our ability to sustain material liquids production as per our Capital Markets Day 2025 (CMD25).

Oil and gas production available for sale

	Million boe [A]		
	2025	2024	2023
Shell subsidiaries	937	956	937
Shell share of joint ventures and associates	85	82	82
Total	1,022	1,038	1,019

[A] Natural gas volumes are converted into oil equivalent using a factor of 5,800 scf per barrel.

Proved developed and undeveloped oil and gas reserves [A][B]

	Million boe [C]		
	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023
Shell subsidiaries	6,587	8,156	8,283
Shell share of joint ventures and associates	1,536	1,464	1,504
Total	8,123	9,620	9,787
Attributable to non-controlling interest in Shell subsidiaries	0	370	378

[A] We manage our total proved reserves base without distinguishing between proved reserves from subsidiaries and those from joint ventures and associates.

[B] Includes proved reserves associated with future production that will be consumed in operations.

[C] Natural gas volumes are converted into oil equivalent using a factor of 5,800 scf per barrel.

- The estimation of proved oil and gas reserves involves subjective judgements and determinations based on available geological, technical, contractual and economic information. Estimates can change over time because of new information from production or drilling activities, changes in economic factors, such as oil and gas prices, alterations in the regulatory policies of host governments or other events. Estimates also change to reflect acquisitions, divestments, new discoveries, extensions of existing fields and mines, and improved recovery techniques. Published proved oil and gas reserves estimates could also be subject to correction (as has happened to Shell in the past) because of errors in the application of rules and changes in regulatory guidance. Downward adjustments could indicate lower future production volumes and could also lead to impairment of assets.

d. Country risks:

- We operate in countries which have differing degrees of political, legal and fiscal stability. Potential impacts, which we have experienced in the past and could experience in the future, include: forced divestment of assets; expropriation of property; cancellation or forced renegotiation of contract rights; delay of new projects; additional tariffs, including potential retaliatory tariffs; additional taxes, including windfall taxes (especially during periods of prolonged high oil and gas prices); restrictions on deductions and retroactive tax claims; antitrust claims; changes to trade compliance regulations; price controls; local content requirements; foreign exchange controls; changes to environmental regulations; changes to regulatory interpretations and enforcement; and changes to disclosure requirements.
- The world is also facing continued and protracted geopolitical instability which impacts market conditions and our operations. For example, the broader consequences of the ongoing conflicts and tensions in the Middle East remain uncertain and could negatively impact our operations in the region and beyond.
- In some countries, the security of our operations and/or our people has been affected in the past and is likely to be affected in the future by risks such as kidnapping and extortion; sabotage and crude theft; community activism; labour protests; military interventions; political instability; and inconsistent rule of law and due process.

e. Joint arrangements:

- When we are not the operator, we have less influence and control over the behaviour, performance and operating costs of joint arrangements or associates. Despite having less control, we have been, and still are, exposed to the risks associated with these operations, including environmental, reputational, legal (where joint and several liability could apply) and government sanction risks. For example, our partners or members of a joint arrangement or an associate (particularly local partners in developing countries) may be unable to meet their financial or other obligations for projects or operations, threatening the viability of a given project. Where we are the operator of a joint arrangement, the other partner(s) could still be able to veto or block certain decisions, which could be detrimental to the joint arrangement.

f. Technology risks:

- Technology and innovation are essential to our efforts to help meet the world's energy demands competitively. If we fail to effectively develop and/or deploy new technology, products and solutions, there could be a material adverse effect on the delivery of our strategy. We operate in environments where advanced technologies are used. In developing new technologies, products and solutions, unknown or unforeseeable technological failures or environmental and health effects could harm our reputation and licence to operate or expose us to litigation or sanctions. The associated costs of new technology are sometimes underestimated, impacting their expected returns. We have faced delays in developing new technology in the past, and such delays could happen again in the future. If we are unable to develop our technology and products in a timely and cost-effective manner, we may fail to realise commercially viable products.

If any of the risks above materialise, it could have a material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

- We maintain a diversified portfolio to manage the impact of macroeconomic volatility. We prepare an annual financial plan that tests different scenarios and their impact on prices, and on our businesses and organisation as a whole. These scenarios help us determine which issues could affect our operating environment and have implications for our strategy. They also help us to identify potential interventions to preserve our cash levels.
- We continually assess the external environment – the markets and the underlying economic, political, social and environmental drivers that shape them – to evaluate changes in competitive forces. We define multiple potential future scenarios and business environments by identifying drivers, uncertainties, enablers and constraints to our competitiveness.
- We also continually screen for new opportunities globally through our opportunity identification process. We test the resilience of our opportunities against a range of prices and costs for crude oil, natural gas, oil products, chemicals and power. These tests are based on short-, medium- and long-term market drivers, such as the extent and pace of the energy transition. Our opportunities are then ranked, prioritised and tested for strategic fit and value return expectations before being included in our growth funnel. We use our integrated exploration, development, and project, commercial and technical expertise to mature these opportunities and actively manage technical and non-technical risks. We benchmark our projects internally and externally to improve the competitiveness of our proposals and seek to actively manage the risks during implementation. We assess the maturation progress of our various opportunities and perform post-investment reviews to extract learnings for implementation in future opportunities and to strengthen delivery predictability.
- Shell's Technology organisation and our businesses work together to determine the content, scope and budget for developing new technology that supports our activities. This includes partnering with start-ups and small- to medium-sized enterprises that are in the early stages of developing new technologies through our Shell Ventures and Shell GameChanger programmes. New technology is developed using a maturation process, to systematically mitigate technical and commercial risks, while staying aligned with Shell's strategic ambitions and deployment commitments.
- A central group of reserves experts undertakes the primary assurance of the proved reserves bookings. A multidisciplinary committee reviews and endorses all major proved reserves bookings. Shell's Audit and Risk Committee reviews proved reserves bookings and our CEO provides final approval. Our Internal Audit and Investigations function also provides further assurance to the proved reserves booking through audits of the control framework, from which information disclosed in "Supplementary information – oil and gas (unaudited)" is obtained.
- For major projects and operations where we share control, or where we do not have control or do not operate, we seek to proportionally share risks and funding commitments with joint-venture partners. Additionally, Shell appoints a Shell Shareholder representative, whose responsibility is to manage performance, and to create and protect value for Shell. The representative seeks to influence operators and other partners to adapt their practices in order to drive value appropriately and to mitigate identified risks. We perform regular risk assessments of our joint ventures, including how our joint ventures' standards align with those of Shell, and seek to influence to close any gaps identified.
- We continually monitor geopolitical developments and societal issues relevant to our interests. Our Corporate Relations function liaises with governments and other external stakeholders in countries where we operate to understand and engage on local policies and to advocate Shell's position on topics relevant to our industry. We are prepared to exit a country if we believe we can no longer operate there in accordance with our standards and applicable law, and we have done so in the past. With regard to the crisis in the Middle East, ongoing at time of publication, we plan to continue to make appropriate adjustments to our operations in the region to reduce our exposure as we monitor developments.

See "Market overview" on pages 25-27, "Innovation and Technology" on pages 70-71, "Oil and gas information" on pages 44-51 and "Supplementary information – oil and gas (unaudited)" on pages 307-325.

2. Climate change and the energy transition

Risk type: ☒ Strategic risk ☒ Operational risk ☒ Conduct and culture risk

Climate change and the energy transition pose multiple risks to Shell, including declines in the demand for and prices of our products, commercial risks from growing our low-carbon business, and adverse litigation and regulatory developments. The physical impacts of climate change could also adversely affect our assets and supply chains.

Risk description

The risks and impacts include the following:

a. Commercial risks:

- Changing customer sentiment in some markets favouring the use of renewable and sustainable energy products may reduce demand for our oil and gas products. An excess of fossil fuel supply over demand could result in reduced fossil fuel prices. This could result in lower earnings, cancelled projects, debooking of reserves and the potential impairment of certain assets.
- If we fail to stay in step with customers' and other stakeholders' demand for low-carbon products, this could adversely affect our reputation and future earnings. If we move much faster than society, we risk investing in technologies, markets or low-carbon products for which there may be insufficient demand. If we are slower than society, or if low-carbon technology advances faster than we expect, customers may prefer a different supplier. This would reduce demand for our products, adversely affecting our reputation and materially affecting our financial results.
- Low-carbon technology and innovation are essential to our efforts to help meet the world's energy demands competitively. If we are unable to develop the right technologies and products in a timely and cost-effective manner, there could be an adverse effect on our future earnings. The operating margins for our low-carbon products and services [A] have been, and could be in the future, lower than the margins we have experienced historically in our oil and gas operations.
- Certain investors have decided to divest their interest in fossil fuel companies and, if this were to increase significantly, this could have a material adverse effect on the price of our securities and our ability to access capital markets. Some financial institutions have been aligning their portfolios to low-carbon opportunities, driven by both regulatory and broader stakeholder pressures. A failure to decarbonise our business portfolios in line with investor and lender expectations could have a material adverse effect on our ability to access financing for certain types of projects. This could also adversely affect our partners' ability to finance their portion of costs, either through equity or debt.

[A] Electric vehicle charging services, renewable power generation, nature-based solutions, green hydrogen, CCS. We define low-carbon energy products as those that have an average carbon intensity that is lower than that of conventional hydrocarbon products, assessed on a life-cycle basis.

b. Societal risks, including litigation:

- Societal expectations around energy security, energy affordability and mitigating climate change continue to shift with uncertain implications for businesses with regard to mix and quality of products, safety and minimising damage to the environment. The role of the oil and gas sector in the context of climate change and the energy transition has been, and continues to be, an area of focus and public debate. This has negatively affected, and in the future could negatively affect, our licence to operate; our brand, reputation and competitive position; and could reduce consumer demand for our products, harm our ability to secure new energy partnerships and contracts, and restrict our ability to access capital markets or attract employees.
- In some countries, governments, regulators, non-governmental organisations (NGOs) and individuals have filed lawsuits seeking to hold fossil fuel companies liable for costs associated with climate change. If successful, these claims may have wide-ranging consequences, including forcing entities to hand over strategic autonomy in part to regulators, or to divest from hydrocarbon assets and technologies. In the Netherlands, a group of environmental NGOs and individual claimants (referred to herein as "Milieudefensie") have filed an appeal with the Dutch Supreme Court against the Court of Appeal judgment of November 12, 2024, which overturned a lower court finding that Shell had an obligation to reduce certain aggregate annual volumes of CO₂ emissions by 2030. We have also been subjected to climate activism that has caused disruptions to our operations, and such disruptions could happen again in the future. Climate change lawsuits that have been filed against us could have a material adverse effect on our business and reputation.

c. Regulatory risks:

- Divergence in regulatory direction has created, and continues to create, uncertainty and complexity for multinational companies operating globally. The renewed focus on the competitive agenda in the EU aims to simplify current and incoming climate regulations and disclosure requirements, with the USA moving towards deregulation at the federal level, even as some states adopt stricter rules. The lack of consistent government policy needed to provide a conducive regulatory environment for low-carbon products and solutions could make it more challenging to take investment decisions on projects that we and society need to reach our respective decarbonisation goals as policy is critical for creating sustained demand for new low-carbon solutions. Similarly, climate policy approaches that hamper or constrain market efficiency and competition could increase costs and make projects less attractive, challenging our ability to deliver our strategy.
- The transition to a low-carbon economy continues to increase compliance costs for our assets and products. Shell's annual carbon cost exposure is expected to rise as carbon pricing expands globally and average prices increase, although there remains uncertainty in how carbon pricing mechanisms may be implemented in the future given the lack of net-zero-aligned global and national policies and frameworks. This makes it more challenging to determine appropriate assumptions for financial planning and investment decisions, which could impair our ability to assess the robustness of our plans.
- Rapid changes in government climate and energy transition related policies and regulations could also lead to impairments of our existing oil and gas assets. Governments may also introduce further restrictions on hydrocarbon exploration and production and impose stricter standards for decommissioning, which could affect timing and costs.

d. Physical risks:

- The physical effects of climate change, such as, but not limited to, increases in temperature, sea levels and fluctuations in water availability, could also adversely affect our assets, operations, supply chains, employees and markets.

In summary, continued climate change concerns about the pace at which we decarbonise our operations relative to society and effects of the energy transition pose multiple challenges to our business. These could result in, for example, increased costs, financial penalties, payments of financial damages in the event of losses of lawsuits, cancelled projects and potential impairment of certain assets, and adverse impacts on our supply chains and licence to operate. Individually or collectively, these risks could have a material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

Overall, we mitigate climate-related risks through our strategy to deliver more value with less emissions. This approach includes:

- reducing the GHG emissions from our operations (Scope 1 and 2) by improving our energy efficiency, deploying renewable electricity and reducing methane emissions in our assets and projects;
- growing our LNG business while decarbonising our portfolio by prioritising lower carbon intensity assets and investing in innovative decarbonisation pathways, including abatement projects to reduce CO₂ and methane emissions;
- managing our Integrated Gas and Upstream portfolio to support a balanced energy transition by cutting emissions from oil and gas production; and
- transforming our Downstream and Renewables and Energy Solutions business, supported by our global trading and supply capabilities, to offer low-carbon energy solutions.

Our investments in low-carbon solutions are subject to financial modelling and stress-testing, due diligence and risk assessments to help us allocate our capital to the most attractive low-carbon projects and opportunities.

We adapt our assets and activities as necessary to enhance our resilience to the physical risks, whether or not related to climate change. Many of these adaptations are based on our Safety, Environment and Asset Management (SEAM) standards and practices.

We also engage with governments on their climate policies to advocate policies that help establish regulatory frameworks to enable Shell to invest profitably in products and services that will help deliver a balanced energy transition.

See "Less emissions" on pages 72-102, "Renewables and Energy Solutions" on pages 64-68, Note 32 "Legal proceedings and other contingencies" on pages 302-304 and Note 4 "Climate change and energy transition" on pages 244-255.

3. Financial risks

Risk type: ☒ Strategic risk ☒ Operational risk ☐ Conduct and culture risk

We are exposed to treasury risks, including liquidity risk, interest rate risk, foreign exchange risk and credit risk. We are affected by the global macroeconomic environment and the conditions of financial markets. These, and changes to certain demographic factors, also impact our pension assets and liabilities.

Risk description

We are subject to differing economic and financial market conditions around the world. Political and economic instability affects such markets.

We use debt instruments, such as bonds and commercial paper, to raise significant amounts of capital. Should access to debt markets become more challenging, the impact on our liquidity could have a material adverse effect on our operations. For example, some financial institutions have started to limit their exposure to fossil fuel projects. Group financing costs could also be adversely affected by interest rate fluctuations or any credit rating deterioration.

We are exposed to changes in currency values and to exchange controls as a result of our substantial international operations. Our reporting currency is the US dollar, although, to a significant extent, we also hold assets and are exposed to liabilities in other currencies. While we undertake some foreign exchange hedging, we do not do so for all our activities. Even where hedging is in place, it may not function as expected.

We are also exposed to financial losses from credit risk. Some of our counterparties have, from time to time, not met their payment and/or performance obligations under contractual arrangements and this could happen in the future.

We operate several defined benefit pension plans that have significant long-term pension liabilities and associated assets. Volatility in capital markets or changes to government policies could affect inflation, interest rates and investment performance, with the potential to cause significant changes to the funding position. Changes in assumptions for longevity, retirement age or pensionable remuneration at retirement could also cause significant changes to the funding position. In the case of a funding shortfall, we could be required to make substantial cash contributions, depending on the applicable local regulations.

If any of the above risks materialise, they could have a material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

- We use various financial instruments for managing exposure to foreign exchange and interest rate movements. Our treasury operations are highly centralised and seek to manage credit exposures associated with our substantial cash, foreign exchange and interest rate positions.
- Our portfolio of cash investments is diversified to avoid concentrating risk in any one instrument, country or counterparty. Other than in exceptional cases, the use of external derivative instruments is confined to our specialist trading and central treasury organisations that have the appropriate skills, experience, supervision, control and reporting systems.
- We maintain a committed credit facility. Management believes it has access to sufficient debt funding sources (capital markets) and to undrawn committed borrowing facilities to meet foreseeable requirements.
- We have counterparty credit risk policies in place which seek to help ensure that products are sold to customers with appropriate creditworthiness. These policies include detailed credit analysis and monitoring of customers against counterparty credit limits. Where appropriate, netting arrangements, credit insurance, prepayments and collateral are used to manage credit risk.
- A pensions forum chaired by the Chief Financial Officer oversees Shell's input to pension strategy, policy and operation. A risk committee supports the forum in reviewing the results of assurance processes with respect to pension risk. Local trustees manage the funded defined benefit pension plans and set the strategic asset allocation for the plans, including the extent to which currency, interest rate, inflation and longevity risks are hedged. Contributions paid are based on independent actuarial valuations that align with applicable local regulations. Pension fund liquidity is managed by holding appropriate liquid assets and maintaining credit facilities. We also consider opportunities to insure pension liabilities with third parties to reduce this risk.

See "Liquidity and capital resources" on pages 21-24 and Note 24 "Retirement benefits" on pages 284-290.

4. Trading risks

Risk type: ☐ Strategic risk ☒ Operational risk ☒ Conduct and culture risk

Our trading operations are exposed to market risks which cannot be fully mitigated and could lead to significant financial losses. Our trading entities are also exposed to regulatory and conduct risks, which could expose us to regulatory fines if the risks materialise.

Risk description

Commodity trading is an important component of our business which involves processing, managing and monitoring many transactions across different countries to optimise commercial margins from market price movements. This exposes us to operational risks, market risks including commodity price risk and compliance risks including regulatory, market abuse, sanctions and conduct risks. We use physical and financial instruments, including derivatives such as futures and options, to hedge market risks, though it is not possible to eliminate all market risks we are exposed to. Therefore, our hedging has occasionally not performed as expected and may not do so in the future. Consequently, this activity could expose us to the risk of incurring significant losses if prices develop unfavourably.

Our commodity trading entities are subject to many regulations, including requirements for standards of conduct. Due to the high volume of trades we execute, commodity trading gives rise to the risk of ineffective controls, failure in oversight of trading activities and a risk that traders could deliberately operate outside our internal operating limits. These risks have materialised in the past and could materialise in the future, resulting in financial losses. The rapidly changing regulatory environment also creates a risk of insufficient, delayed or incorrect implementation of new regulatory requirements or changes to existing regulatory requirements. Violations of such regulatory requirements could expose us and our employees to regulatory fines.

If any of the above risks materialise, it could harm our reputation and licence to operate and have a material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

- We operate with procedures and policies designed to help ensure that trading risks are managed within a prescribed control framework. The framework sets out authorised limits and requirements that trading should only be performed by employees with the appropriate skills and experience. Senior management regularly reviews these authorised trading limits. In addition, a department that is independent from our traders monitors our market risk exposures daily, using techniques such as value-at-risk alongside other risk metrics.
- We maintain a Trading Compliance function managed by a Chief Compliance Officer, as regulated by the UK Financial Conduct Authority, the US Commodities Futures Trading Commission and the Securities Commission of The Bahamas, with adequate resources, including employees and a budget; a governance structure; controls, policies and procedures; and established reporting lines. Shell's Trading Compliance function has systems for trade surveillance and monitoring communication, in addition to a dedicated conduct and ethics investigation function to assess breaches of compliance and thematic trends.
- Employees in Shell's trading organisation receive guidance through several means, including the Code of Conduct; the organisation's Trading and Supply Compliance Manual, supplemented with specific policies; a specific compliance website; mandatory training modules where completion is monitored; and other relevant training.
- Shell leaders reinforce the importance of managing compliance and conduct risk in the trading organisation through monitoring risk metrics, reporting to compliance risk management and governance committees, setting clear expectations via townhall meetings and other channels, and enforcing consequences for non-compliance.

See "Liquidity and capital resources" on pages 21-24 and "Living by our values" on pages 123-124.

5. Health, safety, security and the environment

Risk type: ☐ Strategic risk ☒ Operational risk ☒ Conduct and culture risk

The nature of our operations exposes us, and the communities in which we work, to a wide range of health, safety, security and environment risks.

Risk description

The health, safety, security and environment (HSSE) risks to which we and the communities in which we work are potentially exposed cover a wide spectrum, given the geographical range, operational diversity and technical complexity of our operations. These risks include ineffective application of design, technical and operational integrity standards, and natural disasters (including weather events and earthquakes). If a major safety or environment risk materialises, such as an explosion or hydrocarbon leak or spill, which we have experienced in the past, this could result in injuries, loss of life, environmental harm (including soil contamination and biodiversity loss), disruption of business activities, loss or suspension of permits, loss of our licence to operate and loss of our ability to bid on mineral rights.

Social instability, criminality, civil unrest, terrorism, cyber disruption and acts of war have also negatively impacted, and could negatively impact, our operations, our assets, our employees and contractors, and the communities in which we operate. Risks which have materialised in the past include: acts of terrorism; acts of criminality, including maritime criminality and piracy; crude oil theft, illegal oil refining, sabotage of pipelines and militant activities; cyber espionage or disruptive cyber security attacks; conflicts and civil unrest; malicious acts carried out by individuals within Shell, such as data exfiltration; and environmental and climate activism (including disruptions by NGOs, especially in the USA and north-west Europe). For example, activists have boarded and protested on our vessels, assets and work sites, such as the Skiff platform in the southern North Sea in 2025.

Financial losses and remediation costs from safety and environmental incidents are partially, but not fully, covered by our Group insurance companies (wholly owned subsidiaries) or third-party insurers. Accordingly, in the event of a significant incident, we may have to meet our obligations without access to proceeds from third-party insurers. We have in the past incurred adverse impacts and costs from events, such as the industrial fire at the Deer Park chemicals facility in 2023.

Our operations are subject to extensive HSSE regulatory requirements that often change and are expected to become more stringent over time, particularly in the area of environment. Governments could require operators to adjust their future production plans, affecting production and costs. We have incurred, and could incur in the future, significant extra costs because of the need to comply with such requirements. Due to past violations of laws and regulations, and other regulatory obligations, we have incurred significant costs such as fines, penalties, clean-up costs (including decommissioning and restoration costs) and costs associated with third-party claims. We also face the risk of increasing costs from changes in regulations and technical standards relating to decommissioning and restoration.

The above risks have threatened, and can threaten, the safe operation of our assets and the transport of our products. They have harmed, and can harm, the well-being of our people, inflict loss of life and injuries, and disrupt our operational activities. They can also damage the environment and negatively impact the communities in which we operate and our reputation.

If a significant HSSE risk materialises, it could have a material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

- We aim to comply with all regulations and follow the requirements set out in our SEAM Standards to develop suitable governance structures and mitigation strategies designed to prevent HSSE risks from materialising. We use metrics and assurance processes to give us confidence that our systems and processes are working as intended and highlight areas of risk before incidents happen. Further, if an HSSE risk materialises, we aim to ensure that we avoid the worst possible consequences and have ways to remediate any environmental damage. For example, our standards describe the key controls required to ensure safe production and equipment care, and the types of skills and training that are required for relevant employees. We prepare and routinely practise our emergency response plans for potential events, such as spills or fires, and we participate in cross-industry collaboration to improve safety performance, for example, implementation of International Association of Oil & Gas Producers human factors principles or air transport guidelines.
- Decommissioning is part of the normal life cycle of every asset. We aim to decommission assets, including wells, in a safe, cost-effective and environmentally responsible manner while meeting regulatory requirements. This includes restoring the sites of assets in line with relevant legislation, while taking our own environmental standards into account. We seek to reuse, repurpose and recycle materials in decommissioning. Current and non-current decommissioning liabilities and other provisions are accounted for on our balance sheet.
- When planning projects, we conduct impact assessments, which help us to identify and assess a project's potential impact on the environment, people and communities. Once identified, we apply a mitigation hierarchy, which is a sequence of actions to manage potential risks. For example, in a biodiversity context, we seek to avoid, minimise, restore and offset.
- Our security risk mitigations follow the principles of "deter, detect, delay and respond". We strengthen the security of our assets, people and operations to reduce our exposure as appropriate, for example by conducting site security risk assessments, using journey management plans and performing travel risk assessments. We also invest in information risk management capabilities and crisis management and business continuity measures.
- As regulated and licensed companies, our Group insurance companies are adequately capitalised. They may transfer risks to third-party insurers where economical, effective and relevant.

See "Safety" on pages 111-113, "Our approach to sustainability" on pages 104-110, "Corporate" on page 69.

6. Information technology and cyber security risks

Risk type: ☐ Strategic risk ☒ Operational risk ☒ Conduct and culture risk

We rely heavily on information technology systems in our operations, which have been, and could continue to be, impacted by cyber security incidents. In addition, if we fail to harness advancements in digital technologies, we may become less efficient and competitive, hindering our ability to execute our strategy.

Risk description

Shell operates a globally integrated model with a strong focus on digitalising business processes and an increasing dependence on information technology (IT) systems for our core operations, including for the management of personal data and other business-critical data, and the availability of critical infrastructure. As a result, we are heavily reliant on secure, affordable and resilient IT services provided both in-house and by third parties. Rapid advancements in digital technologies, including artificial intelligence (AI) and internet of things (IoT), are ongoing. If we do not effectively harness these technologies, our business operations may become less efficient, and our product offerings could lose their competitive edge, ultimately hindering our ability to execute our strategy.

Externally, we observe developments impacting our cyber security risk profile: a fast-evolving cyber security threat landscape represented by increasing volumes of sophisticated cyber security attacks, rapid technological developments and geopolitical conflicts. We have experienced, and expect to experience in the future, cyber security threats such as denial-of-service, ransomware, hacktivism and attacks from nation state actors that target critical energy infrastructure. We have also experienced, and could in the future be exposed to, non-malicious IT incidents. The rapid evolution of AI, in particular agentic and generative AI, introduces additional complexity to existing cyber and information security risks, including data leakage, unauthorised access, data manipulation and system exploitations.

Similar cyber security threats and incidents could also be encountered across our supply chain by our suppliers, customers and business partners. Cyber security incidents affecting us or our end-to-end supply chain have impacted, and could impact in the future, our operations, the security of our assets and the safety of our employees, and have a societal impact on the delivery and maintenance of critical energy infrastructure. These incidents frequently involve personal data breaches which may harm our customers, employees and stakeholders, including investors. In addition, such incidents have disrupted, and could disrupt, our operations, cause reputational damage and possibly lead to significant regulatory fines.

As an organisation, we also observe an increase in regulations across the markets in which we operate, such as the EU Network and Information Security Directive 2 and the US Maritime Transportation Security Act. As the adoption of AI technology expands, its potential misuse also increases, challenging the adherence to regulations (including the EU Artificial Intelligence Act), and exposing companies to legal fines and penalties. Countries are adopting varied, and sometimes conflicting, legislative frameworks. This is increasing complexity and uncertainty for multinational organisations like Shell. The divergence can make it challenging to monitor the different requirements while maintaining consistent governance and risk management across jurisdictions, thereby increasing the risk of non-compliance with relevant regulations.

Cyber security incidents could therefore have an enterprise-wide impact including material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

- Our Information and Digital Technology Standard sets out a structured approach to identify, assess and mitigate IT and cyber security risks. Our global cyber and information security teams are staffed with cyber security professionals that monitor, assure and help defend our global IT and data landscape. As our employees and contractors play a role in protecting our IT systems, we provide them with targeted training on data protection and regulatory compliance, and regularly run cyber security awareness campaigns, including simulations on how to respond to cyberattacks.
- We evaluate emerging digital technologies to understand the risks, their impact and necessary remediation of this impact.
- We continuously track cyberattacks, threat intelligence, cyber legislations and vulnerabilities relevant to our IT landscape, and have a structured incident management and escalation process in place.
- The security of IT services, where operated by external IT companies, is managed through a risk-based approach, including information and cyber security assessments, contractual clauses and additionally through supplier assurance reports issued by independent third parties for critical IT services.

See "Innovation and Technology" on pages 70-71.

7. Litigation and regulatory compliance

Risk type: ☐ Strategic risk ☒ Operational risk ☒ Conduct and culture risk

Violations of laws carry fines and could expose us and/or our employees to criminal sanctions and civil suits. We have faced, and continue to face, the risk of litigation and disputes worldwide.

Risk description

We must comply with various laws. These include, but are not limited to, laws related to antitrust, competition, anti-bribery, fraud, tax evasion, anti-money laundering, trade compliance (including sanctions) and data privacy.

We have been fined in the past for violations of antitrust and competition laws, including fines by the EU Directorate-General for Competition (DG COMP). We have also, in the past, settled with the US Securities and Exchange Commission regarding violations of the US Foreign Corrupt Practices Act (FCPA). As a result, any future conviction of Shell or any of its operated joint arrangements or associates for violations of EU competition law or the FCPA could result in significantly larger fines and have a material adverse effect on us, including, but not limited to, damage to our reputation, resulting litigation, regulatory actions and criminal sanctions or penalties, and could potentially adversely affect our licence to operate. Violation of antitrust laws is a criminal offence in many countries, and individuals can be imprisoned or fined. In certain circumstances, directors may receive director disqualification orders.

We are also subject to "trade compliance", the umbrella term that we use for various national and international laws designed to regulate the movement of items across national boundaries and restrict or prohibit trade, financial flows and other dealings with certain parties, countries and territories. For example, the EU, the UK and the USA continue to impose comprehensive sanctions on countries and territories such as North Korea, Iran, and Crimea and other territories in Eastern Ukraine. The USA continues to have comprehensive sanctions against Cuba. Countries around the world continue to impose sanctions and trade controls against Russia over its full-scale invasion of Ukraine and against Belarus over its support for Russia. The USA has also imposed comprehensive sanctions on Venezuela and although several General Licenses have recently been issued, sanctions continue to significantly impact the energy sector in Venezuela. The EU and the UK continue to maintain targeted sanctions against Venezuela. Intergovernmental co-operation in this area has increased and there is growing pressure to enforce existing sanctions globally. Applicable trade compliance laws and regulations are subject to change at short notice. Abiding by all the laws and regulations on trade compliance is often complex and challenging because of factors such as: the expansion of sanctions; the frequent addition of prohibited parties; the number of markets in which we operate; the risk of differences in how jurisdictions apply sanctions; and the large number of transactions we process. Shell has voluntarily self-disclosed potential violations of sanctions in the past. Any violation of sanctions could lead to loss of import or export privileges and significant penalties on, or prosecution of, Shell and/or its employees.

The protection and lawful use of personal data is critical to our licence to operate, given the significant increase in digital solutions used within Shell and provided to our customers and business partners. We process personal data throughout the Shell Group as part of our business activities. A failure to protect personal data or the use of such data for unlawful purposes could result in harm to those individuals whose personal data we process. Regulatory action and other enforcement measures may be imposed depending on applicable law. There is also a related risk of litigation and reputational harm, potentially leading to the loss of trust among existing and potential customers, stakeholders, regulators and employees. We have previously notified data privacy regulators of data breaches and have had fines issued against us, and this could happen again in the future.

We also face the risk of litigation and disputes worldwide. For example, Nederlandse Aardolie Maatschappij B.V. (NAM), a joint venture between Shell and ExxonMobil (50:50) has settled claims for physical damage to property caused by earthquakes induced by historical production from the Groningen gas field and remains financially responsible insofar as the costs corresponded to NAM's liability. From time to time, social and political factors play a role in unprecedented and unanticipated judicial outcomes that could adversely affect Shell. Recent cases indicate that the English courts are increasingly willing to allow claims to proceed against UK incorporated parent companies in relation to the activities of their overseas subsidiaries. We have been, and could in the future be, exposed to the risk of such claims, the defence of which can be complex and costly. An adverse outcome may encourage follow-on litigation against the parent company. Non-compliance with policies and regulations could result in regulatory investigations, litigation and, ultimately, sanctions. Certain governments and regulatory bodies have, in Shell's opinion, exceeded their constitutional authority by attempting unilaterally to amend or cancel existing agreements or arrangements; failing to honour existing contractual commitments; and seeking to adjudicate disputes between private litigants. Certain governments have also adopted laws and regulations that could potentially conflict with other countries' laws and regulations, potentially subjecting us to criminal and civil sanctions. It is also now common for persons or corporations allegedly injured by violations of laws to sue for damages.

Violations of laws carry fines, which we have been subject to, and could be subject to in the future. Violations of laws could expose us and/or our employees to criminal sanctions, civil suits and other consequences, such as debarment and the revocation of licences. Accordingly, violation of laws, including those noted above, litigation and disputes could harm our reputation and could have a material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

- Our Legal and Tax functions are organised globally and support our business lines in seeking to ensure compliance with local laws and fiscal regulations and proactively filing claims where warranted to protest unfair practices.
- To help manage antitrust, competition, anti-bribery, fraud, tax evasion, anti-money laundering and trade compliance risks with adequate resources, we maintain risk-based compliance programmes, a comprehensive governance structure, established reporting lines, and policies and procedures, including mandatory due diligence, counterparty screening and regular risk assessments.
- Our employees receive guidance on the requirements in our Legal Group Requirements, including via a dedicated website and training modules where completion is monitored. This guidance is reinforced by messages from Shell leaders. In response to fast-moving external developments and trends, internal guidance is continually being monitored to help maintain its relevance.
- We maintain a privacy compliance programme based on our Binding Corporate Rules (BCR). Every Shell company is required to manage personal data in a professional, ethical and lawful manner. Our "privacy by design" process seeks to ensure that controls are embedded in IT systems and solutions, supported by the monitoring of regulatory developments, to protect personal data.

See "Living by our values" on pages 123-124 and Note 32 "Legal proceedings and other contingencies" on pages 302-304.

8. Reputation and licence to operate

Risk type: ☒ Strategic risk ☐ Operational risk ☒ Conduct and culture risk

An erosion of our business reputation could have a material adverse effect on our brand, our ability to secure new hydrocarbon or low-carbon opportunities, our ability to access capital markets attract and retain people, and our licence to operate.

Risk description

Our reputation is an important asset. Real or perceived failures of governance or regulatory compliance or a perceived lack of understanding of how our operations affect surrounding communities and the environment could harm our reputation.

Societal expectations of companies are high, with a focus on business ethics, quality of products, contribution to society, safety and minimising negative impacts on the environment and people, including human rights. There is ongoing focus on the role of oil and gas companies in the context of climate change and the energy transition. NGOs continue to challenge Shell's licence to operate through activities to block or delay projects and by bringing legal actions, diverting our resources and potentially eroding trust. In some markets, we see protests at times at external events, including at our previous Annual General Meetings. Certain of our brand communications have been reviewed by advertising regulators in the UK and the Netherlands, and some of the complaints received were upheld. During prolonged periods of high oil and gas prices, the oil and gas industry has been accused in the past and could in the future be accused of profiteering from higher fuel and electricity prices and therefore impacting living costs. The materialisation of these risks has at times negatively affected, and could affect in the future, our brand and reputation, which could limit our ability to deliver our strategy; reduce consumer demand for our branded and non-branded products; harm our ability to secure new energy partnerships and contracts; and restrict our ability to access capital markets or attract staff.

Individually or collectively, these risks could negatively affect our reputation and licence to operate and, accordingly, could have a material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

- The Shell General Business Principles (SGBP) set out our responsibilities to shareholders, customers, employees, business partners and society. They set the standards for how we conduct business with integrity, care and respect for people. As part of these principles, we commit to contribute to sustainable development. All Shell employees and contractors, and those at the joint ventures we operate, are expected to behave in line with these principles. We undertake a range of activities to help embed the SGBP and the Code of Conduct throughout the organisation. This includes training and encouraging people to discuss the dilemmas they face in their work. Shell employees, contractors and third parties with whom Shell has a business relationship can report any potential breaches of the Code of Conduct confidentially through several channels, including anonymously through a global helpline operated by an independent provider.
- We continually assess and monitor the external environment for potential risks to our reputation. We engage in dialogue with our key stakeholders, such as investors, industry and trade groups, academics, governments and non-governmental organisations, to gain greater insights into societal expectations of the Shell Group. We communicate with our stakeholders on what the Company is doing and why, our climate-related targets and ambition and our progress towards meeting them.
- Human rights are fundamental to Shell's core values of honesty, integrity and respect for people. Respect for human rights is embedded in the Shell General Business Principles and our Code of Conduct.
- We take proactive steps when appropriate through legal means to protect Shell's reputation from unwarranted accusations.

See "Living by our values" on pages 123-124 and "Our contribution to society" on pages 118-119.

9. Our people and culture

Risk type: ☐ Strategic risk ☐ Operational risk ☒ Conduct and culture risk

The successful delivery of our strategy and achieving our vision [A] are dependent on our people and on a culture that aligns to our goals and reflects the changes we need to make as part of the energy transition.

Risk description

The successful delivery of our vision [A] to become the world's leading integrated energy company depends on our people and a performance culture that enables us to be competitive and resilient. We might not achieve our strategic ambitions and thrive through changes externally, if our organisational culture fails to continually adapt and evolve, while remaining anchored in our core values of honesty, integrity, and respect for people. We might not adequately adapt to external changes, including changing stakeholder expectations, the energy transition and AI developments. We also might not adequately evolve our business models and ways of working, and build new skills, while fostering individual resilience. As a result, we may become less competitive over time and lose the trust of our employees and of our external stakeholders, which may negatively impact our ability to achieve our ambitions. This could have a material adverse effect on our earnings, cash flows and financial condition.

How this risk is managed

- The SGBP, Code of Conduct, Legal Group Requirements and the Shell Global Helpline support everyone at Shell to act in line with our values.
- As part of our performance culture, we aim to create a workplace that delivers results, where all employees can learn and adapt, collaborate as one team and care for each other, building resilience as we transform. We promote equal opportunity and aim to create an environment where people feel included.
- We continually assess our culture and employee engagement through tools such as the annual Shell People Survey.
- People development remains a priority for our organisation. We proactively identify skill and capability gaps for our traditional and emerging businesses; offer training to address these gaps; and if needed, recruit talent externally to add to the skills and experiences of our workforce. To enable our leaders to lead this change, we support them through targeted interventions including leadership development and coaching.

[A] A vision statement defines the desired future state of a company rather than a series of firm, binding commitments.

See "This is Shell" on pages 6-8, "Our people" on pages 114-117 and "Living by our values" on pages 123-124.

Principal decisions and stakeholders

Section 172(1) statement

The Board of Directors, having considered (among other matters) the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 (S172), confirm in good faith that the Directors have acted in a way that they consider would most likely promote the success of the Company for the benefit of its members as a whole.

This S172 statement discloses how the Directors took into account the interests of Shell's wider stakeholders in the Board's decision-making process. The level of information disclosed is consistent with the size and the complexity of Shell's businesses and focuses on matters of strategic importance to Shell.

General confirmation of directors' duties

Shell's Board has a clear and robust corporate governance framework, which sets out certain financial and strategic thresholds which need to be triggered for matters to be considered and approved by the Board. The corporate governance framework covers matters reserved for the Board, delegations to its committees and delegations to the Executive Directors. The Manual of Authority sets out the delegation and approval process across the broader business.

All Directors, upon joining Shell, have participated in induction training and are provided with ongoing guidance covering the regulatory requirements of their role, including, but not limited to, S172.

When making decisions, each Director ensures that they act in the way they consider, in good faith, would most likely promote Shell's success for the benefit of its members as a whole, and in doing so has regard (among other matters) to the issues set out below.

S172 Factor

Key examples

(a) The likely consequences of any decision in the long term

The Directors understand the business and the evolving and challenging environment in which we operate, including the challenges of the global energy transition. In 2025, the Board continued with its oversight of Shell's strategy, including with respect to Capital Markets Day 2025 (CMD25) and the Energy Transition Strategy 2024 (ETS24). The Board focused on financial strength and discipline with a dynamic approach to our portfolio of assets, with consideration given to key stakeholders and the likely long-term impact of any decision. During the year, the Board reiterated its commitment to Shell's energy transition plans and reflected on the challenges faced by Shell given the shifting macroeconomic and geopolitical context. We put customers at the centre of our strategy, innovating the products customers need as they seek to decarbonise. See pages 9-11 for more on our strategy and CMD25.

The Directors recognise there are significant complexities in relation to Board decision-making, given differing societal and stakeholder views about our operations and the intricacies associated with the evolving energy transition. Accordingly, the Directors have considered S172 and made their decisions relating to Shell's strategy in good faith and with regard for the long-term and sustainable success of the Company.

(b) Interests of employees

Our people are essential to our purpose of powering progress together by working with each other, our customers and our partners to provide the energy products people need to power their lives and businesses. They are key to delivering our strategy and we believe in helping them to develop their skills. The Directors consider and assess the implications of relevant decisions on employees and the wider workforce. The Directors seek to ensure that Shell remains a responsible employer, including with respect to pay and benefits, fairness (including gender pay gap reporting, see pages 116-117), promotion of equal opportunity (for information on diversity, equity and inclusion see page 116), health and safety issues, and the workplace environment. The Directors regularly engage with employees and the wider workforce (for a summary of engagements see pages 158-159), as well as consider the annual Shell People Survey (see page 116). The Directors recognise that our pensioners also remain important stakeholders.

(c) Fostering the company's business relationships with suppliers, customers and others

To deliver our strategy, we require strong, mutually beneficial relationships with suppliers, customers, governments, national oil companies and joint-venture partners. Shell seeks to promote and apply certain general principles in such relationships. The Board continues to review Shell's approach to suppliers, which is set out in the Shell Supplier Principles. In 2025, the Board reviewed steps taken with suppliers and supply chains to combat modern slavery and human trafficking. More detail on Shell's Modern Slavery Act Statement is set out on page 208. The businesses continually assess the priorities related to customers and those with whom we do business, with the Board engaging with the businesses on these topics, for example, within the context of business strategy updates and investment proposals.

The Directors also receive updates on a variety of topics that indicate how these stakeholders have been engaged. These updates include information on suppliers and joint-venture partners, with respect to items such as project updates and supplier contract management. Businesses also provide information, as relevant, on customers and joint-venture partners in relation to business strategies, projects, and investment or divestment proposals. The CEO provides a comprehensive update to the Board on material business and external developments, including external engagements, at each main Board meeting.

(d) Impact of operations on the community and environment

It is integral to our decision-making that we reflect on our impact on the community and the environment. To help it make decisions, the Board receives information on various topics including, for example, the net carbon intensity target, proposals to invest or divest, and business strategy reviews. The information also goes into Group-level overviews, such as updates on safety and environment performance, reports from the Chief Ethics and Compliance Officer, and reports from the Chief Internal Auditor. In 2025, the Board held meetings with Shell's in-country stakeholders, including staff engagements during the Board's offsite in Australia and further staff engagements in London. Engaging with staff enabled the Board to maintain and strengthen its connection with Shell's businesses, workforce and other local stakeholders. It also provided the opportunity to gain a deeper understanding of Shell's reputation, role and contribution within the communities where we operate. See "Understanding and engaging with our stakeholders" on pages 156-157, and the Board committee reports.

(e) Maintaining a reputation for high standards of business conduct

With global demand for energy increasing and the urgent challenge of climate change, we will continue to focus on our strategy to deliver more value with less emissions, and we are committed to doing business in an ethical and transparent way. We consider impacts, risks and opportunities related to climate, the environment, safety, ethics, people and communities. The Shell General Business Principles (SGBP) set out our responsibilities to our stakeholders. The Code of Conduct sets out how we expect people working within and on behalf of Shell to behave. The Board periodically reviews and approves clear frameworks – such as the SGBP, Code of Conduct and the Modern Slavery Act Statement – to ensure high standards are maintained in Shell businesses and in Shell's business relationships. Complemented by the ways the Board is informed and monitors ethics and compliance with relevant governance standards, this helps to ensure that Board decisions and the actions of Shell companies both promote and maintain high standards of business conduct. See also "Living by our values" on pages 123-124.

(f) Acting fairly between members of the company

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of our strategy in the long-term interests of the Company, taking into consideration the effect on stakeholders. In doing so, our Directors act fairly as between the Company's members but are not required to balance the Company's interests with those of other stakeholders.

Culture

The Board plays an important role in establishing, assessing and monitoring our desired culture and how it is embedded in our ways of working, including in our activities and stakeholder relationships. For example, the Board has established honesty, integrity and respect for people as Shell's core values. (For further information, see "Living by our values" on pages 123-124). The Shell General Business Principles and Code of Conduct help everyone at Shell to act in line with these values and comply with relevant laws and regulations. The Shell Commitment and Policy on Health, Safety, Security, Environment & Social Performance applies across Shell and is designed to help protect people and the environment. (For further information, see "Safety" on pages 111-113).

To achieve our strategic goals, we need to adapt our behaviours as we navigate the increasing complexity of the world around us. At Shell, we are building a culture that we believe will help us succeed as we navigate the energy transition. The four attitudes and the behaviours that we encourage from our people are described on page 6.

The Board considers the Shell People Survey to be an important tool for measuring employee engagement, motivation, affiliation and commitment to Shell. With consistently high response rates, it provides valuable insights into employee views. It also helps the Board understand how the survey's outcomes are being used to strengthen Shell culture and values.

Stakeholder engagement (including employee engagement)

The Board recognises the important role Shell has in many societies and is deeply committed to public collaboration and stakeholder engagement. The Board strongly believes that Shell will only succeed by working together with customers, governments, business partners, investors and other stakeholders.

We continue to build on our long track record of working with others, such as investors, industry and trade groups, universities, governments, and non-governmental organisations (NGOs). We believe that working together and sharing knowledge and experience with others offers us greater insight into our business. We also appreciate our long-term relationships with our investors and acknowledge the positive impact of ongoing engagement and dialogue.

The guidance on preparing information, proposals or discussion items for the Board asks for these materials to include considerations of the views, interests and concerns of stakeholders, and how management addressed them. This helps to strengthen the Board's knowledge of how the broader business undertakes significant levels of stakeholder engagement. The Terms of Reference for our Sustainability Committee (SUSCO) include, within the committee's remit: review and consider external stakeholder perspectives and emerging trends on sustainability matters of relevance to the Group.

The Board also engages with certain stakeholders directly, to understand their views. The Board draws upon Shell's substantial in-house expertise by periodically receiving input from economics and policy experts on key political and economic themes.

See "Understanding and engaging with our stakeholders" on pages 156-157.

Information on how the Directors have engaged with employees can be found on pages 158-159 and in the "Our people" section on pages 114-117. The tables in this section include examples of how Directors have considered the interests of Shell employees and the resulting outcomes.

Principal decisions

In this section, we outline some of the principal decisions made by the Board over the year. We explain how the Directors have engaged with or in relation to key stakeholder groups and how stakeholder interests were considered in decision-making.

To remain concise, we have categorised our key stakeholders into seven groups. Where appropriate, each group is considered to include both current and potential stakeholders. The groups are:

- investor community;
- employees/workforce/pensioners;
- our customers;
- regulators/governments;
- NGOs/civil society stakeholders/academia/think tanks;
- communities; and
- suppliers/strategic partners.

Board decisions

We define principal decisions taken by the Board as decisions taken in 2025 that are of a strategic nature and significant to any of our key stakeholder groups. As outlined in the UK Financial Reporting Council (FRC) Guidance on the Strategic Report, we include decisions related to capital allocation and dividend policy.

How were stakeholders considered

We describe how regard was given to the likely long-term consequences of the decision, including how stakeholders were considered during the decision-making process.

What was the outcome

We describe which accommodations or mitigations were made, if any, and how Directors have considered different interests, and what factors they took into account.

Strategic updates

Strategy

As part of the Board's continuing oversight of Shell's strategy, the Directors receive and discuss regular strategy updates including feedback from stakeholder engagements with management, investors, the media, climate activists and internal staff.

How stakeholders were considered

Energy Transition Strategy 2024 (ETS24) progress

In March 2024, the Board approved a report (ETS24) which was created with the aim of helping investors and society obtain a better understanding of how Shell is addressing the risks and opportunities of the energy transition. ETS24 was put to shareholders for an advisory vote at the 2024 Annual General Meeting (AGM), with 78.03% of shareholders that voted supporting the resolution.

Shell has continued to engage with key stakeholders to understand their views and opinions on Shell's progress on ETS24.

Capital Markets Day 2025 (CMD25)

In March, 2025, the Board approved the content of the CMD25 announcement and supporting materials, outlining to investors the next steps in Shell's strategy to deliver more value with less emissions. Stakeholders engaged in our capital markets days are primarily investors. Other stakeholders engaged in the lead-up to the day, on the day and following the announcement include Shell staff, the media, and NGOs.

Resolution 22 – LNG disclosures

The Shareholder Resolution (Resolution 22) at the 2025 AGM requested additional disclosure in relation to Shell's LNG strategy and its alignment with Shell's climate commitments. The resolution received 20.56% support of shareholders that voted. At the 2025 AGM, the Board committed to publishing a note ahead of the 2026 AGM setting out Shell's LNG market outlook, LNG business and how Shell's LNG business reconciles with its broader strategy and climate-related commitments. Following the AGM, we engaged with our largest shareholders offering further opportunities to discuss Shell's strategy regarding LNG and to understand the reasons behind various voting decisions. The Chair of the Board subsequently had an opportunity to engage directly with our large institutional shareholders as part of his roadshow in October 2025.

Insights into Shell's operations in Australia

In June 2025, the Board held its annual offsite in-person over the course of three days in Australia, providing for a number of engaging and interactive events with both internal and external stakeholders. A summary of the Board offsite is provided on page 153. The key focus areas related to Shell's strategy and presence in Australia.

Staff engagements

As part of the Board offsite, the Board and Executive Committee had the opportunity to engage and speak directly with staff about their experience within the Shell businesses in Australia. For further information on the engagement with our workforce, see "Board activities" and "Workforce engagement" on page 153 and pages 158-159.

What was the outcome

ETS24 progress

There are differing views about Shell's targets and ambition, and strategy to become a net-zero emissions energy business by 2050. Shell continued its dialogue with its stakeholders on the progress of ETS24, and the Board recognises the different views of each Shell stakeholder group. The Board continues to listen, learn and adapt as Shell delivers against its strategy, with consideration given to the long-term success of the organisation, as well as the interests of Shell's shareholders, customers and wider society.

In this 2025 Annual Report and Accounts, we strive to provide information on Shell's progress against ETS24, including against its climate-related targets and ambition. This 2025 Annual Report and Accounts also seeks to provide the clarifications our stakeholders are seeking.

CMD25

The CMD25 announcement, content and clarity in terms of next steps in Shell's strategy to deliver more value with less emissions were well received by shareholders as well as other key stakeholder groups, including our workforce.

Resolution 22

The 2025 AGM shareholder resolution response will be published ahead of the 2026 AGM. The additional disclosures in this publication and related publications will be used in continued dialogue with stakeholder groups on Shell's LNG strategy.

Board offsite

Through engagements with multiple stakeholders, the Board:

- experienced the breadth of businesses that Shell has in Australia;
- met with a diverse cross-section of staff and leaders in Australia and considered their feedback from the engagements that took place;
- built awareness of the local context and risks;
- considered geopolitical contexts in connection with the energy transition;
- considered key external perspectives connected to Shell's climate-related targets and ambition, and strategy; and
- discussed core elements of our strategy with key customers, government officials and other stakeholders.

Financial strength, cash allocation including shareholder distributions

The Board considered cash flow, the macro environment and business performance in 2025 against 2024. The Board also considered management's view of the outlook for the Group's performance, and reviewed the financial framework with specific focus on shareholder distributions. Directors approved several proposals with the aim of delivering value to shareholders.

How stakeholders were considered

A number of considerations underpinned each proposal, with proposals discussed and reviewed at certain points throughout the year. These considerations took account of the macro environment, robust business performance and outlook, the strength of the balance sheet, capital discipline, feedback from advisers and feedback from other stakeholders.

What was the outcome

In relation to decisions regarding distributions to shareholders, the Board and management considered the views of stakeholders, the strength of the Company's balance sheet and the need to continue to invest in the future of energy. The form, and timing, of distributions to shareholders were announced throughout 2025, alongside the publication of the quarterly results.

The Board approved updates to the financial framework, which was announced at CMD25, including with respect to shareholder distributions, cash capital expenditure and structural cost reduction. See "Our strategy" on pages 9-11.

During 2025, the Board approved share buybacks of \$14 billion, and a further \$3.5 billion of share buybacks was announced on February 5, 2026.

Approval of Shell's detailed Operating Plan 2026-2028 (OP25)

The approval of OP25 followed an in-depth review by the Board of proposals on capital allocation, capital investment outlook, competitive outlook, operating expenses, return on average capital employed, shareholder distributions and alignment with net carbon intensity targets. In the December 2025 Board meeting, OP25 was approved.

How stakeholders were considered

OP25 discussions included ensuring credible metrics, scenario testing and understanding the risks and levers to enable delivery of the near- and long-term targets which were set out at CMD25. Meeting commitments made to investors is critical to building trust and confidence with our external stakeholders. The Directors also considered the financial strength of the organisation, the macroeconomic environment and the continued heightened geopolitical risks as a result of the Russia-Ukraine war, conflict in the Middle East and trade tariffs. The Directors and Executive Committee balanced the priorities in the financial framework, including capital and operating expenditure commitments towards the energy transition alongside increased shareholder distributions, maintaining balance sheet strength, aspired credit ratings and greenhouse gas target tracking. The plan was discussed extensively and reviewed thoroughly. Responses from investors and discussions with equity and debt market analysts were also presented to the Board for consideration.

What was the outcome

Following extensive review and discussion, the overall outcome of this decision was an Operating Plan that the Board believes is robust against various scenarios and features strong optionality if needed. In particular, the Board assured itself that, as these decisions were taken, OP25 flexibly demonstrated pathways to enable delivery of Shell's near- and long-term targets.

We recognise that stakeholder opinions differ on the approach towards the energy transition. OP25 is based on society's demand for products and services. OP25 also supports Shell in maintaining a reputation for high standards of business conduct and health, safety, security and environment issues. It maintains the approach to employee remuneration and benefits to pensioners. OP25 also seeks to reward our investors with returns, a strong balance sheet and capital discipline, and to maintain the long-term financial strength of the Company to enable it to invest in low-carbon energy products and solutions to help meet the current and future needs of society.

Investing in new business, acquisitions and divestments, and closures

Over the course of the year, the Board considered and approved new opportunities and projects, and proposed divestments or closures.

How stakeholders were considered

The Board considered the impact of decisions related to new business opportunities and divesting from existing opportunities in the context of sustainability, supply, regulations and carbon intensity. Critically, the Board reviewed the alignment of various proposals with Shell's strategy. Particular focus was given to potential benefits of certain divestments, including their potential to: create returns for shareholders; further strengthen the balance sheet; de-risk future cash flow; and avoid significant additional capital investment. As part of the discussions, the Board considered the strategic drivers for the intended divestments, including the Scope 1 and 2 emissions of each asset, anticipated regulatory changes expected to lead to value erosion, and any value opportunities afforded by the macro environment.

As part of each proposal, the respective business unit will undertake effective due diligence on prospective purchasers from a financial, reputational, as well as operating philosophy standpoint to ensure future obligations are met, or suitable mitigating measures are in place, to protect Shell and its people.

Within each divestment proposal, the Board considered if the Company was being a responsible seller of its assets and if the purchasers have the capability to manage our assets/people appropriately. Staff matters are explicitly considered during negotiations and the due diligence process for acquisitions and divestments. Comprehensive engagement plans are developed as appropriate in parallel to the negotiations.

As part of Shell's intercompany approval process, the following investments or divestments were discussed and supported by the Board.

Investment in Gato do Mato (Orca), Brazil

Investment in the deep-water Gato do Mato (Orca) project, which will include a floating production, storage and offloading (FPSO) vessel. It is expected to produce up to 120,000 barrels of oil per day, with estimated recoverable resources of 370 million barrels. Operations are planned to begin in 2029.

The sale of The Shell Petroleum Development Company of Nigeria Limited (SPDC)

The sale of Shell's 100% interest in SPDC which owns onshore and shallow-water oil and gas assets in the Niger Delta.

Investment in the HI Project, Nigeria

The investment in the HI Project which is being developed to supply gas to NLNG Train 7.

Additional Investment in Bonga North

The acquisition of an increased stake in the OML 118 Production Sharing Contract (OML 118 PSC), an oil mining lease offshore Nigeria that includes the Bonga field.

What was the outcome

Investment in Gato do Mato (Orca)

The Board approved the proposed final investment decision for the deep-water Gato do Mato (Orca) project, which will include an FPSO vessel. In Board discussions, the Board considered, among other things, the strategic alignment, the interests of the project partners and suppliers.

The sale of SPDC

The Board approved the sale of Shell's equity interest in SPDC which was completed in March 2025. In Board discussions, the Board considered, among other things the strategic alignment, Shell's stakeholders in Nigeria and the international commercial partners involved in the opportunity.

Investment in the HI Project, Nigeria

The Board approved the investment in the HI Project which is intended to supply gas to NLNG. In Board discussions, the Board considered, among other things, the strategic alignment of the opportunity, the Nigerian business environment and Shell's joint-venture partner, Sunlink.

Additional investment in Bonga North

The Board approved the acquisition of TotalEnergies' interest in Bonga North. In Board discussions, the Board considered, among other things, the strategic alignment, local stakeholders and joint-venture partners.

Strategic Report signed on behalf of the Board

/s/ Sean Ashley

Sean Ashley

Company Secretary
March 11, 2026

Governance

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Introduction from the Chair

Dear Shareholders,

I am pleased to introduce this governance section of our 2025 Annual Report and Accounts. As a Board, we continue to discuss and assess Shell's purpose, strategy, vision, values and culture, as well as how all of these work together to create value and help provide the energy the world needs. Shell has a strategy to deliver more value with less emissions, and a vision [A] to become the world's leading integrated energy company – delivering impact at scale, connecting energy and people, matching supply to demand. The Board continues to believe that Shell's strategy is the right approach for our customers, investors and wider society.

We were particularly impressed with Shell's continued drive and focus on performance, discipline and simplification in 2025 to transform Shell into a more competitive energy business, while at the same time continuing to provide customers with the secure and reliable energy they need to power their lives and businesses today and through the transition to low-carbon energy. This focus has translated into stronger operational performance, greater discipline in capital allocation and more clarity about where Shell creates value.

Shell continued to make progress against our Energy Transition Strategy 2024 (ETS24), published in March 2024 and endorsed at our AGM in May 2024. At CMD25 in March 2025, we outlined how we intended to accelerate our strategy. During 2025, the Board routinely discussed the energy transition and Shell's progress against its climate-related targets and ambition, and financial targets, and continues to engage with stakeholder feedback on Shell's progress. The Board also evaluates long-term trends to inform strategic choices and capital allocation, drawing on Shell's scenario planning and other inputs. (See also "Progress against our longer-term targets" on pages 14-15).

Consistent with Shell's transformation, on January 20, 2026, we announced a change to Shell's Executive Committee (EC) to support our strategy to deliver more value with less emissions. The change reflected significant progress in integrating Shell's technical divisions into our business lines. This simplification will empower our businesses by bringing these technical capabilities closer to where we generate value and improve competitiveness.

In 2025, the Board took further steps to simplify how we work. We continued to increase the focus of our agendas and papers to make sure we allow more time to discuss the strategic challenges and principal risks. We review our principal risks in aggregate twice a year and conduct more detailed reviews of individual risks on a rolling basis evaluating our risk appetite and whether we have the right framework in place to manage risk. (See also "Risk management and risk factors" on pages 125-135).

Following the change to the composition of the EC in April 2025, we decided to only have business presidents attend Board meetings if they are sponsoring an agenda topic. In addition, to allow more time for the Board to consider and engage on material decisions or topics, we have

introduced workshops where the Board is divided into smaller groups to discuss and progress topics with senior management. The organisation increasingly uses AI to prepare for Board meetings and we have been exploring options to increase the use of AI within the Board environment.

Board leadership and Shell's purpose

Shell's purpose is set out in the early pages of this report. Throughout this Governance report we focus on how Shell's governance operates in practice, and why we believe this is the best approach for us. The Governance report is structured around the key themes of the 2024 UK Corporate Governance Code (the Code). Our narrative seeks to explain how governance supports and protects Shell and our stakeholders.

Shell applies the principles and the spirit of the Code. In one instance, we adopt a different approach from that suggested by one of the Code's provisions, namely Provision 5 which concerns workforce engagement. We explain this on page 161. We consider our governance processes are appropriate, given the specific circumstances and range of factors particular to Shell, such as the organisation's global nature, size, complexity and history. In 2025, we reviewed readiness for compliance with the new Provision 29 of the Code which applies to financial years commencing on or after January 1, 2026 and will, among other things, require the Board to make a declaration of the effectiveness of Shell's material controls in the Annual Report and Accounts 2026.

Our AGM continues to reach a wider audience through its hybrid format, allowing our global shareholder base to participate in proceedings. The absence of disruption at our 2025 AGM allowed for a smooth and productive meeting for attendees, whether online or in person.

Information on how the Board discharges its duty in relation to key stakeholder interests, including those of our workforce, and an explanation of how it considered these when making principal decisions, are set out on pages 136-139. On pages 153-155, we provide information about our Board activities and highlight which stakeholder interests we considered.

I was pleased to visit Australia for a Board offsite, where we benefited from valuable strategy sessions and gained insight into the opportunities and challenges our colleagues in Australia are facing. I also went to China, where I delivered a lecture at Tsinghua University School of Economics and Management, and participated in a fireside chat with Shell staff. I also met with employees in London and the Netherlands. It is always great to spend time with colleagues, to better understand team culture and their lines of business, and to see the operational excellence of our people in action.

[A] A vision statement defines the desired future state of a company rather than a series of firm, binding commitments.

Our workforce engagement methods can be found on pages 158-159. We continue to believe that constructive relationships built on mutual respect and transparency help Shell attract and retain employees, while supporting greater productivity and operational safety and efficiency. Helping ensure that employee voices are heard on relevant matters in the boardroom in practical ways is key to understanding the broader impact of business decisions, including with respect to organisational culture.

The successful delivery of our strategy and achieving our vision are dependent on our people and on a culture that aligns to our goals and reflects the changes we need to make as part of the energy transition. "Our People and Culture" (see "Risk management and risk factors" on pages 125-135 for more information on this risk) is one of the principal risks considered by the Board, with an annual deep dive supplemented by regular meetings between Board members and Shell employees throughout the organisation. In December 2025, the Board received updates on the Shell People Survey, an annual employee survey, and the conduct and culture within the organisation, along with the associated risk areas.

In January 2025, the management team shared with us how it is seeking to evolve Shell's culture, placing people at the heart of transforming the organisation's performance. In January 2026, we introduced the refreshed Code of Conduct, which gives greater emphasis to the behaviours we expect from everyone who works for Shell. A key objective is to reinforce a working environment where people feel encouraged to speak up. We have also clarified our expectations for the responsible use of AI. Shell's culture reflects its long-held values – honesty, integrity and respect for people. These underpin all the work we do and are foundational to our strategy and purpose. The Board will continue to increase its focus on Shell's culture to make sure it continues to align with the business strategy.

Division of responsibilities

More information on how the Board and Board committees support business operations is provided on pages 151-152. Given our drive for further simplification of Board and committee processes, in 2025 we considered the role and responsibilities of the Sustainability Committee, and, in December 2025, decided to move from four to two committee meetings per year with a sharpened focus on oversight of emerging trends related to disclosed sustainability impacts, risks, and opportunities (see pages 165-166 for further information).

In February 2026, the Terms of Reference for the Board committees were reviewed and updated. The full Terms of Reference for each committee, and the Matters Reserved for the Board, are provided on our website. Directors' commitments outside of the Board are reviewed to help ensure they have sufficient time to fulfil their duties.

Composition, succession and evaluation

There were no changes to the Board in 2025. Following the 2025 AGM, Cyrus Taraporevala succeeded Neil Carson as Chair of the Remuneration Committee.

In December 2025, Shell announced that Catherine Hughes and Neil Carson would not be standing for re-election at the 2026 AGM, and that Holly Keller Koepfel and Clare Scherrer were appointed as Non-executive Directors of the Company with effect from January 1, 2026. Catherine and Neil leave with our best wishes and we thank them for their valuable contributions. Changes were also announced with respect to membership of our Board committees. These changes are reflected in the biographies of the respective Directors and in the reports of the committees.

The 2025 Board Performance Review was externally facilitated. More on this can be found on page 160. In 2026, we plan to undertake a further review on Board effectiveness and dynamics.

Audit, risk management and internal control

Throughout the year, the Audit and Risk Committee (ARC) assisted the Board in implementing sound systems of risk management and internal control, oversight of Shell's financial reporting, and consideration of ethics and compliance matters. In addition to the variety of standing matters and more specific topics that are discussed by the ARC throughout the year. In 2025, the ARC held additional discussions to consider external auditor independence issues related to audit partner rotation requirements and amendments to Shell's Form 20-Fs for the years ended December 31, 2023 and 2024. The ARC initiated a competitive audit tender process at the beginning of the fourth quarter 2025. In February 2026, the Board approved the ARC's audit tender outcome recommendation and a resolution proposing the appointment of PwC as the external auditor for the financial year 2027 will be put forward to shareholders for approval at the 2027 AGM. More on the ARC's work can be found on pages 167-175.

Looking ahead

We are cognisant of and accept that not all of our stakeholders will be fully supportive of all the decisions that we take, and some stakeholders will choose different methods of communicating their views and their concerns. We will continue to engage with stakeholders, and we will continue to have the humility to listen, learn and adapt as we continue to implement our strategy for the long-term success of the Company.

As always, as the energy system evolves, there is more that needs to be done. Your Board is confident in Shell's leadership and culture. We are a leaner, stronger and more competitive organisation that is well positioned to navigate the years ahead and deliver more value with less emissions in our changing energy system.



Sir Andrew Mackenzie
Chair

March 11, 2026

The Board of Shell plc



Sir Andrew Mackenzie Chair

Board Committee membership:
NOMCO (Chair)

British, 69. Appointed October 1, 2020;
Chair from May 18, 2021.

Career

Sir Andrew spent 22 years with bp, during which he worked across most business streams and functions – principally in oil and gas exploration and production, and petrochemicals. While with bp, he held senior and executive positions, including as Chief Reservoir Engineer and Chief Technology Officer. In 2004, he joined Rio Tinto, where he held various executive positions until 2007, including Head of Industrial Minerals and Diamonds. Sir Andrew joined BHP in 2008 and served as CEO from 2013 to 2019. As BHP CEO, he simplified and strengthened the business, and made it the first miner to pledge to tackle emissions caused when customers use its products. From 2005 to 2013, Sir Andrew served as a Non-executive Director of Centrica. He has also served on many not-for-profit boards, including public policy think tanks in the UK and Australia.

Relevant skills and experience

Sir Andrew has more than 30 years' experience in the mining and energy industries. In 2014, he was made a Fellow of the Royal Society, a Fellowship of many of the world's most eminent scientists. Sir Andrew has applied his deep understanding of the energy business and geopolitical outlook to create public-private partnerships and advise governments around the world. He continues to advocate for sustainable action on climate change, including access to affordable energy. His expertise is helping Shell navigate the energy transition. Sir Andrew also champions gender balance, the rights of Indigenous Peoples, and the power of large companies to make a positive contribution to society.

External appointments

- Chair of UK Research and Innovation (UKRI)



Dick Boer Deputy Chair and Senior Independent Director

Board Committee membership:
ARC | NOMCO | REMCO

Dutch, 68. Appointed May 20, 2020;
Deputy Chair and Senior Independent
Director from May 23, 2023.

Career

Dick spent more than 17 years in various retail positions, for SHV Holdings N.V. in the Netherlands and abroad, and for Unigro N.V. Dick joined Ahold in 1998 as CEO of Ahold Czech Republic and was appointed President and CEO of Albert Heijn in 2000. In 2003, he also became President and CEO of Ahold's Dutch businesses. From 2006 to 2011, he was a member of the Executive Board of Ahold and served as Chief Operating Officer of Ahold Europe. Prior to the merger between Ahold and Delhaize, he served as President and CEO of Royal Ahold from 2011 to 2016. Dick was President and CEO of Ahold Delhaize from 2016 to 2018, and has also chaired the Compensation Committee of Nestlé S.A. since April 2024. In 2025, Dick became Lead Independent Director and Vice Chair of Nestlé S.A.

Relevant skills and experience

Dick has a deep understanding of brands and consumers, and extensive knowledge of the US and European markets, from his time leading one of the world's largest food retail groups. He has considerable experience at the forefront of retailing and customer service, which extended in more recent years to e-commerce and the digital arena. This experience is most timely as Shell focuses on the growth of our marketing activities and increasing consumer choices in energy products. Dick brings sound business judgement and a proven track record in strategic delivery to Shell, evidenced by the combination of Ahold and Delhaize. He is also passionate about sustainability and is well informed about the importance of the various stakeholder interests in this area.

External appointments

- Non-executive Director of SHV Holdings
- Lead Independent Director and Vice Chair of Nestlé S.A.



Wael Sawan Chief Executive Officer

Board Committee membership:
N/A

Lebanese and Canadian, 51. Appointed
January 1, 2023.

Career

Wael began his career at Shell in 1997 as an engineer with Petroleum Development Oman. By the mid-2000s, Wael was Managing Director and Chairman of Shell Qatar, where he oversaw Shell's business in Qatar, including its LNG and GTL divisions. Wael then became Executive Vice President of Deep Water, where he was responsible for driving its transformation into a leading business for Shell. Prior to being appointed CEO at the start of 2023, Wael joined the Executive Committee in 2019 as Upstream Director and in 2021, he became Shell's Director of Integrated Gas, and Renewables and Energy Solutions. Wael was a trustee of Shell Foundation from 2019 to the end of 2022.

Relevant skills and experience

Wael holds an MEng from McGill University in Montreal, Canada, and an MBA from Harvard Business School. During his Shell career, spanning more than 25 years, he has worked in Europe, Africa, Asia and the Americas, and has held roles across all of Shell's businesses. He has led several major commercial transactions, including mergers, acquisitions and divestments, as well as new business development projects. Wael is an exceptional leader, with all the qualities needed to drive Shell safely and profitably through its next phase of transition and growth. His track record of commercial, operational and transformational success reflects not only his broad, deep experience and understanding of Shell and the energy sector, but also his strategic clarity. He combines these qualities with a passion for people, which enables him to get the best from those around him.

External appointments

- No external appointments



Sinead Gorman
Chief Financial Officer

Board Committee membership:
N/A

British, 48. Appointed April 1, 2022.

Career

Sinead joined Shell in 1999 and has held key leadership roles in Finance. She started her Shell career in the Shell International Trading and Shipping Company based in London, UK, and then moved to the Coral Energy joint venture, in Houston, Texas, USA. Sinead worked in Mergers and Acquisitions and Treasury, based in the Netherlands, before moving back to Houston as Vice President Finance for Shales. Prior to her appointment as CFO, Sinead held the positions of Executive Vice President Finance for Upstream; Projects & Technology, as well as Integrated Gas and New Energies (now Renewables and Energy Solutions).

Relevant skills and experience

Sinead has an MEng from the University of Oxford and an MSc in Finance from London Business School.

Sinead has more than two decades' experience of working for Shell and has held regional and global finance leadership roles across Europe and the USA. She has built a deep understanding of finance across the industry, spanning a wide range of businesses, and possesses a breadth of experience in trading, new business development and capital projects.

Highly regarded for her commercial abilities and external focus, Sinead has a strong track record in cost leadership, principle-based decision-making and detailed capital stewardship.

External appointments

- No external appointments



Neil Carson OBE
Independent Non-executive Director

Board Committee membership:
SUSCO

British, 68. Appointed June 1, 2019.

On December 11, 2025, the Company announced that Neil would not stand for re-election at the 2026 AGM, having served as a Director for seven years, and would step down from the Board of Shell plc.

Career

Neil is a former FTSE 100 CEO. He joined Johnson Matthey in 1980 where he held several senior management positions in the UK and the USA, before being appointed CEO in 2004. Since retiring from Johnson Matthey in 2014, Neil has focused on his non-executive roles. He was Chair of TT Electronics plc from 2015 until May 2020.

Relevant skills and experience

Neil has an engineering degree, considerable operational experience and a strong understanding of capital-intensive businesses. He has a broad industrial outlook and a thorough commercial approach combined with a practical perspective on businesses. His intuitive international point of view helps drive value in complex environments. Neil was awarded an OBE for services to the chemical industry in 2016.

Neil uses his experience to bring fresh insight and industry understanding to Board discussions.

External appointments

- Non-executive Chair of Oxford Instruments plc



Ann Godbehere
Independent Non-executive Director

Board Committee membership:
ARC (Chair) | NOMCO

Canadian and British, 70. Appointed May 23, 2018.

Career

Ann started her career with Sun Life of Canada in 1976 in Montreal, Canada. She joined M&G Group in 1981, where she served as Senior Vice President and Controller for both life and health, and property and casualty businesses throughout North America. She joined Swiss Re in 1996, after it acquired the M&G Group, and served as CFO from 2003 to 2007. From 2008 to 2009, she was interim CFO and an Executive Director of Northern Rock bank in the initial period following its nationalisation. Ann has held non-executive director positions at Prudential plc, British American Tobacco plc, UBS AG and UBS Group AG. Ann served as a Non-executive Director of Rio Tinto plc and Rio Tinto Limited from 2010 until May 2019 and was also Senior Independent Director of both entities. In January 2021, Ann joined the Board of Stellantis N.V., and she chairs its audit committee. Ann joined the Board of HSBC Holdings plc in September 2023 and HSBC Bank plc in January 2025.

Relevant skills and experience

Ann is a former CFO and a Fellow of the Institute of Chartered Professional Accountants and a Fellow of the Certified General Accountants Association of Canada. She has more than 25 years of experience in the financial services sector. Ann's extensive international business experience enables her to make significant and valuable contributions and bring a global perspective to Board discussions. Ann's long and varied international business career powered by her financial acumen is reflected in the insights and constructive challenges she brings to the boardroom. As ARC Chair, Ann leverages her background to ensure robust discussions are consistently held as the ARC delivers its remit.

External appointments

- Non-executive Director and Audit Committee Chair of Stellantis N.V.
- Senior Independent Director of HSBC Holdings plc
- Non-executive Chair of HSBC Bank plc



Catherine J. Hughes
Independent Non-executive Director

Board Committee membership:
ARC | SUSCO (Chair)

Canadian and French, 63. Appointed June 1, 2017.

On December 11, 2025, the Company announced that Catherine would not stand for re-election at the 2026 AGM, having served as a Director for nine years, and would step down from the Board of Shell plc.

Career

Catherine started her career with Schlumberger in 1986 and held key positions in countries including France, Italy, Nigeria, the UK, Canada and the USA. She was Vice President Exploration & Production Services at Husky Oil from 2005 to 2007 and Vice President Oil Sands from 2007 to 2009. Catherine joined Nexen in 2009 as Vice President Operational Services, Technology and Human Resources. She was Executive Vice President International at Nexen Inc. from January 2012 until her retirement in April 2013, where she was responsible for all oil and gas activities including exploration, production, development and project activities outside Canada. Catherine has held non-executive director positions at SNC-Lavalin Group Inc., Statoil ASA and Precision Drilling Inc.

Relevant skills and experience

Catherine contributes through her knowledge of industry and the ease with which she engages with other Directors and managers. With over 30 years of industry experience, she brings a geopolitical outlook and deep understanding of the industry. An engineer by training, she has also spent significant time working in senior human resources roles. The Board highly regards her perspectives on our industry and people. Catherine has a strong track record of executing operational discipline with a focus on performance metrics and a drive for excellence. Her knowledge of the technology underpinning oil and gas operations, logistics, procurement and supply chains benefits the Board as it considers projects and investment and divestment proposals. She uses her industry knowledge and her commitment to the highest standards of corporate governance and safety, ethics and compliance in her role as Chair of SUSCO.

External appointments

- Non-executive Director of Valaris Limited



Holly Keller Koeppel
Independent Non-executive Director

Board Committee membership:
ARC | SUSCO

American, 67. Appointed January 1, 2026.

Career

Prior to 2010, Holly held financial and executive management roles with Consolidated Natural Gas Company and American Electric Power Company, Inc. (AEP), ultimately serving as CFO of AEP. She also served as an independent non-executive director of Reynolds American Inc. from 2008 until its acquisition by British American Tobacco plc, and as a non-executive director of Vesuvius plc. She went on to become Co-head of Citi Infrastructure Investors between 2010 and 2015, before moving to Corsair Capital LLC as Managing Partner and Co-head of Infrastructure until her retirement in 2017. Holly continued her association with Corsair as Senior Advisor until April 2018.

Relevant skills and experience

Holly is a senior executive with over 25 years of international energy industry experience in financial and operational leadership roles. She is a former public company chief financial officer and experienced audit committee chair of UK and US listed companies. Holly brings expertise in energy, corporate finance and governance, with transformation experience in regulatory reform, portfolio restructuring and the energy transition. She brings an international perspective, with over 25 years of board and operational responsibility for London-based and global markets, as well as experience with operations in the USA and Australia. Financially literate and commercially astute, Holly combines technical expertise with operational insight, making her a valued board contributor.

External appointments

- Senior Independent Director of Flutter Entertainment plc
- Senior Independent Director of British American Tobacco plc
- Independent Director of Core Natural Resources Inc.
- Independent Director of AES Corporation



Jane H. Lute
Independent Non-executive Director

Board Committee membership:
REMCO | SUSCO

American, 69. Appointed May 19, 2021.

Career

Jane started her career in the US Army in 1978, serving in Berlin during the Cold War, on the US Central Command Staff during Operation Desert Storm, and on the National Security Council Staff under Presidents George H.W. Bush and William J. Clinton. After retiring from the military in 1994, she joined the Carnegie Corporation of New York as an Executive Director of its Commission on Preventing Deadly Conflict. From 2003 to 2009, she held senior political and peacekeeping roles at the United Nations. From 2009 to 2013, Jane served as Deputy Secretary of the US Department of Homeland Security. In 2013, she established and led the Council on CyberSecurity, an independent not-for-profit organisation with a global scope, committed to the security of an open internet. From 2015 to 2016, Jane was Chief Executive Officer of the Center for Internet Security, an independent not-for-profit organisation that works to improve cyber security worldwide. From 2017 to 2021, Jane was President and Chief Executive Officer of SICPA Securink Corporation's North American operations, after which she assumed the role of Non-executive Strategic Director. From 2018 to 2021, Jane was a Non-executive Director of Atlas Air Worldwide Holdings, Inc.

Relevant skills and experience

Jane is a proven and effective leader, who has held significant leadership roles in public service, the military and the private sector. She brings a wealth of expertise in matters of public policy, cyber security and risk management to our Board. Jane is an experienced board director, having served on large organisations' boards since 2016. These appointments have given her business perspectives across different sectors and geographical regions. She also served as chair and member on committees, including those focusing on audit, safety, service quality, environmental and sustainability, nomination and governance issues.

External appointments

- Non-executive Director of Marsh
- Non-executive Director of Union Pacific Corporation
- Strategic Non-executive Director of SICPA Securink Corporation



Sir Charles Roxburgh
Independent Non-executive Director

Board Committee membership:
ARC

British, 66. Appointed March 13, 2023.

Career

Sir Charles spent over 25 years at McKinsey & Company, where he held a range of senior positions. While at McKinsey, he worked for large banks, insurance companies, hedge funds and private-equity investors in strategy, risk management and organisational roles. He also led major research efforts at McKinsey and authored articles on strategy and scenario planning. Sir Charles obtained an MBA from Harvard Business School. From 2013 to 2016, Sir Charles was a Director General, Financial Services at HM Treasury and led the legislative process for the biggest reforms in the UK banking sector in a generation. From July 2016 to June 2022, he was Second Permanent Secretary, one of the most senior positions within the UK's Treasury. In this role, he was responsible for the economics ministry functions within HM Treasury including financial services, energy and infrastructure policy. He was also Chair of the HM Treasury Operating Committee. Sir Charles was Non-executive Chair of Legal and General America from 2023 to 2025. He joined Lloyd's of London as Chair in May 2025.

Relevant skills and experience

Sir Charles' succession of roles has placed him at the nexus between industry and government, and he has been actively involved in forging and delivering energy policies. He was an influential figure within HM Treasury in pioneering energy policy, including for COP26, and providing funding for innovative organisations to support the energy transition. He also brings additional expertise in risk management and financial regulation from his time at HM Treasury and his role at Lloyd's.

External appointments

- Chair of Lloyd's of London
- Non-executive member of Global Council, Herbert Smith Freehills Kramer



Clare Scherrer
Independent Non-executive Director

Board Committee membership:
ARC | REMCO

American and British, 57. Appointed January 1, 2026.

Career

Clare joined Goldman Sachs in New York in 1996 and was named a Partner in 2006. Over more than 25 years with the firm, she advised multinational corporations on M&A, IPOs and strategic transformations, developed its leading global water technology investment banking franchise and led coverage of diversified industrials across the Americas. She was also Chair of the Investment Banking Diversity Committee between 2010 and 2013. In 2011, Clare moved to London and became Head of EMEA Industrials, before being appointed Co-Head of Global Industrials Investment Banking, a role she held from 2013 to 2022. During this period, she also co-chaired the Firmwide Commitments Committee between 2017 and 2022. In 2022, Clare joined Smiths Group where she served as CFO and Executive Director until 2025.

Relevant skills and experience

Clare has extensive experience working with capital-intensive global industrial companies, accelerating growth and increasing value. She brings deep expertise in corporate finance, risk management and transformation, with experience spanning investment banking and executive leadership. She has advised and led complex global organisations through strategic change and has a strong international perspective, having worked across Europe, the Americas and Asia Pacific. Clare is financially literate and is highly skilled in governance and compliance. Her leadership capabilities, integrity and ability to provide constructive challenge make her a valuable contributor to board discussions.

External appointments

- Independent Non-executive Director of the Legrand Group



Abraham Schot
Independent Non-executive Director

Board Committee membership:
REMCO | SUSCO

Dutch, 64. Appointed October 1, 2020.

Career

Abraham ("Bram") joined Mercedes-Benz in the Netherlands in 1987 on an executive management programme and held several director and senior leadership roles within the company. From 2003 to 2006, he was President and CEO of DaimlerChrysler in the Netherlands. From 2006 to 2011, Bram was President and CEO of Daimler/Mercedes-Benz Italia & Holding S.p.A. From 2011 to 2016, Bram was a member of the Board of Volkswagen Commercial Vehicles and Executive Vice President responsible for Global Marketing, Sales & Services, New Business Models. In 2017, he became a member of the Board of Audi AG. Bram has been on the Board of Volkswagen AG, responsible for the Premium Car Group, CEO of Audi AG, Chair of Lamborghini and Ducati, responsible for the VW Group Commercial Operations and Vice-Chair of Porsche Holding Salzburg.

Relevant skills and experience

Bram has over 30 years' experience working in the automotive industry. He was part of the transformation journey at Audi AG, which saw the car company become a provider of electric vehicles that offered sustainable mobility. Bram is able to leverage this knowledge as Shell navigates its own journey through the energy transition.

Bram brings his high regard for integrity and compliance to board meetings. His studies have encompassed innovation and organisational effectiveness, geopolitical environments, shareholder value, corporate social responsibility and risk management, which are all valued management tools.

External appointments

- Non-executive Director of Signify N.V.
- Non-executive Director of Cognizant Technology Solutions Corporation
- Non-executive Director of Compagnie Financière Richemont SA



Leena Srivastava
Independent Non-executive Director

Board Committee membership:
SUSCO

Indian, 65. Appointed March 13, 2023.

Career

Leena has dedicated her career to sustainability research and policy matters, and has held positions on boards of scale. She was Deputy Director General for Science at the International Institute for Applied Systems Analysis. Prior to this, she was an Executive Director at The Energy and Resources Institute (TERI), a not-for-profit policy research organisation working on energy, environment and sustainable development, and then Vice Chancellor of the TERI School of Advanced Studies – a research university focused on sustainability education based in India. She has served on committees and organisations at international and national levels, including as energy and climate adviser for the United Nations and Member of the Advisory Committee at Future Earth.

Relevant skills and experience

Leena has been an independent board member of several Indian companies: Reliance Infrastructure Ltd, Bharti Infratel, Shree Cement Ltd, and Torrent Pharmaceuticals. Leena has served on sustainability advisory boards of multinational companies, such as The Coca-Cola Company, Caterpillar Inc. and Suez Environment. She recognises the challenges large organisations face in managing stakeholder priorities, including balancing business, government and societal needs, while pursuing a sustainability agenda. As a member of the Cement Sustainability Initiative of the World Business Council for Sustainable Development, she provided a pragmatic perspective on how to support the sector through its decarbonisation journey. She has a strong network of relationships in multiple global institutions focused on sustainability and an understanding of the issues the energy sector faces.

External appointments

- Member of the Independent Council of Climate Experts of Edelman
- Advisory board member of NAMTECH – a private technical education institute in India
- Advisory board member of Prowess Equity Funds - advisor on common advisory board for two funds



Cyrus Taraporevala
Independent Non-executive Director

Board Committee membership:
ARC | REMCO (Chair)

American, 59. Appointed March 2, 2023.

Career

Cyrus was President and Chief Executive Officer of State Street Global Advisors from 2017 to 2022. Cyrus has held numerous leadership roles in asset management including at Fidelity, BNY Mellon, Legg Mason and Citigroup. Cyrus was previously a partner at McKinsey & Company, based in New York and Copenhagen.

He serves on the boards of two non-profit organisations: The Trustees of Reservations, a Massachusetts-based conservation organisation, and GBH, a public media producer, distributor, broadcaster and content creator.

Relevant skills and experience

Cyrus brings a unique mix of strategic perspectives and business skills. He has significant experience in driving organic and inorganic growth, and company transformations. He is one of the most senior professionals in the asset management industry and has successfully led and grown global businesses of scale. He played a critical role in affirming State Street's reputation as both a stalwart and a pioneer within the sector. At times, Cyrus was helping to implement change amid market uncertainty caused by geopolitical tensions and an evolving regulatory environment.

Cyrus also possesses a unique vantage point on core board-related issues impacting public companies including sustainability. He has spoken about and published multiple articles on climate risk and other aspects of sustainability. He is credited with strengthening the sustainability credentials of State Street Global Advisors.

External appointments

- Non-executive Director of Bridgepoint Group plc
- Non-executive Director of Pfizer Inc.



Sean Ashley
Company Secretary

British, 54. Appointed July 1, 2024.

Career

Sean qualified as a solicitor in 1998 and joined Shell from private practice in 2006. Since then, he has held a variety of roles in the Shell Group, including leading the Shell Legal team on Shell's recommended combination with BG Group plc and a number of Associate General Counsel positions. Sean currently leads the Corporate Secretariat and the Group Disclosures and Securities Team in the UK, USA and the Netherlands.

Relevant skills and experience

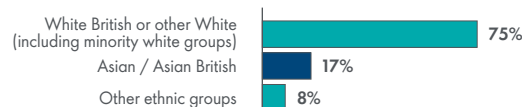
Sean is an experienced senior leader who has significant experience across a broad range of legal, regulatory, governance and compliance matters, including UK listed company securities and disclosure laws, UK corporate governance and reporting requirements and public company M&A.

Board diversity

Gender diversity



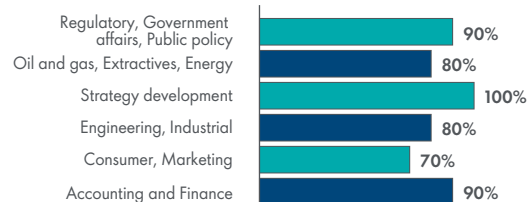
Ethnicity



Non-executive Director tenure (years)



Non-executive Director sector experience



The graphs above capture board diversity data as at December 31, 2025. For further information in relation to UK Listing Rule 6.6.6R(10) and (11), see "Other regulatory and statutory information" on page 210.

Director independence

All Non-executive Directors are considered by the Board to be independent in character and judgement. The Chair is not subject to the UK Corporate Governance Code's independence test other than on appointment.

Ethnic diversity

In line with the Parker Review recommendations, Shell aimed to achieve 15% ethnic minority group representation in Senior Management [A] by 2027, which has been achieved in advance of the target date. We will now aim to achieve 17% by 2027.

[A] Senior Management refers to senior leadership based in the UK, measured based on compensation grade, and aligned with our self-identification data collection and processes.

Attendance

The Board met 10 times during 2025. Five of the 10 meetings were held physically – one meeting in Australia, and four meetings in London, UK. Five meetings were held virtually. Attendance in 2025 for all Board meetings is given in the table [A].

Board member	Scheduled meetings attended	Ad-hoc meetings attended
Dick Boer	8/8	2/2
Neil Carson OBE [B]	8/8	1/2
Ann Godbehere	8/8	2/2
Sinead Gorman	8/8	2/2
Catherine J. Hughes	8/8	2/2
Jane H. Lute [C]	8/8	1/2
Sir Andrew Mackenzie	8/8	2/2
Sir Charles Roxburgh	8/8	2/2
Wael Sawan	8/8	2/2
Bram Schot [D]	7/8	1/2
Leena Srivastava	8/8	2/2
Cyrus Taraporevala	8/8	2/2

[A] For attendance at committee meetings during the year, please refer to individual committee reports.

[B] Neil Carson OBE was absent from the ad-hoc February 2025 Board meeting due to personal circumstances.

[C] Jane H. Lute was absent from the ad-hoc May 2025 Board meeting due to personal circumstances.

[D] Bram Schot was absent from the ad-hoc February 2025 and September 2025 Board meetings due to scheduled business commitments.

Executive Committee

The Executive Committee of the Company comprises the Executive Directors, Wael Sawan and Sinead Gorman, and those listed below (see "Governance Framework" on page 151).



Philippa Bounds
Chief Legal Officer

British, 55. Appointed July 1, 2023.

Career

Philippa joined Shell in 2005 after a decade of working at English and American law firms, specialising in structured finance.

She has held legal roles across Shell's businesses, including Senior Legal Counsel in Gas and Power and in Corporate, and Vice President in Projects & Technology and Upstream. She previously served as General Counsel for Trading and Supply. She has also lived and worked across Europe and Asia, broadening her global legal and regulatory experience. She has also held several advisory roles, including special adviser to the EU Commission's Director General Internal Markets on securities laws.



Peter Costello
President, Upstream

British, 60. Appointed April 1, 2025.

Career

Peter held geographically diverse senior roles across a range of BG Group's businesses, including President and Country Head, Kazakhstan. Following Shell's combination with BG Group, Peter joined Shell in 2016 as Vice President, Nigeria and Gabon. Prior to being appointed Executive Vice President, Conventional Oil and Gas in November 2021, he served as Senior Vice President, Conventional Oil and Gas.



Cederic Cremers
President, Integrated Gas

Dutch, 47. Appointed April 1, 2025.

Career

Cederic joined Shell's Retail business in 2002. Prior to being appointed Executive Vice President, Liquefied Natural Gas in August 2021, he held a variety of financial and business leadership roles across Shell's businesses. These roles include General Manager, Shell Chemicals Europe; Vice President, Commercial and New Business Development, Asia; and Executive Vice President and Country Chair, Russia.



Machteld de Haan
President, Downstream, Renewables and Energy Solutions

Dutch, 52. Appointed April 1, 2025.

Career

Machteld joined Shell in 1998 and has had several leadership and geographically diverse roles across the Downstream portfolio including Mobility, Strategy, Fleet Solutions, Lubricants and most recently Chemicals and Products. Prior to being appointed to lead Chemicals and Products, Machteld was Senior Vice President, Lubricants Americas, which included being the CEO of Pennzoil-Quaker State Company, and subsequently became Executive Vice President, Global Lubricants.



Andrew Smith
President, Trading and Supply

Australian, 61. Appointed April 1, 2025.

Career

Andrew joined Shell in 1986 as a refinery engineer and has worked across all of Shell's integrated value chains, including leading Shell's petrochemical manufacturing business in Singapore. He subsequently became Vice President, Downstream in Australia and then Executive Vice President, Upstream and Country Chair, where he led the expansion of Shell's Liquid Natural Gas and Onshore Gas businesses in Australia. Andrew was appointed Executive Vice President, Trading and Supply in 2017.



Rachel Solway
Chief Human Resources and Corporate Officer

British, 52. Appointed January 1, 2024.

Career

Rachel joined Shell in 1995 in Upstream in Aberdeen, Scotland. She has since held HR roles in manufacturing, LPG, lubricants and chemicals. In 2016, Rachel was appointed Executive Vice President HR Integrated Gas. She became the Executive Vice President HR Upstream in 2020 before being appointed interim Executive Vice President HR Organisation Development & Learning in May 2023.

Changes to the Executive Committee

Leavers (on March 31, 2025)

- Huibert Vigeveno (Downstream, Renewables and Energy Solutions Director)
- Zoë Yujnovich (Integrated Gas and Upstream Director)

Leaver (on February 28, 2026)

- Robin Mooldijk (Projects & Technology Director)

Joiners (on April 1, 2025)

- Machteld de Haan (President, Downstream, Renewables and Energy Solutions)
- Andrew Smith (President, Trading and Supply)
- Cederic Cremers (President, Integrated Gas)
- Peter Costello (President, Upstream)

As announced on March 4, 2025, with effect from April 1, 2025, leaders on the Executive Committee representing Integrated Gas; Upstream; Downstream, Renewables and Energy Solutions; Trading and Supply; and Projects & Technology, are each referred to as President of their respective organisations, rather than "Director". Functional leaders on the Executive Committee are referred to as Chief Officer of their respective functions. The changes to the Executive Committee structure were designed to support our strategy to deliver more value with less emissions, and as part of our ongoing transformation. Shell's financial reporting segments remain Integrated Gas; Upstream; Marketing; Chemicals and Products; Renewables and Energy Solutions; and Corporate.

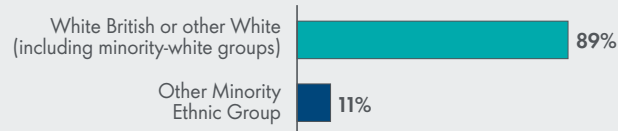
On January 20, 2026, Shell announced that significant progress had been made against the previously announced plan to integrate the technical divisions, which today make up the Projects & Technology organisation, into the business lines; and that as a result of the progress we have made, Robin Mooldijk, President, Projects & Technology will step down after 35 years of distinguished service with Shell, effective February 28, 2026. Following Robin's departure, Shell's Executive Committee has reduced in size from nine to eight members.

Executive Committee diversity [A]

Gender diversity



Ethnicity



[A] As at December 31, 2025.

Governance framework

Board of Directors

The Company has a single-tier Board of Directors headed by a Chair, with executive management led by the Chief Executive Officer (CEO). The names of the Directors who held office during the year can be found on pages 143-148. Information on the Directors who are seeking appointment or reappointment is included in the Notice of Annual General Meeting.

There is no fixed number of times that the Board may meet in one year. During 2025, the Board met 10 times (nine times during 2024) and, as detailed in the Strategic Report, including the Section 172 Statement and activities undertaken throughout the year, worked to promote the long-term success of the Company, generating value for shareholders and contributing to wider society. Further information on the Board's work and assessments in relation to strategy, culture, engagement with stakeholders, and its workforce can be found in this section.

- The Board's responsibilities are governed by a formal schedule of matters reserved to it and include:
- approval of overall strategy and oversight of management.
 - changes to the corporate and capital structure.
 - approval of financial reporting and controls, including interim dividends.
 - oversight of risk management and internal control.
 - approval of significant contracts.
 - determining succession planning and new Board appointments.
 - determining the remuneration policy for the Chair, CEO and Executive Directors and remuneration for Non-executive Directors.
 - corporate governance matters.

Board Committees

Audit and Risk Committee (ARC)	Sustainability Committee (SUSCO)
Nomination and Succession Committee (NOMCO)	Remuneration Committee (REMCO)

More information on the composition of each of the Board committees, their purpose, roles and activities during the year is provided on the following pages:

ARC	167-175	SUSCO	165-166
NOMCO	162-164	REMCO	176-182

Board of Directors continued**Division of responsibilities**

The roles of the Chair, a non-executive role, and the CEO are separate and clearly defined. The Board has agreed on their respective responsibilities and set these out in writing. These documents are available on request from the Company Secretary.

Chair

- Responsible for ensuring that the Board and its committees function effectively. One way in which this is achieved is by ensuring Directors receive accurate, timely and clear information.
- Responsible for making sure that there is an adequate induction and training programme followed by all Directors (see page 155), with assistance from the Company Secretary.

Deputy Chair/Senior Independent Director

- Sounding board for the Chair.
- Serves as an intermediary for the other Directors and shareholders.
- Leads the annual appraisal of the Chair's performance.

Non-executive Directors

- Appointed by the Board or by shareholders at general meetings and, in accordance with the Code, seek re-election by shareholders on an annual basis.
- Letters of appointment refer to a specific term of office in accordance with the provisions of the Code and the Company's Articles of Association.
- Upon appointment, Non-executive Directors confirm they are able to allocate sufficient time to meet the expectations of the role. Appointments are subject to a minimum of three months' notice of termination, and there is no compensation provision for early termination.
- The Non-executive Directors bring a wide range and balance of skills and international business experience. Through their contribution to the Board and Board committee meetings, respectively, they are expected to challenge and help develop proposals on strategy and bring independent judgement on issues of performance and risk.
- At every Board meeting, time is set aside for the Chair and Non-executive Directors to meet without the Executive Directors being present. The Non-executive Directors discuss, among other matters, the performance of individual Executive Directors. A number of Non-executive Directors also meet major shareholders over the course of the year.

Executive Management**Chief Executive Officer (CEO)**

- has overall responsibility for the implementation of the strategy approved by the Board, the operational management of the Company and the business enterprise connected with it.
- is supported in this by the EC that he chairs.

Executive Committee (EC)

- operates under the direction of the CEO in support of his responsibility for the overall management of Shell's business. The CEO has final authority in all matters of management that are not within the duties and authorities of the Board or of the shareholders' general meeting.
- members are listed in the Executive Committee biographies on pages 149-150.

Governance documents available on [shell.com/investors](https://www.shell.com/investors):

- Articles of Association
- Matters Reserved for the Board
- Board Committee Terms of Reference
- Modern Slavery Act Statement
- Shell General Business Principles
- Shell Code of Conduct
- Code of Ethics for Executive Directors and Senior Financial Officers

Board activities

The Board works to a yearly meeting plan with corresponding agendas and reading materials, provided digitally in advance of meetings, to support the Board in its oversight of the Group's operations and management. Standing agenda items include reports from the CEO, the CFO and the Chair of each Board committee. Other updates throughout the year come from various businesses and key functions, including Investor Relations; Health, Safety, Security and Environment; Information Technology; Human Resources; and Legal, as well as the Company Secretary. The Board also considers and approves the quarterly, half-year and full-year financial results; shareholder distributions and the associated announcements; investment, divestment and/or financing proposals; and tracks performance. In 2025, following EY non-compliance with independence rules related to audit partner rotation requirements, the Board considered and approved amended Form 20-Fs for the years ended December 31, 2023 and 2024 following consideration of the same by the Audit and Risk Committee. Additionally, the Board reviews the Group's annual Operating Plan, including activities undertaken designed to meet the Group's climate-related targets and ambition. To enable purposeful discussion and focus on particular aspects of agenda topics, including the impact on key stakeholders, Directors have an opportunity to specify information they require to be provided in advance of Board meetings.

During the year, where possible, Non-executive Directors conduct site visits. The visits are designed to provide them with a deeper insight into certain business operations.

See "Understanding and Engaging with our Stakeholders" on pages 156-157 and "Workforce Engagement" on pages 158-159.

Some of the activities and areas of Board focus over the year are summarised in the table below. The information in the table is not exhaustive. Information on other topics discussed by the Board and details of the resulting decisions are covered elsewhere, primarily in the Section 172 statement provided earlier in this report on pages 136-139. In some cases, a brief outline has been provided in the table, and page references are provided for additional information.

Board offsite

Each June, the Board and Executive Committee (EC) participate in a three-day programme, known as the "Board offsite", which takes place in a priority country setting and serves to improve Board effectiveness and strategic decision-making. The 2025 Board offsite was held in person in Australia over three days. The event sought to deliver insights into business strategy and operations. It also incorporated a visit to strategic assets and facilitated dialogue with the Australia country chair, employees, contractors and external stakeholders, including customers and suppliers.

Australia is an important heartland for Shell. The Board and EC members conducted a deep dive into each of Shell's businesses in the country. Around this theme, the event provided for the following key discussion and engagement opportunities:

- visits to the QGC upstream assets and the QGC LNG facility on Curtis Island;
- engagements with staff; and
- discussions with global energy-geopolitical experts.

Topic	Discussion/activity/updates included	Examples of outcome/progress	Stakeholders considered
Board leadership and company purpose			
External business environment	◦ Received updates on and discussed regional geopolitical issues and market outlook.	◦ Provided opportunity to ask questions on updates on geopolitical issues and market outlook. ◦ Considered feedback from investor community on quarterly financial performance, including business segment results.	A, B, C, D, E, F, G
Strategy	◦ Reviewed and discussed the materials and proposed communication for Capital Markets Day 2025 (CMD25). ◦ Reviewed and discussed progress against Energy Transition Strategy 2024 (ETS24). ◦ Reviewed and discussed strategy including management recommendations. ◦ Directors participated in Board offsite strategy sessions. ◦ Reviewed and discussed the Group's annual Operating Plan for 2026–2028 (OP25). ◦ Received metrics demonstrating Shell's delivery of CMD25 targets.	◦ CMD25 narrative and messaging approved and announced in March 2025. ◦ Alignment on outcomes from Board offsite strategy sessions. ◦ Received an overview of the business, divestments, projected investments and opportunities. ◦ Approved OP25.	A, B, C, D, E, F, G
Climate	◦ Reaffirmed climate-related targets and ambition from ETS24 in CMD25. ◦ Discussed and engaged with various stakeholders on Shell's performance against ETS24. ◦ Considered shareholder proposed resolution for the 2025 AGM. ◦ Considered how carbon credits, divestments and potential investment opportunities contributed to meeting Shell's climate-related targets and ambition. ◦ Considered the nature and extent of the broader climate change and energy transition risk across Board proposals and further considered the potential influence on the delivery of Shell's climate-related targets and ambition.	◦ Discussed and engaged with various stakeholders on the development of CMD25 and consistency with ETS24. ◦ Agreed to compile existing and new disclosures into a note on our website related to LNG before Shell's 2026 AGM. (Please see "Understanding and Engaging our Stakeholders" on pages 156-157). ◦ Tracking alignment of divestment and investment opportunities with Shell's carbon targets and ambition.	A, B, C, D, E, F, G

A – investor community B – employees/workforce/pensioners C – regulators/governments D – NGOs/civil society stakeholders/academia/think tanks
E – communities F – customers G – suppliers/strategic partners

Topic	Discussion/activity/updates included	Examples of outcome/progress	Stakeholders considered
Culture			
Shell People Survey (2025 results)	In December 2025, the Board reviewed the results of the 2025 Shell People Survey.	Having recognised that the 2025 Shell People Survey results were an indicator of the organisation's health, the Board reflected on the role of people and culture in Shell's transformation.	B
Staff updates	- Received updates from management and Board Committees on organisational changes. - Engagement through various sources such as Shell People Survey results, talent information, People and Culture risk dashboard, Chief Ethics and Compliance Officer Report, cultural information embedded in investment proposals.	- The Board was kept informed of health, safety and the environment with regard to Shell's staff and activities. - The Board considered the impact of the organisational changes during the year and steps to address Shell People Survey results.	B
Board staff engagements	- Directors participated in in-person staff engagements on site visits and in London. - Received updates from management on staff achievements and outstanding contributions made by our people.	- Gained first-hand insight into the development and culture of operations and maintenance teams, as well as staff perspectives on other matters of interest to our people. - Received practical examples of ways in which staff members were exhibiting Shell's core values and contributing to society. - In addition to the Board offsite in Australia in June 2025, the Board participated in a lunch with staff in London in September 2025.	B
Audit, risk and internal control			
Safety and environment	- Received regular updates from management on safety and environment performance. - Throughout the year, Directors shared reflections and insights on topics related to core values and safety. - Received regular updates from the SUSCO, including engagement with stakeholders.	- Provided with commentary and examples of how safety continues to be upheld as important by staff. - Gained perspective and brought diversity of thought to Board discussions by using learnings and insight gained outside Shell. - Provided with insights into the views and priorities of NGOs, communities and other stakeholders.	B, D, E, F, G
Risk management and internal control	- Reviewed reports on Shell's top risks, external and internal trends and emerging risks. - Provided regular updates on potential impact of external risk factors including geopolitical risk in the Middle East and cyber incidents. - Considered readiness for compliance with the new Provision 29 of the 2024 UK Corporate Governance Code.	- Considered the effectiveness of the risk management and internal control framework. - Received regular updates on Shell's top risks, as well as several risk deep dives (including with respect to cybersecurity), and continued discussions on the risk appetite for these risks. - Received reports on the performance of the Group's cyber defences. - Reflected on progress regarding risk management and controls, pace of and inherent risks to the digital transformation strategy, and enhancements to management of climate risk and disclosures.	A, E, F
Auditor appointments	As part of the 2026 external audit tender, received recommendation on appointment of external auditors for financial year 2027.	- Reappointment of external auditors submitted to shareholders for approval at the 2026 AGM. - Approved ARC recommendation for external auditors appointment for the financial year commencing January 1, 2027.	A, C
Composition, succession and evaluation			
Succession planning	Received recommendations from the NOMCO regarding succession plans and Board and committee composition.	- Kept regularly informed about succession planning arrangements. - Approved a recommendation from NOMCO that each Non-executive Director continues to be considered independent. - Please see the "Nomination and Succession Committee" section for further details.	A, B, D, E
Board and committee effectiveness reviews	Engaged a third party to undertake an assessment of the performance of the Board, its Committees and the Chair.	- Concluded that throughout the year, the Board, its committees and the Chair continued to operate effectively. - Please refer to the "Board Performance Review" section for further details.	A, B, D, E, F, G

A – investor community B – employees/workforce/pensioners C – regulators/governments D – NGOs/civil society stakeholders/academia/think tanks
E – communities F – customers G – suppliers/strategic partners

Topic	Discussion/activity/updates included	Examples of outcome/progress	Stakeholders considered
Composition, succession and evaluation continued			
Board membership, other appointments	Reviewed Directors' tenure, external commitments, conflicts of interests, composition/membership of Board committees and appointments.	- Approved committee membership change, approach to conflicts of interest and appointments to the Board, following recommendations made by the NOMCO. - Approved a renewal of the Directors' terms and tenure, where relevant. - Please see the "Nomination and Succession Committee" section for further details. - Approved the appointment of two new Non-executive Directors.	A, B, D, E
Talent overview and senior succession review	Received updates on senior succession strategy.	Enhanced insight into Shell talent and future leaders, assurance of robust succession and contingency plans.	B
Remuneration			
Remuneration and reward matters	Oversight of matters reviewed and considered by the REMCO.	Received regulatory, political and investor insights and updates relating to reward matters.	A, B, C
Governance matters			
Governance	- Provided with emerging corporate governance developments and updates relating to ethics and compliance matters. - Reviewed the Modern Slavery Act Statement and assurance, and considered other regulatory and legislative requirements. - Reviewed Matters Reserved for the Board and Board committee Terms of Reference.	- Considered the impact of the 2024 UK Corporate Governance Code, including the new Provision 29 requirements. - Approved a single Group Modern Slavery Act Statement. - Approved updates to the committee Terms of Reference, including changes to the SUSCO's duties.	A, B, C, D, E, F
Ethics and Compliance	- Reviewed the Chief Ethics and Compliance Officer's annual report. - Received the proposal to refresh the Code of Conduct.	- Ethics and compliance remain at the forefront in Board considerations and decision-making. - Approved the refreshed Code of Conduct and for it to take effect in the first quarter of 2026.	A, B, C, D, E, F

A – investor community B – employees/workforce/pensioners C – regulators/governments D – NGOs/civil society stakeholders/academia/think tanks
E – communities F – customers G – suppliers/strategic partners

Director induction and training

Following appointment, Directors receive a tailored induction programme. This includes meetings with members of the Executive Committee and relevant senior leaders (including key risk owners) and, where appropriate, site visits, to support a detailed understanding of Shell's strategy, operations and principal risks. Induction is phased and prioritised to align with forthcoming Board and committee agenda items. New Non-executive Directors are provided with a digital onboarding book, which complements the digital Directors' Handbook and includes key background materials, business overviews and links to Shell's core values and relevant external publications (e.g. CMD25 and Shell Scenarios).

All Directors receive ongoing briefings and development throughout the year to maintain knowledge of the business, risk environment and relevant governance and regulatory developments.

Understanding and engaging with our stakeholders

The Board values and recognises the importance of engagement with our stakeholders. Time is dedicated to listening to different stakeholder views and our commitment to stakeholder engagement is built upon the understanding that knowledge sharing, widening of experiences, learning and adapting will help us achieve our commercial, environmental and social objectives. The Board remains grateful for the engagement opportunities it has had, including the 2025 AGM.

The Directors have continued to consider stakeholders' views in Board discussions and decision-making, as described on pages 136-139. Engagement with our stakeholders also goes beyond the Board and is continuous. Our broader businesses regularly engage with stakeholders throughout the year and in the build-up to or during many Shell projects, activities, acquisitions and divestments. This engagement is often governed by formulated policies, control frameworks, regulation and legislation. It may differ by region.

Site visits

The Chair, certain Board committees and small groups of Non-executive Directors traditionally visit several Shell operations and overseas offices in a given calendar year. The objective of these visits is to provide the Directors with local context and deepen their understanding in the following ways, where relevant:

- provide insights into asset operations and portfolio positions;
- opportunity to engage directly with stakeholders, including staff, business partners, communities;
- improve the Board's oversight of top risks; and
- opportunity to assess the Company's culture first-hand.

Visits provide a good opportunity for Board members to engage with each other. For further information in relation to site visits, see "Board Activities" on pages 153-155.

Shareholders

The Chair, the Deputy Chair, the CEO, the CFO and the Executive Vice President Corporate Strategy, Planning and Investor Relations each meet regularly with major shareholders and report the views of such shareholders to the Board. Committee chairs also seek engagement with shareholders on significant matters related to their areas of responsibility. During the year, Sir Andrew Mackenzie, in his capacity as Chair, met with more than 30 major shareholders, including during four days of roadshows. A variety of topics were discussed with the Chair, including performance, capital discipline and the simplification of Shell; Shell's LNG business, governance and Board priorities; and the Company's role in the energy transition. The REMCO Chair also met with more than 30 shareholders, including during four days of roadshows. In the early part of the year, key topics were 2024 pay outcomes and implementation of the shareholder-approved Remuneration Policy for 2025. Further meetings were held in the autumn with respect to the proposed Remuneration Policy for which shareholder approval will be sought at the 2026 AGM.

Shareholders can contact Shell directly via the "Contact us" section of the Shell website. This allows investors' questions to be directed to the appropriate Shell team that can assist. The Shell website also provides contact details for our Registrar, Equiniti, shareholder queries, our media team, requests for copies of the Annual Report and Accounts, and general customer enquiries.

The Company's Registrar operates an internet access facility for registered shareholders, providing details of their shareholdings. Facilities are also provided for shareholders to lodge proxy appointments electronically. The Corporate Nominee service, facilitated by Equiniti, provides a facility for investors to hold their shares in the Company in paperless form.

Shareholder engagement on AGM resolutions

At the 2025 AGM, shareholders voted on a shareholder resolution (Resolution 22) submitted by the Australasian Centre for Corporate Responsibility. Resolution 22 urged Shell to: "disclose whether and how its: (i) demand forecast for liquefied natural gas (LNG); (ii) LNG production and sales targets; and (iii) new capital expenditure in natural gas assets; are consistent with its climate commitments, including its target to reach net-zero emissions by 2050". Resolution 22 further requested that "such disclosures be made no later than the 2026 AGM and include the criteria, data sources, methodologies and assumptions used to underpin these claims with reasonable detail, without disclosing any specific matters which are commercially sensitive". The Directors considered Resolution 22 to be against good governance and neither in the best interests of the Company nor those of its shareholders. Resolution 22 received support from 20.6% of shareholders who voted.

In 2025, the Chair, CEO and CFO hosted meetings with some of our large shareholders. These meetings covered many topics. We recognise and value the importance of stakeholder engagement when considering progress against our climate-related targets and ambition. The Board is grateful for the time and contribution of all those stakeholders who provided feedback, and for the overall indications of support for Shell's strategy.

Following the AGM, we engaged with our largest shareholders offering further opportunities to discuss Shell's strategy regarding LNG and to understand the reasons behind various voting decisions. The Chair of the Board subsequently had an opportunity to engage directly with our large institutional shareholders during his roadshow in October 2025. These discussions raised questions related to our LNG disclosures, future potential financial risks associated with our LNG portfolio, and questions related to our intention to grow the LNG portfolio while having a target to become a net-zero emissions energy business by 2050. We continued to engage with our shareholders and, in March 2026, intend to publish a note on our website compiling existing and new disclosures related to the LNG market, Shell's LNG business and how we believe our LNG business reconciles with our broader strategy.

Engagements in 2025

Information on engagements the Board has held during the year is summarised below. Information on engagement with other stakeholders including the workforce is provided on pages 158-159. The way in which stakeholder interests were considered in principal decision-making by the Board in 2025 (Section 172 statement) can be found on pages 136-139.

Engagement before event	Event/activity	Director attendance	Outcome/insight
Remuneration roadshows			
Engagement was undertaken before the meetings so that the Directors were provided with understanding and insight on particular topics of interest.	In April 2025, Neil Carson, Chair of the REMCO, presented the 2024 remuneration outcomes and then 2025 remuneration plans to investors. In October 2025, Cyrus Taraporevala, Chair of the REMCO, presented proposed changes to the Remuneration Policy. The presentations included summaries on: - reflections on the Company's financial performance, portfolio and strategic delivery; 2024 remuneration outcome; and - forward-looking agenda, including the proposed 2026 Directors' Remuneration Policy and change of Committee Chair.	REMCO Chair	Shareholders were provided with context and an explanation of the REMCO deliberations in arriving at the 2024 pay outcomes and setting the pay framework for 2025. They were also introduced to potential changes to the Remuneration Policy and had the opportunity to ask questions and provide feedback.
Capital Markets Day 2025			
Directors engaged with investors during the event.	This engagement took place in March 2025 in New York with investors. It outlined the next steps in Shell's strategy to deliver more value with less emissions.	CEO and CFO	Investors had opportunities to ask questions during the event and many follow-up meetings were held with the CEO, CFO and Investor Relations.
2025 AGM			
Directors engaged with investors ahead of the event on a number of matters, including those being voted on at the AGM.	As well as the Company giving a balanced report of results and progress at the AGM, shareholders had an opportunity to ask questions in person, via the digital AGM platform, telephone, or submit questions via the Q&A desk outside of the auditorium. Board members also engaged with shareholders inside the auditorium following completion of the formal business of the AGM.	Board	A number of additional engagements including follow-up meetings and answering of queries.
Chair roadshow			
The Chair of the Board engaged with more than 30 large institutional investors during two roadshows in April and October 2025.	The Chair of the Board provided an update on the strategy, performance and governance of Shell and gave investors opportunities to ask questions. Key topics included performance, capital discipline and simplification of Shell; Shell's LNG business, governance and Board priorities; and the Company's role in the energy transition.	Chair	Provided the Chair with an opportunity to listen to key institutional shareholders and to provide Board perspective on topics such as governance, energy transition, business and management performance.
Director visits			
Discussions were held with the respective Directors ahead of the visit to formulate the agenda and encourage a natural, open dialogue in the group sessions.	In June 2025, the Board and Executive Committee visited Australia. More information on this visit can be found on page 153. In October 2025, the Chair visited China to deliver an energy lecture to Tsinghua University School of Economics and Management, participate in the School of Economics and Management's Advisory Board, and engage with Shell China staff. More information on these visits can be found on page 158.	Directors	The Board gained an insight into the development and culture of the operations and maintenance teams. The use and impact of digitalisation tools were highlighted, and the future environmental capabilities of the sites were discussed.

Workforce engagement

As with all the UK Corporate Governance Code's provisions, boards must consider the size and structure of their business, including its international scope, and select an approach to engaging with the workforce that most practically delivers the underlying spirit and ambition of the Code.

The Code states that its use of the term "workforce" is not meant to align with legal definitions of workforce, employee, worker or similar terms. But for a global organisation bound by the laws of more than 70 countries, blurring the clearly prescribed legal definitions that affect complex issues (such as local health, safety, security and environment (HSSE) requirements, work contract terms, legal accountability, employment rights) or merging two definitions of the same term could have a notable impact on the business, its operations and its stakeholder relationships (including with suppliers). As a result, Shell considers its workforce to be employees of companies in the Shell Group. The Board also engages with others outside this group (for example, on site visits), and some of this engagement is shared on page 156.

Although our reporting and formal engagement focuses predominantly on our employees, all individuals working on Shell sites (including Shell offices) are required to undertake certain Shell training (for example, on matters relating to HSSE and the Code of Conduct). Adhering to the Life-Saving Rules and the Code of Conduct compliance obligations is included within our contracts with suppliers. In January 2026, we introduced the refreshed Code of Conduct which gives greater emphasis to the behaviours we expect from everyone who works for Shell. (See page 123 for further information). Shell employees, contractors and third parties with whom Shell has a business relationship can report any potential breaches of the Code of Conduct confidentially through several channels, including anonymously through the Shell Global Helpline operated by an independent provider.

For many years, Shell has recognised the importance of engaging with its workforce. Engagement is especially important in maintaining strong business delivery in volatile times of change. We strive to maintain a dialogue between management and our workforce – both directly and, where appropriate, through engagements with union and employee representatives at asset and country level, as well as with the Shell European Works Council. Management regularly engages with the workforce through elected employee representatives and a range of formal and informal channels. These channels include webcasts and all-employee messages from the Chief Executive Officer (CEO) and other senior leaders, as well as town halls, team meetings, site visits by the Board and EC, internal social platforms and online publications via our intranet.

The Board considers effective engagement a key element of its understanding of the Company's ability to create value, because it recognises that our people are our greatest asset. Workforce views can help inform the Board on matters such as operational effectiveness, Shell culture, diversity, equity and inclusion, identifying risk and opportunity, and developing and delivering strategy. We believe these engagements enable Shell to maintain a constructive employee and industrial relations environment.

The Board considers the current workforce engagement approach to be effective, and feedback from employees indicates that they too find the interactions valuable and worthwhile. The information provided in the following table gives examples of various methods of Board engagement.

Board's direct engagements with the workforce

Informal engagement – Board

NOMCO and Board members met with various senior leaders and high-potential individuals throughout the year.

Offsite visits

Workforce engagements during Board and/or meetings offsite.

Meeting talent/leadership teams.

The Chair undertaking staff engagement sessions.

Through these more formal engagements, the Chair and other Non-executive Directors (either individually or in groups) have deepened their understanding of how the Company's purpose, strategy and values are embedded in particular businesses, sites and countries. This continues to give insight into progress made, risks and opportunities. The benefits are mutual. The Board obtains direct insight into local business operations and projects, and local strengths and challenges. Our people have a chance to better understand the Board and to provide direct feedback on topics of importance to them, their business or function and their location.

Shell Australia

The Board and Executive Committee (EC) visited Australia in June 2025 for their annual offsite and Board meeting. Over the course of three days, the Board and EC engaged directly with around 200 members of the workforce. Interactions took place during briefings on Shell's lines of business in Australia, on site visits to the QGC Upstream and Midstream sites in Queensland, and during staff lunches and a dinner. The Chair and CEO also participated in a Shell Australia all-staff townhall, attended by approximately 400 staff in person and virtually.

Shell China

In October 2025, the Chair visited China to deliver an energy lecture to Tsinghua University School of Economics and Management, participate in the School of Economics and Management's Advisory Board, and engage with Shell China staff.

Shell Netherlands

In December 2025, the Chair visited the Netherlands over a two-day period to engage with staff. This included a staff engagement, moderated by the Country Chair; an informal discussion with approximately 10 members of the Shell Netherlands leadership team, and a dinner with members of the Shell Netherlands leadership team. While in the Netherlands, the Chair met with five investors.

Shell UK

In April 2025, the Chair met with a group of UK employees for a fireside chat with respect to the energy transition. In September 2025, the Board met with staff to discuss diversity, equity and inclusion initiatives and reflect on race and ethnicity inclusion across the organisation.

Formal reports and information updates to the Board

Shell People Survey

Through the results of the Shell People Survey (an anonymous survey, facilitated externally), the Board was provided with an update on employee engagement levels, and the quality and resilience of leadership across Shell's workforce. The Board was informed of a broad range of subjects, including principal metrics, with particular focus on rewards, working conditions, workload and reputation.

The Board considers the Shell People Survey to be one of its key tools for measuring employee engagement, motivation, affiliation and commitment to Shell. It provides insights into employee views and has a consistently high response rate. In 2025, the response rate was 85% (2024: 86%). The Board also considers this engagement to understand, for example, how Shell is using the survey outcomes in: (i) data analytics, for example, to identify potential correlative relationships between employee engagement and safety or ethics and compliance incidents; and (ii) strengthening Company culture and values. See also the "Our people" section on page 116.

Senior Succession and Resourcing Review

The annual Senior Succession and Resourcing Review focused on the strength of senior leadership and plans for its development and succession, while highlighting the breadth, depth and diversity of its pipeline, the developing profile of the leadership cadre, and recruitment and attrition levels.

The Senior Succession and Resourcing Review also highlighted the effectiveness of succession planning, the impact of its associated execution, and the data-driven, integrated approach to leadership and leadership development. The review continues to focus on proactive management of Shell's talent pipeline, and on advancing Shell's diversity agenda with increased attention on gender, race and ethnicity, LGBT+ and disabilities.

Assessment of key trends and material incidents

Presented by the Chief Ethics and Compliance Officer. This is based on the established channels for staff and others to file complaints or report on suspected breaches in relation to the Shell General Business Principles (SGBP), the Code of Conduct or any breaches of laws or regulations, including accounting control and auditing concerns.

The assessment covers Shell employees and our wider stakeholder base. The Board (also via the ARC) obtains insight into incidents and reporting levels and remediation. These provide indicators of conduct risks and, together with the related Board reports noted below, suggest the strength of embedding and awareness of the Code of Conduct and SGBP obligations and employees' comfort levels in raising incidents.

Risks

The Board reviewed reports on Shell's top risks, external and internal trends and emerging risks.

Organisational culture

The Board has continued its discussion on the strategy, including our values. The Board also focused on diversity, equity and inclusion ambitions.

Chief Ethics and Compliance Officer Report

Data and insights include information from the Shell Global Helpline, the Shell Ethics and Compliance organisation and the Shell People Survey.

The ARC is kept updated when matters highlighted through the Shell Global Helpline are investigated. The ARC is also informed about the associated remediation. See "Audit and Risk Committee Report" on page 167-175.

Assurance activities

Assurance activities, including items raised by businesses and functions (through the Group Assurance Letters process) and assurance (from Internal Audit, HSSE, Ethics and Compliance, Reserves Assurance and Reporting, Financial and Non-Financial Reporting), provide additional evidence to the Board of the commitment to high standards of risk management and internal control. The assurance activities ensure that work can be done safely, within regulatory frameworks.

The information provided within these reports further supports the Board's annual review of the effectiveness of the Group's risk management and internal control framework, and feeds into the Group scorecard, against which staff bonuses are calculated.

Other (including HSSE)

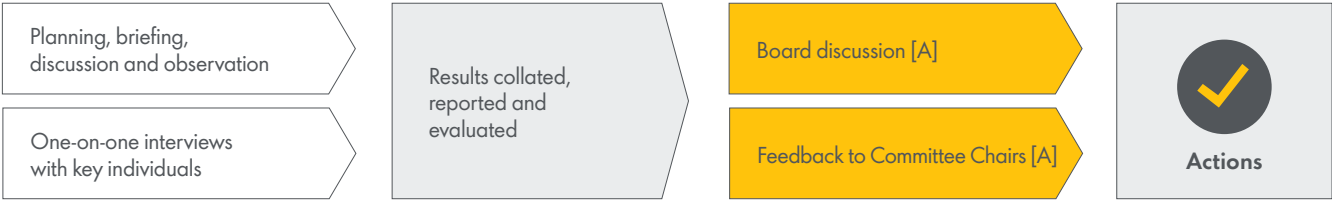
Significant HSSE, Ethics and Compliance, and, more broadly, business control incidents are brought to the attention of senior management, the Board, and, as appropriate, the Board Committees, through regular reporting.

During these discussions, the Board seeks to learn more from incidents and ensure that the business continues to drive safety performance.

Board Performance Review

Process

Note: The below activities were undertaken by Jan Hall of No.4.
[A] Jan Hall also attended the Board discussion, during which feedback was also provided to Committee Chairs.



Board performance review process

As required by the UK Corporate Governance Code every three years, the 2025 Board performance review (the 2025 Review) was conducted differently from the reviews undertaken in 2024 and 2023. The 2025 Review comprised an externally facilitated performance review by an external provider, Jan Hall of No 4, through one-on-one interviews with the Board members and key individuals, as opposed to the questionnaire approach used in 2024 and 2023. Having reflected on progress made in recent years, the Nomination and Succession Committee concluded that appointing Jan Hall provided an opportunity to reflect and further build upon improvements made since the last externally facilitated review in 2022 (the 2022 Review), which was also undertaken by Jan Hall. Jan Hall and No 4 have no connection or relationship to the Company or to any Director.

Planning for the Review

The 2025 Review process started with briefing meetings where Jan Hall met the Chair, CEO, Chief Human Resources & Corporate Officer (CHRCO) and Company Secretary. These meetings helped Jan Hall further understand the Board and how its effectiveness has developed since the 2022 Review. Jan Hall then formulated a comprehensive brief for the 2025 Review process and prepared a discussion guideline which formed the basis of her one-on-one meetings. The discussion guideline was sent to the individuals participating in the 2025 Review ahead of her meetings with them.

Discussion and Observation (Stage 1)

In January 2026, detailed interviews were conducted with every Board member, the Company Secretary, External Audit partner, and three members of the Executive Committee (EC) on an open, confidential and unattributed basis. Jan Hall observed Board and Committee meetings, and reviewed the materials presented to Directors ahead of these meetings.

Analysis (Stage 2)

An outline draft report synthesising and summarising feedback from the input, and making recommendations was prepared and shared with the Chair, CEO, CHRCO and Company Secretary for comment ahead of the Board discussion referred to below.

Outcomes (Stage 3)

Jan Hall facilitated a discussion of the main themes and findings of the 2025 Review with the Board at a meeting held in February 2026. Jan Hall separately discussed the 2025 Review outcomes on the Chair's performance with the Senior Independent Director (SID), who then led a separate discussion with the Non-executive Directors (in the absence of the Chair) before the SID met with the Chair to provide him feedback on both the 2025 Review and the discussions with the Non-executive Directors. Subsequently, Jan Hall updated and concluded her report which was then shared with, and approved by, the Board in February 2026.

Overall, the Board was found to have improved and evolved significantly over the last three years in terms of its focus and effectiveness and has moved its processes in line with the business, with simpler agendas, run with discipline. Risk management is sharper. The Non-executive Directors and the Executive Directors have very good relationships, and together the Board deeply embraces the strategic challenges ahead. Further improvements identified were merely to fine-tune an already effective Board.

The Committees were considered to be well chaired and operated, with minor opportunities identified for improvement.

Chair Evaluation

The SID communicated feedback to the Chair. The Chair was regarded as an exceptional Chair who has driven significant change in the effectiveness of the Board, who is deeply committed and adds considerable value for Shell. He cares deeply about people, is well respected and has maintained strong relationships with Executive and Non-executive Directors. His clear communication, openness and desire to bring all voices into discussions continues to be valued across the Board.

Delivery against the 2025 ambitions

The Board focused on Capital Markets Day 2025 (CMD25), which took place on March 25, 2025, as well as longer-term strategy, and received regular updates on the progress made against the Group's targets and ambition. Non-executive Directors frequently engaged with EC members outside the formal Board setting, for example during the Board offsite in Australia and over dedicated lunch engagements organised for EC and Board members on Board Committee days. The Board received presentations from external speakers as part of the offsite programme.

Planned enhancements for 2026

The following were identified as areas of focus for 2026: (i) continue support for the drive for performance, discipline, focus, simplicity, and faster and more effective decision-making throughout Shell; (ii) maintain focus on strategic choices for Shell, particularly for the medium to longer term; (iii) further enhance the Board's ways of workings and governance, including by continued use of small group virtual workshops and further enhance the informal Board and EC interface outside the Board room; and (iv) sharpen focus on technology and AI, including in the Board environment. Reflecting on and in support of the above, a further review on Board effectiveness and dynamics is proposed for around the September 2026 Board meeting.

Statement of compliance with the UK Corporate Governance Code

The Board confirms that, throughout the year, the Company has applied the principles, both in spirit and in form, and complied with the provisions set out in the 2024 UK Corporate Governance Code issued by the Financial Reporting Council (FRC) (the Code) in January 2024, with the exception of Provision 5 noted below. A copy of the Code can be found on the FRC's website: [frc.org.uk](https://www.frc.org.uk). Information regarding readiness for compliance with the new Provision 29 of the Code which applies to financial years beginning on, or after, January 1, 2026 is provided in "Other regulatory and statutory information" on page 213.

Shell's governance arrangements have been considered alongside the Code. The information set out in the Directors' Report, including the Board committee reports on pages 162-182, is intended to provide an explanation of how the Code's principles were applied practically throughout the year. We also provide clear and meaningful explanation below where we believe stakeholders may benefit from more specific information on a particular Code provision.

Workforce engagement (Provision 5)

The size and diversity of our employee base and wider workforce have complicated the feasibility of implementing any of the three specific workforce engagement methods recommended in the Code. The Board believes that its current approach to workforce engagement continues to be pragmatic and effective, particularly when considered against the required coverage needed for a global organisation, such as Shell. Elsewhere in this Annual Report, we explain how our people are essential to the successful delivery of the Shell strategy, and how the Board recognises the importance of understanding their views through engagement. During the year, the Board conducted a site visit in Australia, which enabled Board members to engage with part of the workforce and gain insight into the work, culture and impact of Shell in the local community. During this engagement, there were opportunities for the Board to speak with stakeholders and obtain feedback. In September 2025, the Board met with staff to discuss diversity, equity and inclusion initiatives and reflect on race and ethnicity inclusion across the organisation. The Board intends to keep the effectiveness of such engagements under review. Stakeholder engagement also continues to be enhanced in management reporting.

More information on the current approach and a description of the channels used by the Board, its committees and the Executive Committee are outlined in "Workforce engagement" on pages 158-159.

AGM voting (Provision 4)

At the 2025 AGM, 79.44% of votes cast were against a shareholder resolution, further details of which are set out in "Understanding and Engaging with our stakeholders" on page 156. Provision 4 of the Code requires certain actions to be undertaken if 20% or more of shareholders vote in a way which is different to what the Board recommended. There are three stages to these actions. First, explain when announcing the voting results what actions the Company intends to take to consult shareholders to understand the reasons behind the voting result. Shell included this explanation with its voting results, published on May 20, 2025. Second, an update on the engagement with shareholders should be published no later than six months after the shareholder meeting. This statement was added to the Shell website on October 31, 2025. Third, a final summary of the engagement and the actions taken should be included within the Annual Report. This information is provided on page 156.

Corporate governance requirements outside the UK

In addition to complying with applicable corporate governance requirements in the UK, the Company complies with the rules of Euronext Amsterdam and Dutch securities laws because of its listing on that exchange. The Company, likewise, adheres to US securities laws and the New York Stock Exchange (NYSE) rules and regulations because its securities are registered in the USA and listed on the NYSE.

Nomination and Succession Committee

Focus areas for 2025

- Non-executive Director and Executive Committee succession.
- Externally facilitated 2025 Board performance review.
- Talent engagements with key staff and succession candidates.

Priorities for 2026

- Non-executive Director and Executive Committee succession.
- Talent engagements with key staff and succession candidates.
- Board effectiveness and dynamics review.



Sir Andrew Mackenzie
Chair of the Nomination and Succession Committee

Committee membership



Sir Andrew Mackenzie



Dick Boer



Ann Godbehere

Attendance during 2025

Committee member	Member since	Meetings attended	% of meetings attended
Sir Andrew Mackenzie (Chair of the Committee)	October 1, 2020	4/4	100%
Dick Boer	May 19, 2021	4/4	100%
Ann Godbehere	October 27, 2021	4/4	100%

Purpose

The Nomination and Succession Committee (NOMCO) leads the process for appointments to the Board and Senior Management [A] positions, ensures plans are in place for orderly, well-planned succession and oversees the development of a diverse succession pipeline of candidates. It also reviews the Company's policy, targets and strategy on diversity, equity and inclusion (DE&I), and monitors the effectiveness of these initiatives. It makes recommendations to the Board on corporate governance guidelines, as referred to in the Chair's introduction.

[A] In this section of the report, "Senior Management" refers to the Executive Committee and the Company Secretary, as defined by the UK Corporate Governance Code unless stated otherwise.

Talent management and succession

The NOMCO is fully engaged with the end-to-end talent management and senior succession planning approach that is deployed within Shell. It plays a key role in senior succession and resourcing. Retaining in-depth knowledge of the individuals within the talent pipeline is a NOMCO priority. The NOMCO makes time to personally meet and engage with numerous individuals within the pipeline. The NOMCO's oversight and input extend from recruitment to leadership identification and from leadership development to leadership appointment, all of which are underpinned by clearly articulated talent priorities and a commitment to advancing DE&I across Shell.

The NOMCO manages appointments to the Board and supports Senior Management succession under a structured, proactive methodology. The processes have clear and agreed selection principles for short-, medium- and long-term succession and are aligned with Shell's strategic priorities.

For Non-executive Director succession, the NOMCO continues to follow the Board Composition Principles, adding factors as they evolve. These principles include both quantitative and qualitative principles, considering:

- the overall aspired Board composition and diversity of age; gender; race; ethnicity; educational, social, geographical and professional backgrounds; skills; knowledge; and experience that align with the Company's strategy including, among other criteria, consideration of the skills and strengths needed for the energy transition; and
- the values and behaviours expected of Directors.

During the year, the Board Composition Principles were reviewed and updated. The NOMCO also focused on the future needs for the Board's composition, including size and tenure, skills and experience, and the DE&I requirements of the UK Listing Rules, FTSE Women Leaders Review and the Parker Review. The current size and composition of the Board was considered to be appropriate, also taking account of Committee memberships and the Board and Committee changes announced on December 11, 2025, and no changes were considered necessary as a result of the Board Performance Review. Greater flexibility around Non-executive tenure continues to be an area of focus. Although Shell does not publish the Board Composition Principles, its Board Diversity Policy (which was first published in March 2024 following recommendation by NOMCO) is available on the Company's website. This Policy highlights that Shell aims for a gender balance on the Board, with at least one senior Board position (Chair, CEO, Senior Independent Director, or CFO) held by a woman. In addition, Shell's target is to maintain the representation of both men and women at, or above, a minimum of 40% [B]. We believe that this allows Shell to be truly representative of all genders and gender identities and provides flexibility during periods of change. Further, Shell aims to maintain or exceed having at least one Board member from a minority ethnic background. For more details on the progress against these targets see page 163.

[B] These targets align with those set by the FCA under the UK Listing Rules, and all such targets on Board diversity remain subject to applicable equalities legislation, including the Equality Act 2010 (as amended from time to time) and its provisions on discrimination.

See "Other regulatory and statutory information" on page 210.

For Senior Management succession, the selection principles include process-specific elements, such as a clear and proactive approach to identifying and developing succession candidates. The principles also outline the long-term structured nature of the succession planning process. There is also strong focus on ensuring that the principles reflect the leadership qualities required for future business success and that they advance the progress of diversity in all its forms.

Senior Management principles feature in the NOMCO's review of the succession plans which occurs routinely in Committee meetings. Using the principles, the NOMCO implements any changes through a well-defined and diligent process with overall Board engagement. The NOMCO agrees on candidate profiles and meets prospective candidates well ahead of any selection decision being necessary. It also engages the Board early in the process to ensure Directors have an opportunity to meet and assess prospective candidates. Consequently, some of the leaders with whom the NOMCO and Board engaged extensively in the past became members of the Board (Wael Sawan and Sinead Gorman) or the Executive Committee (Andrew Smith, Machteld de Haan, Cederic Cremers and Peter Costello whose appointments became effective April 1, 2025).

During 2025, the NOMCO undertook its annual in-depth look at the status and succession plans for Senior Management within Shell, along with the review of the health of the talent pipeline. In this regard, the Board also reflected on the delayering of the most senior leadership structure to reflect the three primary areas of business value – Integrated Gas; Upstream; and Downstream, Renewables and Energy Solutions, whilst also elevating Trading and Supply, which is a key enabler across the organisation.

Diversity of leadership

The NOMCO recognises that continuing to improve all types of diversity at each level of the Shell Group is crucial. Shell aims to be an inclusive workplace where everyone feels valued and respected and has a strong sense of belonging. The NOMCO's review of diversity objectives and strategies for the Shell Group as a whole also monitors the impact of diversity and inclusion initiatives.

In February 2021, Shell published its aspirations for DE&I with a focus on four areas of gender, race and ethnicity, LGBT+ and disability inclusion. For more details on the progress against our ambitions for women hired and women in Senior Leadership, see page 116.

"Senior Leadership" is a Shell-specific measure based on compensation grade levels. This is different from what we are required to report under the Code, which is female representation in Senior Management and their direct reports, where the percentage as at December 31, 2025, was 35%.

Nationality diversity, such as Asian and American talent, continues to be managed in accordance with the business outlook and we have a strong focus on progressing race and ethnic minority representation.

In line with the Parker Review recommendations, Shell aimed to achieve 15% ethnic minority group representation in Senior Management [C] by 2027, which has been achieved in advance of the target date. We will now aim to achieve 17% by 2027. As at the end of 2025, ethnic minority representation in Senior Management was 16%.

[C] Senior Management refers to senior leadership based in the UK, measured based on compensation grade, and aligned with our self-identification data collection and processes.

Although the NOMCO monitors Shell's organisational DE&I strategies and initiatives, it also holds itself accountable for the Board's own

diversity and inclusion. Back in 2020, the Board's diverse composition met the Hampton-Alexander requirements (now FTSE Women Leaders) and, in 2025, it met the Parker Review's objectives and the UK Listing Rule diversity targets by reflecting 42% women representation with the CFO position held by a woman and three Directors from a minority ethnic background.

See "Our people" on page 116 for more information on DE&I in Shell.

The People and Culture Strategy and diversity, equity and inclusion

Diversity continued to be a key area of focus during the year. The Board Diversity Policy is aligned to the requirements of the UK Corporate Governance Code and includes our targets for Board diversity, as well as complementing Shell's wider diversity policies and embracing Shell's values, Code of Conduct and sustainability goals. Currently, this policy is not applied to the individual Committees, although we strive to apply diverse representation across the Committees. DE&I across Committee membership remains an ongoing consideration. A copy of the Board Diversity Policy is available on our website: [shell.com/investors/environmental-social-and-governance/board-of-directors](https://www.shell.com/investors/environmental-social-and-governance/board-of-directors).

In relation to Board director appointments and diversity, the NOMCO oversees the development of a diverse pipeline for succession to the Board and monitors that all Board appointments are subject to a formal, rigorous and transparent procedure. Appointments and succession plans are based on merit and objective criteria and promote diversity, inclusion and equal opportunity.

To this end, the NOMCO is responsible for engaging an independent executive search consultant, who assists in preparing shortlists of candidates, co-ordinating interviews and seeking references. In accordance with the Board Diversity Policy, the NOMCO only engages with external search firms who are able to align with Shell's approach to DE&I in identifying suitable individuals from diverse pools of candidates.

Under the Board Diversity Policy, the Board commits to:

- Ensuring an inclusive environment: Through inclusive behaviours and practices, we aim to create an environment in which every Board member feels valued, respected and empowered to contribute fully.
- Ensuring support for External Best Practices: The Board endorses and supports external best practices, such as the FTSE Women Leaders Review, Parker Review and others, to maintain and enhance diversity within the Board.
- Ensuring that Board appointments are managed with rigour and transparency: Candidates are evaluated based on merit, skills, experience, qualifications, performance and business considerations, with due regard for diversity factors.
- Ensuring regular Board composition reviews: The Board regularly assesses the composition of the Board, including age, gender, race, ethnicity, educational, social, geographical and professional backgrounds, skills, knowledge and experience, making recommendations for necessary adjustments.

Shell has an inclusive Board environment, comprising individuals that are suitably qualified. They have the required skills, industry expertise, breadth of perspective and high-quality decision-making capabilities to support the strategy and overall direction of Shell.

See "The Board of Shell plc" on pages 143-148 for details about the skills and backgrounds of individual members.

From a gender perspective, as at December 31, 2025, the Board comprised five female directors and seven male directors, which

equates to 42% female representation (2024: 42%, 2023: 42%). Following the appointments of Holly Keller Koepfel and Clare Scherrer effective January 1, 2026, there is 50% female representation on the Board. Two of the four Board committees are currently chaired by a female director. In respect of other forms of diversity, three members of the Board self-identify as being from an ethnic minority background [D].

Committee activity

In addition to its considerations regarding succession, the NOMCO made recommendations on corporate governance guidelines, monitored compliance with corporate governance requirements and made recommendations on corporate governance-related disclosures.

Topic of discussion/example of Committee activity	
Succession [A]	
Recommendation	- Appointments of Holly Keller Koepfel and Clare Scherrer as Non-executive Directors. - Changes to the composition of the Board Committees.
Oversight	- Supported the appointments of Andrew Smith, Machteld de Haan, Cederic Cremers and Peter Costello to the Executive Committee. - Shell diversity, equity and inclusion and the Board Diversity Policy.
Engagement	Talent engagements.
Topic of discussion/example of Committee activity	
Talent overview and senior succession review	
Shell Senior Succession and Resourcing Review covering Executive Director and EC succession and the overall talent pipeline	- Insights on Shell's talent and leadership strength. - Assurance of robust succession and contingency plans.

In accordance with the Board Diversity Policy, the Board firmly believes that diversity fosters a broader range of perspectives, resulting in improved Board effectiveness, decision-making and outcomes.

[D] Ethnic minority refers to an individual who self-identifies as Asian, Black, Mixed/multiple, or other ethnic minority group, in line with UK Office for National Statistics classifications

The NOMCO continues to monitor and review this area, considering whether and how current Company governance matters should be strengthened. Further insight on some of the NOMCO's areas of consideration in 2025 is provided below.

Topic of discussion/example of Committee activity	
Board membership and other appointments	
Directors' tenure, external commitments, conflicts of interest and succession planning	Non-executive Director appointments and changes to committee membership.
Topic of discussion/example of Committee activity	
Governance	
Regulation, legislation and other governance-related guidance	- Reviewed its Terms of Reference, and the Terms of Reference for other Board committees and the Matters Reserved for the Board. - Received corporate governance updates, including with respect to the UK Corporate Governance Code.
Shell plc matters	- Considered any potential conflicts of interest and the independence of the Non-executive Directors. - Reviewed additional external appointments requested by Directors, with specific focus on the time allocated to all commitments. - Determined the process for the externally facilitated 2025 Board Performance Review (see page 160 for an overview of the process and the outcome of the review). - Considered the role and responsibilities of the Sustainability Committee.

[A] The NOMCO was assisted during 2025 by Korn Ferry (UK) Limited ("Korn Ferry"), an external global search company whose main role was to propose suitable candidates. Korn Ferry does not have any connection with the Company other than that of search consultant, and leadership and advisory support. The Chair does not participate in discussions regarding his own succession. Korn Ferry is a signatory to The Voluntary Code of Conduct for Executive Search Firms, which aims to improve board diversity.

Executive Committee (EC) succession

During the year, robust and effective succession planning supported the appointment of a number of new members to the Executive Committee. Some of the NOMCO activities in supporting these appointments are outlined below.

The NOMCO undertakes comprehensive engagement to understand who the candidates are for senior roles, what personally drives them and how they will ensure Shell achieves its strategic ambitions.

Succession for senior roles is planned well in advance and reviewed regularly. Succession planning is a crucial, ongoing consideration and not just an area of focus when an EC member change is anticipated. The Board oversees Shell's succession planning process in which selection is the final step of a rigorous, sophisticated and well-planned process.

For Executive Director and EC appointments, the NOMCO has set a structured process:

- Before any potential decision on resourcing, it explicitly describes the requirements of the role and the candidate profile.
- By working in a planned, consistent manner, last-minute surprises are avoided and well-considered decisions are made in line with evolving business requirements.

- It also plans for the unexpected and maintains a list of candidates capable of stepping into senior roles to provide cover if necessary.

The NOMCO spends time getting to know the candidates to ensure that the pipeline is robust, diverse and adaptive. The NOMCO ensures it has visibility of today's and tomorrow's leaders. Over the last few years, the NOMCO has met many leaders and had extensive engagements with each of them. Some of these leaders now sit on the EC, others were appointed to the Board (Wael Sawan and Sinead Gorman).

The NOMCO engages across the executive talent pipeline to ensure it interacts and becomes familiar with talent at different levels of the organisation; for example, on a regular basis informal engagements are held with employees from a range of businesses, functions and backgrounds prior to a Board meeting. Not only does this engagement support senior succession, it also provides a helpful element of the NOMCO's workforce engagement.

The Board is proud that candidates for the most senior leadership roles have primarily come from within the business, demonstrating that the leadership development and succession process remains effective.

Sustainability Committee

Dear Shareholders,

I am pleased to present the Sustainability Committee (SUSCO) Report for 2025.

The SUSCO focused on Shell's sustainability performance in 2025, with particular attention to environment and people topics. We received updates on sustainability-related regulations and discussed sustainability topics and matters of public concern.

I was delighted to welcome new SUSCO member, Holly Keller Koepfel, who joined the SUSCO on January 1, 2026, bringing valuable experience and insights. As announced in December 2025, Neil Carson will not stand for re-election to the Board at the 2026 Annual General Meeting (AGM) and will subsequently step down from the SUSCO. I would like to thank Neil for his excellent contributions and insights to the Committee.

The 2026 AGM will also be my last as the SUSCO Chair, as I will be stepping down from the Board and the SUSCO following the AGM. It has been a privilege to chair the SUSCO, and I wish my successor, Sir Andrew Mackenzie, every success for the future.

Catherine J. Hughes
Chair of the Sustainability Committee

“The SUSCO focused on Shell's sustainability performance in 2025, with particular attention to environment and people topics.”



Catherine J. Hughes
Chair of the Sustainability Committee

Focus areas for 2025

- Shell's sustainability performance.
- Selected sustainability topics with focus on people and environment.
- Emerging trends and regulatory developments.
- Emerging sustainability topics with stakeholder interest.

Priorities for 2026

- Oversight of emerging external trends related to disclosed sustainability impacts, risks and opportunities.
- Undertake deep dives on sustainability topics as agreed by the Board and Committee.

Committee membership



Catherine J. Hughes



Neil Carson OBE



Bram Schot



Jane H. Lute



Leena Srivastava



Holly Keller Koepfel [A]

[A] Member since January 1, 2026.

Attendance during 2025

Committee member	Member since	Meetings attended	% of meetings attended
Catherine J. Hughes (Chair)	November 1, 2017	4/4	100%
Neil Carson OBE	June 1, 2019	4/4	100%
Bram Schot [B]	October 1, 2020	3/4	75%
Jane H. Lute	May 24, 2022	4/4	100%
Leena Srivastava	March 13, 2023	4/4	100%

[B] Bram Schot was unable to attend the March 2025 meeting due to another scheduled business commitment.

Purpose

The SUSCO's roles and responsibilities are set out in its Terms of Reference which are reviewed annually (considered in December 2025 and reviewed and updated in February 2026), a copy of which can be found on [shell.com](https://www.shell.com).

Following updates to its Terms of Reference, the SUSCO's purpose is to assist the Board of Directors in fulfilling its responsibilities by (i) providing oversight of emerging trends related to disclosed sustainability impacts, risks and opportunities, excluding carbon and safety (which remain matters for the Board) and (ii) performing such further functions related to sustainability, including undertaking deep dives on sustainability topics, as the Board and Committee may agree.

The SUSCO meets at least twice each year. The Chair of the Board and the CFO attend Committee meetings.

Activities

During 2025, the SUSCO received updates on the EU Corporate Sustainability Reporting Directive (CSRD) implementation and other sustainability-related regulations and their potential implications for Shell. This included the EU Corporate Sustainability Due Diligence Directive and the related EU-Omnibus developments. The SUSCO reviewed the double materiality assessment as part of the CSRD implementation, priority topics and peer reviews.

The SUSCO considered, in depth, sustainability topics and matters of public concern such as human rights and worker welfare. The SUSCO was also briefed on Shell's fresh water use in operations and its supply chain with a focus on biofuels, and Shell's approach to plastic waste.

The SUSCO provided input to Shell's annual reporting and disclosures on sustainability. The SUSCO Chair held meetings during the year with senior leaders to discuss specific topics.

Site visits

See Board activities on page 153 for information in relation to Board site visits.

Audit and Risk Committee Report

Dear Shareholders,

I am pleased to present our Audit and Risk Committee (the ARC) Report for 2025.

I was delighted to welcome new ARC members, Holly Keller Koeppl and Clare Scherrer, who both joined the ARC on January 1, 2026, and will bring valuable insight and experience.

The ARC assists the Board in fulfilling its oversight responsibilities in areas including the integrity of financial reporting, the effectiveness of the risk management and internal control framework, as well as the consideration of ethics and compliance matters. We are responsible for assessing the quality of the audit performed by, and the independence and objectivity of, the external auditor. The ARC also makes a recommendation to the Board on the appointment or reappointment of the external auditor. In addition, we oversee the work and quality of the internal audit function.

Our work programme over the course of a year focuses on a variety of matters that involve a high degree of judgement and/or are significant to Shell's Consolidated Financial Statements. We review with management the sources of estimation uncertainty and other key assumptions against the backdrop of economic and market uncertainty and volatility, climate risk and the energy transition and evolving stakeholder expectations. In addition, we consider the robustness of the risk and internal control framework, results of internal control testing performed throughout the year, and remediation activities.

"The ARC assists the Board in fulfilling its oversight responsibilities in areas including the integrity of financial reporting, the effectiveness of the risk management and internal control framework, as well as the consideration of ethics and compliance matters."



Ann Godbehere
Chair of the Audit and Risk Committee

We received briefings from the Chief Internal Auditor on the outcomes of significant audits and notable control matters. We also received briefings from the Chief Internal Auditor and the Executive Vice President (EVP) Controller & Finance Operations on the effectiveness of Shell's risk management and internal control framework and readiness for compliance with the new Provision 29 of the 2024 UK Corporate Governance Code.

The impacts of climate change and the energy transition continue to touch on many aspects of the ARC's work, including financial statement impacts. The ARC also considered sustainability-related disclosures required in accordance with the Corporate Sustainability Reporting Directive (CSRD). During 2025, the ARC reviewed benchmarking with disclosures prepared by other companies which are also subject to the requirements of the CSRD and satisfied itself Shell's disclosures remain appropriate.

In 2025, the ARC held additional discussions to consider external auditor independence issues related to audit partner rotation requirements and amendments to Shell's Form 20-Fs for the years ended December 31, 2023 and 2024. The ARC initiated a competitive audit tender process at the beginning of the fourth quarter 2025. In February 2026, the Board approved the ARC's audit tender outcome recommendation and a resolution proposing the appointment of PwC as the external auditor for the financial year 2027 will be put forward to shareholders for approval at the 2027 AGM. See page 174 for further information.

As part of its oversight of compliance with applicable legal and regulatory requirements, including monitoring ethics and compliance (E&C) risks, the ARC discussed with the Group Chief Ethics and Compliance Officer activities undertaken in the E&C programme which provides controls to mitigate E&C risks in the areas of anti-bribery and corruption/anti-money laundering, antitrust, data privacy, trade compliance and conduct risk management; and steps taken to manage those risks.

In 2025, members of the ARC visited Australia as part of a Board site visit. Site visits deepen directors' understanding of risks and opportunities, as well as their understanding of how the Company's strategy is being implemented. See "Understanding and engaging with our stakeholders" for further information in relation to Board site visits.

On a final note, the ARC recognises the continued strong commitment and dedication of the financial and non-financial reporting teams and would like to thank them for all their efforts during 2025.

Ann Godbehere Chair of the Audit and Risk Committee

Focus areas during 2025

- Regulatory developments, including preparation for the new Provision 29 of the 2024 UK Corporate Governance Code, and fraud and sustainability reporting regulations.
- Portfolio developments, including the Adura Energy Limited joint venture.
- Information risk management, including cyber security.
- Treasury (including Pensions).
- Supply chain (Risks, Controls and Assurance).
- Finance Process Data System Transformation.

Priorities for 2026

- Trading Commodity Financing.
- Divestments.
- Joint ventures and portfolio companies.
- AI compliance.
- Finance systems and AI.

Committee membership



**Ann
Godbehere**



Dick Boer



**Cyrus
Taraporevala**



**Sir Charles
Roxburgh**



**Catherine
J. Hughes**



**Holly Keller
Koepfel [A]**



**Clare
Scherrer [A]**

[A] Member since January 1, 2026.

Attendance during 2025

Committee member	Member since	Meetings attended	% of meetings attended
Ann Godbehere (Chair)	May 23, 2018	7/7	100%
Dick Boer	May 20, 2020	7/7	100%
Cyrus Taraporevala	March 2, 2023	7/7	100%
Sir Charles Roxburgh	March 13, 2023	7/7	100%
Catherine J. Hughes	May 23, 2023	7/7	100%

All ARC members are financially literate, independent Non-executive Directors. In respect of the year ended December 31, 2025, for the purposes of the UK Corporate Governance Code, Ann Godbehere qualifies as: a person with "recent and relevant financial experience" and competence in accounting, and, for the purposes of US securities laws, an "audit committee financial expert".

The experience of the ARC members outlined on pages 143-148 demonstrates that the ARC as a whole has competence relevant to the sector in which Shell operates, and the necessary commercial, regulatory, financial and audit expertise required to fulfil its responsibilities. The ARC members have gained further knowledge and experience of the sector as a result of their Board membership and through various in-person and virtual site visits since their respective appointments.

The ARC invites the Chair of the Board, CFO, the Chief Legal Officer, the Chief Internal Auditor, the EVP Controller & Finance Operations, the Vice President Group Appraisal and Reporting and Deputy Controller, the Company Secretary and the external auditor to attend each meeting. The CEO may also attend ARC meetings. Other members of management attend when requested on specific topics or to provide input on more detailed technical matters that may arise.

The ARC holds private sessions separately with the Chief Internal Auditor and the external auditor without members of management present (except for the Chief Legal Officer who may attend). Outside of the formal ARC meetings, the Chair of the ARC meets regularly with each of the following: the CFO, the EVP Controller & Finance Operations, the Chief Internal Auditor and the external auditor.

Committee remit

The roles and responsibilities of the ARC are set out in its Terms of Reference which are reviewed annually (considered in December 2025 and reviewed and updated in February 2026), a copy of which can be found on shell.com). The key responsibilities of the ARC include, but are not limited to:

Risk management and internal control

The ARC assists the Board in reviewing the emerging, principal and other significant risks facing the Group, and monitors the effectiveness of the risk management and internal control framework.

Financial reporting

The ARC reviews the integrity of the financial statements, including annual reports, half-year reports and quarterly financial statements; as well as the potential impacts on the consolidated financial statements of the implementation of the Company's strategy, climate change and the energy transition, and significant accounting judgements.

Compliance and governance

The ARC reviews the functioning of the Shell Global Helpline and reports arising from its operation; and oversees compliance with applicable legal and regulatory requirements, including monitoring ethics and compliance risks.

Internal audit

The ARC monitors the qualifications, expertise, resources, independence, effectiveness and performance of the internal audit function.

External audit

The ARC reviews and monitors the independence and objectivity of the external auditor and oversees its appointment and remuneration.

The ARC's responsibilities as set out in its Terms of Reference form the basis of the ARC's annual work plan, which is adjusted as appropriate throughout the year. In addition, the ARC annually identifies certain business and function areas to focus on during that year. The focus areas generally encompass aspects of risk management and internal control, financial reporting and compliance. The ARC is authorised to seek any information it requires from management and external parties and to investigate issues or concerns as it deems appropriate. The ARC may also obtain independent professional advice at the Company's expense. No such independent advice was requested in 2025.

The ARC keeps the Board informed of its activities and recommendations, and the Chair of the ARC provides a report and an update to the Board after every ARC meeting. The ARC discusses with the Board if it is not satisfied with or believes that action or improvement is required concerning any aspect of financial reporting, risk management and internal control, compliance or audit-related activities.

Focus areas for 2025

The ARC met with senior leaders from various business and function areas to discuss the adequacy, design and operational effectiveness of risk management and controls related to the critical activities carried out by their respective business or function. The discussions included information on any enhancements to strengthen controls and how areas identified for improvement had been addressed; the monitoring of activities around key risks; and the steps being taken to identify new or emerging areas of risk.

In addition to the significant accounting and reporting considerations discussed on pages 170-171, the business and function areas reviewed by the ARC in 2025 included the following:

- Regulatory developments – the ARC was briefed regularly regarding regulatory developments and their implications for Shell, including, for example, in the UK, in relation to the new Provision 29 of the 2024 UK Corporate Governance Code, and the Economic Crime and Corporate Transparency Act 2023. In addition to CSRD developments, the ARC was briefed in relation to other UK, US and EU sustainability reporting developments.
- Treasury (including Pensions) – senior Treasury leaders provided the ARC with an overview of the scope and status of Treasury activities, noting that Group Treasury's overarching objective is to ensure that the Group is appropriately funded and that financial risks are managed appropriately. The ARC reviewed the overall governance, controls and assurance activities related to Treasury, including financial, operational (including cyber) and regulatory risks. The ARC also received an update on activities undertaken over the last three years to de-risk defined benefit pension schemes; an outline of risk management strategies being deployed or considered for larger defined benefit pension funds; and an update on legislative changes in the Netherlands..
- Supply chain (Risks, Controls and Assurance) – the ARC was briefed with respect to the status and management of supply chain risks in the context of the current external and internal environment, including the impact of transformation projects.
- Finance Process Data System Transformation – the ARC received an update regarding the major digital transformation which the Finance function is undergoing over the next five years, including an overview of the associated value, risks and mitigations.

Site visits

During the year, members of the ARC visited Australia as part of a Board site visit. See "Understanding and engaging with our stakeholders" for further information in relation to Board site visits.

Risk management and internal control

The ARC assists the Board in reviewing the emerging, principal and other significant risks facing the Group and in fulfilling its responsibilities in relation to risk management and internal control. In order to monitor the effectiveness of the procedures for internal control over financial reporting, compliance and operational matters, the ARC reviews reports on risks, controls and assurance, including the annual assessment of the risk management and internal control framework. The ARC also reviews management's evaluation of the internal control of financial reporting as required under Section 404 of the Sarbanes-Oxley Act (SOX 404). The ARC updated the Board on compliance with internal controls across the Shell Group and on any major matters for which action or improvement was recommended.

Throughout the year, the ARC and management discuss Shell's overall approach to risk management and internal control, including compliance, tax and information risk management matters and the adequacy of disclosure controls and procedures. The ARC receives regular reports from the EVP Controller & Finance Operations on the status of actions to address control weaknesses identified via business control incidents and the trends in other measures used to monitor the robustness of the risk management framework and internal control systems.

The ARC is also briefed on litigation and other matters (see Note 32 to the "Consolidated Financial Statements" on pages 302-304 and "Other regulatory and statutory information" on page 213).

For 2025, reviews included overall assessment of the risk landscape, including controls, exception reporting and Shell Internal Audit and Investigations (SIAI) observations as well as deep dives on specific areas, in addition to assessing readiness for compliance with the new Provision 29 of the 2024 UK Corporate Governance Code (see also "Other regulatory and statutory information" on page 213). The ARC also regularly reviews the status of management's SOX 404 testing of controls and remediation actions to address any identified weaknesses. The ARC and management also discussed the steps taken to maintain an effective control environment and to further demonstrate "management in control" during the year.

It is important that the ARC monitors and learns about relevant evolving external developments in a timely fashion. Accordingly, the ARC is regularly briefed on developments in the legal, regulatory and financial reporting landscape that could affect the Company.

In 2025, the ARC dedicated time to the following topics:

- Tax risks – in addition to the regular review of Shell's tax provisions, the ARC received updates regarding developments in the external tax landscape, including windfall and minimum taxes. The ARC and management also discussed tax strategy, tax risk management and the tax control framework.
- Information risk management, including cyber security – the ARC was briefed in relation to Shell's information risk management framework, against the backdrop of a deteriorating external threat environment and evolving global regulatory landscape, including SEC cyber security disclosure rules. The ARC was also provided with an update on strategic programmes in information risk management.
- Oil and gas reserves control framework – the ARC annually reviews the framework that supports Shell's internal reporting and external disclosures of oil and gas reserves. The ARC also reviews the processes and controls that prevent and/or mitigate the risks of non-compliance with regulatory reporting requirements. This annual review of Shell's oil and gas reserves control framework supports the ARC's review of Shell's reported proved oil and gas reserves discussed later in this report.

In addition to the above, the ARC also had quarterly discussions with the Chief Internal Auditor regarding the Company's risk management and internal control framework, significant matters arising from the internal audit assurance programme and management's response to internal audit findings and control weaknesses, including agreed actions. The ARC also reviews significant legal matters with Shell's Chief Legal Officer.

The ARC similarly holds discussions with EY, the external auditor, on a quarterly basis regarding how risks to audit quality are addressed, key accounting and audit judgements, results from audit procedures and management's response to any significant audit findings and any material communications between EY and management.

Financial reporting

The ARC receives comprehensive reports from management and the external auditor on quarterly, half-yearly and annual financial reporting, accounting policies and areas of significant judgements and other reporting matters.

The ARC reviewed the Company's 2025 quarterly unaudited interim financial statements, half-year report, Annual Report and Form 20-F with management and the external auditor. The ARC also reviewed the amendments to Shell's Form 20-Fs for the years ended December 31, 2023 and 2024 (see pages 174 for further information).

Shell uses alternative performance measures (APM) to provide greater insights into its financial and operating results. The ARC regularly considers the APMs used in Shell's reporting, the reconciliations to IFRS financial statements and explanations for changes from the previous quarter and year. The ARC reviews the overall presentation of APMs with management to ensure they are not given undue prominence. The ARC discusses adjusting items with management, including any changes to methodology.

The APMs disclosed by Shell are subject to the same internal control process as that applied for other financial reporting.

Significant accounting and reporting considerations

The ARC considered the following significant accounting and reporting matters, including those related to Shell's 2025 Consolidated Financial Statements. The ARC was satisfied with how each of the areas below was addressed. As part of this assessment, the ARC received reports, requested and received clarifications from management, and sought assurance and received input from the internal and external auditors.

Matters considered

Committee activity and outcome

Climate change and energy transition

Risks related to climate change and the energy transition are regularly monitored to ensure impacts are reflected within Shell's financial statements.

The external landscape related to non-financial disclosures continues to evolve. In the absence of one global standard for climate-related reporting, there are demands from various regulatory and voluntary bodies all with their own expectations for disclosures.

The ARC discussed with management key regulatory requirements including (but not limited to) the EU Omnibus simplifications, and International Sustainability Standards Board (ISSB) requirements, and their implications or potential implications for Shell's external disclosures.

The ARC reviewed Note 4 to the "Consolidated Financial Statements" summarising the key climate risk impacts on the Consolidated Financial Statements as well as the impairment sensitivity disclosures using price outlooks based on different climate change scenarios, including external scenarios.

See Note 4 to the "Consolidated Financial Statements" on pages 244-255.

The ARC was briefed on the status of Shell's Sustainability reporting, associated risks and uncertainties, and control framework. The ARC reviewed regulatory sustainability disclosures including the CSRD disclosures within the "Sustainability Statements" section, and other non-financial disclosures as part of the Annual Report review. The ARC was also briefed on the EU Taxonomy disclosures included within the "Sustainability Statements" section.

Updates regarding climate change and energy transition risk factors have been included on pages 129-130.

Impairment and impairment reversals

The carrying amount of an asset should be tested for impairment or impairment reversal whenever events or changes in circumstances indicate that the recoverable amount for that asset may have changed, for example if there is a change in the outlook for commodity prices or refining margin assumptions, or in the event of revisions to future activity plans and developments. On classification as held for sale, the carrying amounts of property, plant and equipment (PP&E) and intangible assets must also be reviewed.

The ARC reviewed the impairment assessments that were performed each quarter, and the methodology applied in conducting impairment assessments.

The ARC considered continued volatility in global risk-free interest rates, alongside other input assumptions, in assessing market expectations of the expected rate of return on various assets for the purposes of impairment testing. This included reviewing the outcomes of periodic reassessments of the weighted average cost of capital during the year, including management's conclusion on the reasonability of the discount rate applied as at December 31, 2025. The ARC was satisfied the discount rate applied throughout the period was appropriate.

The ARC considered the updated oil and gas price outlooks against market developments and benchmarks. The 2025 commodity price outlook was reassessed to determine whether revised price premises would result in a trigger for impairment or impairment reversal. The ARC reviewed the outcomes of impairment assessments and was satisfied with the conclusions reached.

The ARC also reviewed other circumstances that may indicate that the recoverable amount of assets may have changed, such as those related to revision of future plans and developments, exploration and evaluation assets, held-for-sale classification for asset disposals and margin assumptions. The ARC also reviewed the outcomes of goodwill testing.

See Notes 2, 11, 12 and 13 to the "Consolidated Financial Statements" on pages 234-244, 268-269, 269-270 and 271-274.

Fair, balanced and understandable assessment

The ARC advised the Board that in its view the 2025 Annual Report, including the financial statements for the year ended December 31, 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess Shell's position and performance, business model and strategy (see "Other regulatory and statutory information" on page 214). To arrive at this conclusion, the ARC critically assessed drafts of the 2025 Annual Report including the financial statements and discussed with management the process undertaken to ensure that the relevant requirements were met.

Going concern and viability statement

The ARC reviewed the Directors' half-year and full-year statements with respect to the going concern basis of accounting. As noted in the viability statement, the Board reviews the strategic plan which takes account of longer-term forecasts and a wide range of outlooks and is based on a number of key assumptions. The ARC considered the mitigating measures and sensitivities that management had applied to the modelling of scenarios when evaluating the viability statement. The ARC took particular note that assumptions do go well beyond the three-year plan period and do take into account climate change and the energy transition. The ARC supported the going concern basis of accounting and the inclusion of Shell's viability statement in "Other regulatory and statutory information" on pages 208-209.

Matters considered**Committee activity and outcome****Gas and power markets and derivatives accounting**

External events during the year affected trading activities. The impacts on financial outcomes of Integrated Gas, and Renewables and Energy Solutions included, for example, significant derivatives movements.

The ARC reviewed Trading and Supply activities and developments, including analysis of the trading strategies employed, their impact on financial metrics, and the associated accounting treatment applied.

The ARC reviewed the impacts of volatile gas and power markets including the impact on mark-to-market valuation of derivatives, income for the period and Adjusted Earnings, as well as the resulting cash flow movements.

See Note 26 to the "Consolidated Financial Statements" on pages 292-298.

Taxation

The determination of tax assets and liabilities requires the application of judgement as to the ultimate outcome, which can change over time. In particular, uncertain tax treatments require management to assess the more-likely-than-not outcome, and the recognition of deferred tax assets requires management to make assumptions regarding future profitability. As a result, they are inherently uncertain.

The ARC considered the uncertain tax positions and discussed management's assumptions of future taxable profits. The ARC also evaluated the appropriateness of the recognition of deferred tax assets and tax liabilities. The ARC recognises that assumptions regarding future taxable profits are inherently uncertain because they involve assessing factors such as the potential impacts of climate change and the energy transition. The ARC deemed the assessments of uncertain tax exposures and the recognition of deferred tax assets and tax liabilities to be reasonable.

See Notes 2 and 23 to the "Consolidated Financial Statements" on pages 234-244 and 281-284.

Portfolio activities

In implementing our strategy, several portfolio developments occurred in 2025.

The ARC discussed the accounting implications of these developments and the recognition of: (i) decommissioning and restoration provisions; (ii) deferred tax balances; (iii) impairment; and (iv) assets held for sale. The ARC also considered complex accounting treatments arising from acquisitions and divestments, including the acquisition of Pavilion Energy in March 2025, the sale of The Shell Petroleum Development Company of Nigeria in March 2025, the sale of Shell Energy and Chemicals Park Singapore in April 2025, and the recognition and measurement of the Adura Energy Limited joint venture with Equinor.

See Notes 2 and 25 to the "Consolidated Financial Statements" on pages 234-244 and 291.

Provisions, contingent liabilities and disclosures

Provisions, including decommissioning and restoration provisions, are one of the main components of the balance sheet liabilities. The quantification of these provisions requires judgements on input parameters which include, but are not limited to, discount rates and estimated future decommissioning and restoration costs. Contingent liabilities, arising from uncertain future events, are assessed for recognition or disclosure in line with reporting standards.

The ARC reviewed the input parameter assumptions and judgements used in arriving at the decommissioning and restoration provisions.

The discount rate is reviewed regularly and the ARC considered the extent to which the rate applied remained appropriate in the context of volatile US Treasury yields. The ARC was satisfied that the rate applied remained appropriate as at December 31, 2025.

The ARC reviewed provisions, contingent liabilities and disclosures related to litigation, based on quarterly updates, for inclusion in the quarterly unaudited interim financial statements, half-year report, Annual Report and Form 20-F. The ARC also reviewed other provisions.

The ARC has continued to receive updates on the withdrawal from Russian oil and gas activities throughout 2025 including implications for the financial statements.

Retirement benefit obligations

Retirement benefits are an important component of both assets and liabilities on the balance sheet. The quantification of these assets and liabilities requires judgements on input parameters which include, but are not limited to, actuarial assumptions and discount rates.

The ARC reviewed the management of risks in relation to retirement benefits in 2025, including financial, operational and regulatory developments. The ARC reviewed the key assumptions (including discount rates and inflation) and sensitivities as part of the Annual Report review and the enhanced disclosures made in this Report. The ARC also considered the accounting treatment for complex retirement benefit transactions, including the recognition of an asset ceiling adjustment in respect of Shell's defined benefit pension fund in the Netherlands.

See Note 24 to the "Consolidated Financial Statements" on pages 284-290.

Other matters

Other significant accounting and reporting matters assessed.

The ARC also reviewed: the year-end reported proved oil and gas reserves, including management judgements and adjustments made to reflect changes in geological, technical, contractual and economic information (including yearly average price assumptions) and the effectiveness of financial controls.

Compliance and Governance

Ethics and compliance

In 2025, the ARC received an update from the Chief Ethics and Compliance Officer with respect to revisions to the Code of Conduct (see also page 123) and the introduction of the Legal Group Requirements (which replaced the Ethics and Compliance Manual in December 2025). The Chief Ethics and Compliance Officer also briefed the ARC on how a range of factors and external trends and developments were affecting conduct risk at Shell. The Chief Ethics and Compliance Officer summarised emerging ethics and compliance risks and management's actions to manage and mitigate them. The Chief Ethics and Compliance Officer briefed the ARC on communications to staff from both senior leaders and mid-level management reinforcing the importance of adherence to and affirming Shell's commitment to the Ethics and Compliance framework and Code of Conduct throughout the year.

As part of the overall assessment of the risk management and internal control framework, the ARC discussed with the Chief Ethics and Compliance Officer their annual report on compliance matters. The report included an overview of the effectiveness of Shell's ethics and compliance programme in managing ethics and compliance risk in Shell's business activities, regulatory developments and compliance activities. The ARC also reviewed investigations of cases involving ethics and compliance concerns. The ARC discussed management's findings in such cases to satisfy itself that a rigorous process had been followed, with appropriate disciplinary action being taken where necessary, and that management had embedded learnings into Shell's systems and controls.

Whistleblowing investigations

The ARC is responsible for establishing and monitoring the implementation of procedures for the receipt, retention, investigation and follow-up actions of complaints received, including those from the Shell Global Helpline. The ARC reviewed whistleblowing reports and internal audit reports and considered management's responses to the findings in these reports. In 2025, 1,983 allegations and enquiries were made through the Shell Global Helpline (2024: 2,025), of which approximately 34% were submitted anonymously (2024: 39%). In 2025, a total of 497 investigations were closed (2024: 555), of which 67% were found substantiated (2024: 62%) and were highest in the areas involving harassment, information and records management, conflicts of interest and protection of assets.

Regulatory developments

The ARC was briefed on regulatory developments in areas including: (i) sustainability and climate-related disclosures; (ii) accounting and reporting developments; (iii) environmental liabilities; (iv) treasury activities; (v) fraud; and (vi) readiness for compliance with the new Provision 29 of the 2024 UK Corporate Governance Code.

ARC annual evaluation

The ARC undertakes an annual evaluation of its performance and effectiveness. Noting also the outcome of the external Board performance review, which was discussed prior to the February 2026 Board meeting, and the subsequent report, the ARC concluded that its performance in 2025 had been effective and that it had fulfilled its role in accordance with its Terms of Reference. (See also "Board Performance Review" section on pages 160)

Internal Audit

Each quarter, the ARC discusses with the Chief Internal Auditor the Company's risk management and internal control framework, any significant matters arising from the internal audit assurance programme and management's response to significant audit findings and notable control weaknesses, including planned improvements and agreed actions. The ARC also holds private sessions with the Chief Internal Auditor without members of management, except for the Chief Legal Officer, who may attend. Outside of the formal ARC meetings, the Chair of the ARC meets regularly with the Chief Internal Auditor.

Internal audit remit

The internal audit function is an independent assurance function which supports Shell's continuous efforts to improve its overall control framework. The internal audit function contributes to the maintenance of a systematic and disciplined approach to evaluate and improve the design and effectiveness of Shell's risk management, and control and governance processes. The primary role of the internal audit function's assurance and investigation activities is to safeguard value by protecting Shell's assets, reputation and sustainability in relation to the organisation's defined goals and objectives.

The ARC defines the responsibility and scope of the internal audit function and approves its annual plan. The Chief Internal Auditor reports functionally to the Chair of the ARC and administratively to the Chief Financial Officer. The Chair of the ARC approves, in consultation with the Chief Financial Officer, all decisions regarding the performance evaluation, appointment or removal of the Chief Internal Auditor. A new Chief Internal Auditor was appointed with effect from March 2025.

Annual internal audit plan and assessment of internal audit's effectiveness

The ARC considered and approved the internal audit functional plan, including these focus areas for 2025:

- People – talent and capability (professional audit development and technical capabilities).
- Operational excellence – further enhance the planning, execution and reporting processes.
- Competitiveness – increase value by tailoring the function's structure and targeting critical risks areas.
- Innovative technology – further leveraging innovation and new technologies, such as AI and data analytics. In 2025, the Chief Internal Auditor's reports continued to be developed with the use of AI.

The Chief Internal Auditor periodically assesses whether the purpose, authority and responsibilities of the internal audit function continue to enable it to accomplish its objectives. The results of this periodic assessment are communicated to the Executive Committee and the ARC. The Chief Internal Auditor also confirms to the ARC the continued validity of the charter of the internal audit function or puts forward proposals for updates to it. The Chief Internal Auditor maintains an internal quality assurance and improvement programme, including an annual assessment of the effectiveness and efficiency of the internal audit function's activities and evaluations of conformance with the standards of the Chartered Institute of Internal Auditors (CIIA). The Chief Internal Auditor discusses the results of this annual assessment with the EC and the ARC. The Chief Internal Auditor also provided the ARC with an update on the status of implementation of the Institute of Internal Auditors new Global Internal Audit Standards which took effect on January 9, 2025, and noted the steps taken to meet the intent of these new standards.

At least every five years, the effectiveness and quality of the internal audit function are independently assessed externally, and the Chief Internal Auditor reviews the report with the EC and the ARC.

An independent assessment of the internal audit was conducted at the end of 2022. The 2022 assessment confirmed that the internal audit conformed with the CIIA standards and the 2020 Internal Audit code of practice and identified some opportunities for further improvement. The next external assessment is planned to take place in 2027.

The Chief Internal Auditor updated the ARC quarterly on the approved 2025 internal audit plan and discussed whether the plan remained fit for purpose in addressing the most critical areas of risk. The ARC assessed the performance of both the internal audit function and the Chief Internal Auditor as effective. The ARC also considered and approved the 2026 internal audit plan.

External Auditor

Annual external audit plan and assessment of external audit's effectiveness

EY reviewed with the ARC its audit strategy, scope and plan for the 2025 audit, highlighting areas which would receive special consideration. In particular, the ARC and EY discussed how the audit would take into consideration risks associated with:

- Trading and Supply complexity;
- Revenue recognition fraud risk (unauthorised trading and management override);
- Climate change and the energy transition;
- Oil and gas reserves;
- Impairment assessments;
- Litigation;
- Decommissioning and restoration obligations;
- Accounting for divestments;
- Pensions; and
- Taxation.

EY defines significant audit risks as those areas where there is a higher likelihood of a material error and which therefore require special audit attention. In EY's view, the significant audit risks are Trading and Supply complexity and the risk of unauthorised trading or management override.

The ARC considered the annual audit plan, which included assessing whether the planned materiality levels and proposed resources to execute the audit plan were consistent with the scope of the audit.

EY regularly updated the ARC on the status of its procedures and preliminary findings, providing an opportunity for the ARC to monitor the execution and results of the audit. The ARC and EY discussed how risks to audit quality were addressed, key accounting and audit judgements, material communications between EY and management and any issues arising from them. EY also reviewed with the ARC its risk assessments, materiality, scope and observations and conclusions in relation to Shell's CSRD disclosures.

Quarterly, the ARC meets privately with EY representatives without management (except for the Chief Legal Officer who may attend) being present to encourage open and transparent feedback from both parties. In addition, the Chair of the ARC meets separately with the external auditor on a regular basis.

As part of its oversight of the external auditor, the ARC annually assesses the performance and effectiveness of the external auditor and the audit process. This includes assessing the quality of the audit, how the auditor handled key judgements, and the auditor's response to the ARC's questions. The assessment also involves the ARC evaluating the

objectivity and independence of EY and the quality and effectiveness of the external audit process.

The ARC's evaluation of the performance and effectiveness of the external auditor and the audit process includes the following key criteria:

- professionalism, competence, integrity and objectivity during the audit, including handling of areas involving judgement and estimates;
- EY's quality assurance procedures and internal quality control procedures;
- audit quality priorities and actions taken as part of maintaining a sustainable audit quality programme;
- constructive challenge of management and key judgements;
- efficiency, covering aspects such as service level and innovation in the audit process, use of data analytical and digital audit tools, and opportunities for improvement;
- quality of the audit team's leadership;
- the most recent EY Transparency Report;
- thought leadership and actions, especially in the areas of climate change; and
- compliance with relevant legislative, regulatory and professional requirements.

In addition to reflecting on its own experiences, including interactions with the external auditor throughout the year, the ARC considered and discussed the results of management's internal survey relating to EY's performance over the financial year 2025, which reflected a broadly comparable performance to 2024 and the views and recommendations from management and the Chief Internal Auditor.

As part of the current assessment of effectiveness, the ARC has taken into consideration the guidance issued by the FRC, including the guidance issued in May 2023 on oversight of the external audit set out in "Audit Committees and the External Audit: Minimum Standard" (the Minimum Standard).

EY non-compliance with independence rules related to audit partner rotation requirements

On July 1, 2025, EY advised the ARC that its US opinions on the Company's previously issued audited consolidated financial statements and effectiveness of internal control over financial reporting (jointly the "previously issued financial statements") for the years ended as of December 31, 2023 and 2024 (the "applicable years"), respectively, should no longer be relied upon. After an internal review, EY concluded that it was not in compliance with the SEC's auditor independence rules related to audit partner rotation requirements for the audits of the applicable years. EY had determined that the partner who led the audit for the applicable years had exceeded the period allowed under SEC audit partner rotation rules and hence was not eligible to serve as lead engagement partner for those audits. EY subsequently assigned a different partner to perform the role of lead audit partner with respect to the audits and concluded that no changes to the previously issued financial statements for the applicable years were necessary. EY also concluded that the appropriate remediation had been completed, and it was capable of exercising objective and impartial judgment with respect to the US audit opinions included in the amended Form 20-Fs for the applicable years to be filed with the SEC.

The previously issued financial statements as prepared by the Company for the applicable years were unchanged and, on July 2, 2025, the Company filed amended Form 20-Fs for the applicable years. To reflect the new issue date of the Consolidated Financial Statements, consequential updates were included with respect to the going concern period and the post-balance sheet events note to the Consolidated Financial Statements. Save for these items, the previously issued financial statements and other notes did not change. The EY

audit opinions remained unqualified. EY also advised the ARC that the time limitations under the UK Financial Reporting Council's Revised Ethical Standard regarding rotation of partners had been exceeded. No amended filings were required in the UK.

Prior to filing the amended Form 20-Fs, the ARC discussed this independence matter, including EY presenting to the ARC an overview of its findings and remedial steps taken to address this matter. The ARC also reviewed management's assessment of EY's independence and remediation. Taking due consideration of the above, the ARC concluded that EY is able to exercise objective and impartial judgement and hence supported the filing of the amended Form 20-Fs for the applicable years.

To gain a deeper understanding of the independence matter, at the ARC's request, EY presented to the ARC an analysis and conclusion of EY's review of the fact pattern that led to the breaches (the Review), and the additional controls and procedures implemented to ensure future compliance with regulatory independence requirements. Management also provided the ARC with its assessment of EY's Review and conclusion. The ARC discussed the Review findings with EY and also separately without EY. The ARC factored in these discussions in its assessment of the quality of EY's audit services and audit team.

Taking into account the above, the ARC is satisfied that EY continued to provide a high-quality and effective audit in its tenth year as auditor and maintained its objectivity, integrity and impartiality. As required under UK and US auditing standards, the ARC received a letter on independence-related matters from EY. EY also informed the ARC in writing of any significant relationships and matters that may reasonably be thought to affect its objectivity and independence. The ARC and EY discussed such relationships and matters and determined that they did not impair EY's objectivity, integrity and impartiality.

Audit Committees and the External Audit: Minimum Standard

This Audit and Risk Committee Report describes how the ARC has complied, to the extent applicable, with the provisions of the Minimum Standard during the year (in particular the "External Auditor" section of this report). There were no shareholder requests for certain matters to be covered in the audit during the year and there were no regulatory inspections of the quality of the Company's audit. An explanation of the Group's accounting policies is provided on pages 234-244.

Reappointment 2026

The ARC is responsible for considering whether there should be a rotation of the independent registered public accounting firm to ensure continuing auditor quality and/or independence, including consideration of the advisability and potential impact of conducting a tender process for the appointment of a different independent public accounting firm. The ARC is also responsible for making a recommendation to the Board, for it to put to the Company's shareholders for approval in the General Meeting, on the appointment, reappointment, or removal of the external auditor.

EY was first appointed at the AGM in May 2016 after a competitive tender process. As EY was appointed in 2016, the Company was required to tender for the audit no later than the financial year commencing January 1, 2026. The tender process, led by the ARC, was commenced during 2023 and completed in 2024. Following the meetings and review of each of the candidate firms' proposals and presentations, the ARC made its recommendation on the basis of its assessment of the abilities of each of the candidate firms. At the Board meeting in December 2024, the ARC recommended two possible audit firm options to the Board, with the ARC's preference to appoint EY, and supporting justifications. The ARC's recommendation was accepted by the Board and a resolution proposing the appointment of EY as the external auditor for the financial year 2026 will be put forward to

shareholders for approval at the 2026 AGM. The ARC's recommendation was free from third-party influence and there are no contractual obligations that restrict the ARC's ability to make such a recommendation. The external audit tender process for the financial year 2026 is discussed on pages 186–187 of the Annual Report for the year ended December 31, 2024.

The lead audit partner, David Canning-Jones, was appointed in 2025. For the 2025 financial year, the Company has complied with The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014.

External audit tender

Considering the developments with regards to EY non-compliance with independence rules related to audit partner rotation requirements described earlier in this Report, the ARC decided at the beginning of the fourth quarter 2025, to initiate a tender process for the external auditor, for the financial year ending December 31, 2027 (the 2026 audit tender). The ARC believes that the commencement of such a tender at this time was in the best interests of the shareholders following analysis undertaken with respect to EY's non-compliance with auditor independence rules related to audit partner rotation requirements. In conducting the tender process, the ARC considered the guidance on tendering set out in the Minimum Standard. ARC members were involved throughout the external audit tender process, including members appointed during the process from the point of their appointment.

Selection criteria

To enable an objective selection, weighted selection criteria were endorsed by the ARC, with the choice of auditor being based on quality, including independence, challenge and technical competence and not price or perceived cultural fit. The firms invited to tender, EY and PwC, were informed that their respective proposals would be assessed using the same selection criteria as in the 2024 audit tender, with a focus on independence, team composition, audit scoping and regulatory compliance. Whilst the audit fee was considered, it was not a selection criterion nor a decisive factor.

Selection process

In the 2024 audit tender, the ARC shortlisted EY and PwC based on quality, team and relevant experience for a company of Shell's size, scale and complexity, having also considered UK challenger firms with a 'public interest entity' auditor registration. Given that the audit market has not materially changed since the 2024 audit tender, the ARC remained satisfied that this shortlisting decision was valid for the 2026 audit tender. In November 2025, a request for proposal was issued to EY and PwC, followed by a series of management information sessions to update the firms on key strategic, operational and financial reporting developments since the 2024 tender. In January 2026, the final proposals were submitted by EY and PwC. The approach to the 2026 audit tender process and the selection criteria were considered and supported by the ARC.

The ARC received management's assessment of the EY and PwC proposals and input from management regarding the previously approved scoring criteria ahead of final meetings between the ARC and each of EY and PwC, which took place in February 2026. The ARC considered the safeguards in place to ensure the audit tender and selection process remained objective and independent, including appropriate recusals from key recommendations and decisions. As part of the process, public reports published by the FRC and other regulators were also considered.

ARC recommendation

Following the meetings and review of each of the candidate firms' proposals and presentations, the ARC made its selection based on its assessment of the capabilities of each of the candidate firms, as presented in their respective proposals. At the Board meeting in February 2026, the ARC recommended EY and PwC as possible audit firm options to the Board, with the ARC's preference to appoint PwC, and supporting justifications. The ARC's recommendation was accepted by the Board and a resolution proposing the appointment of PwC as the external auditor for the financial year 2027 will be put forward to the shareholders for approval at the 2027 AGM.

Non-audit services

The ARC maintains an auditor independence policy (AIP) in respect of the provision of services by the external auditor. Under the AIP, the ARC will only approve services to be carried out by the external auditor or its affiliates where such services do not present a conflict of interest risk in fact or in appearance. The ARC regularly reviews this policy for necessary changes in response to changes in related standards and regulatory requirements.

This policy is designed to safeguard auditor objectivity and independence. It addresses the provision of audit services, audit-related services and other non-audit services and stipulates which services require specific prior approval by the ARC.

The policy also defines prohibited services in line with applicable rules and regulations. Our external auditors are not allowed to provide prohibited services due to independence concerns. For certain non-prohibited services, because of the knowledge and experience of the external auditor and/or for reasons of confidentiality, it may be more efficient or prudent for the external auditor to provide such services.

The ARC reviews quarterly reports from management on the audit and non-audit services reported in accordance with the policy or for which specific prior approval from the ARC is being sought. Under the AIP, no prior approval by the ARC is required for any additional audit service contract not individually exceeding \$500,000. All non-audit services where the fee for an individual contract exceeds \$100,000, including audit-related services, require individual prior approval by the ARC. For audit or non-audit service contracts that do not exceed the relevant threshold, the matter is pre-approved by management and is subsequently presented for approval by the ARC. The ARC is mindful of the overall proportion of fees for audit and non-audit services in determining whether to approve such services.

The scope of the non-audit services contracted with the external auditor in 2025 consisted mainly of interim reviews and other audit-related assurance services. The associated compensation for these audit-related services and other non-audit services amounted to 5% and 7%, respectively, of the external auditor's audit and audit-related remuneration.

Fees

After due consideration, the ARC approved the auditor's remuneration, satisfying itself that the level of fees payable in respect of the audit and non-audit services provided was appropriate and that an effective, high-quality audit could be conducted for such fees.

See Note 35 to the "Consolidated Financial Statements" on page 306 for details of the auditor's remuneration.

Directors' Remuneration Report

This report

The Directors' Remuneration Report for 2025 has been prepared in accordance with relevant UK corporate governance and legal requirements, in particular Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). The Board has approved this report.

This report is split into three sections:

- Chair's letter;
- Annual Report on Remuneration, describing 2025 remuneration outcomes and the planned implementation of the proposed Directors' Remuneration Policy (Policy) in 2026; and
- The proposed Policy, which is subject to a binding shareholder vote at the 2026 Annual General Meeting (AGM).

"In 2025, we saw strong and decisive leadership, with a focus on unlocking Shell's full potential and continued commitment to safety."



Cyrus Taraporevala

Chair of the Remuneration Committee

Dear Shareholders,

In 2025, Shell achieved another set of strong financial results that have enabled us to deliver enhanced distributions to shareholders.

At Shell, safety is extremely important and we continually work to keep our people safe. I am saddened by the tragic incidents that occurred at Shell-operated ventures in 2025. Colleagues lost their lives in four incidents in Argentina, Malaysia and the UK. When it determined the final pay outcomes for 2025, the REMCO reflected on these tragic incidents and Shell's broader safety performance.

2025 remuneration outcomes

2025 annual bonus

The annual bonus scorecard outcome was above target at 1.48. The REMCO used downward discretion to determine a final bonus outcome for Executive Directors of 1.42 after careful consideration of the factors leading to the tragic fatalities during the year and reflection on Shell's overall performance in 2025, including broader safety performance. The reduction in the bonus outcome as a result of the adjustment is equal to around 8% of salary for both Executive Directors. Further information is on page 186.

See pages 185-187 for the complete scorecard with all targets, ranges and weightings, and a discussion of performance against targets.

Vesting of the 2023 share awards

Overall, the vesting outcome of the share award was 149% of target. The REMCO was satisfied that no windfall gain had arisen. The REMCO also believes the vesting outcome to be representative of Shell's performance over the period.

See page 188 for full details of share award targets and weightings, and a discussion of performance against targets.

Finalising the 2025 pay outcomes

In finalising pay outcomes, the REMCO considered Shell's wider performance and context during 2025 and over the share award performance period, paying particular attention to:

- The strong financial performance in 2025, with cash flow from operating activities (CFFO) of \$42.9 billion, Adjusted Earnings* of \$18.5 billion and free cash flow (FCF)* of \$26.1 billion, which has enabled Shell to invest in its businesses and deliver shareholder distributions.
- The shareholder experience, including:
 - cash dividends of \$8.5 billion and share buybacks of \$13.9 billion in 2025, resulting in total shareholder distributions* of \$22.4 billion for the year and \$67.9 billion over the share award performance period (2023–2025); and
 - absolute and relative total shareholder return (TSR) performance over the same periods, including the strongest TSR within the energy peer group over the share award performance period.
- Shell's performance beyond the formulaic outcomes of the variable pay structures, including safety (and fatalities), reputation, ethics and compliance, and feedback from the Audit and Risk Committee.
- Shareholders' views on remuneration matters, as shared with the REMCO during engagements in April and October 2025.
- The employee experience, where the REMCO noted the above-target bonus outcome, the above-target vesting outcome for 2025 under the Performance Share Plan (PSP) for discretionary share awards below Senior Executive level and the average employee salary increases.
- Comparisons between the 2025 outcomes and historical remuneration levels, noting appropriate pay-performance alignment.
- The alignment of the 10-year average outcomes of the annual bonus scorecard (1.13) and share award (109% of target) around the target level, reflecting the effective design of the structures and the integrity of the target-setting process.

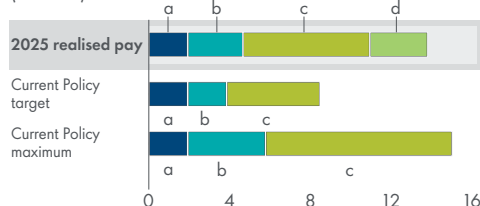
This resulted in a single figure outcome of £13.8 million for the CEO and £8.5 million for the CFO. The REMCO was satisfied that the current shareholder-approved Remuneration Policy had operated as intended, and these outcomes were appropriate in the context of Company performance and the target pay opportunity.

* Non-GAAP measure. See page 430.

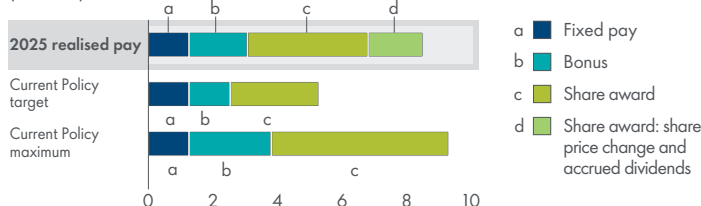
2025 pay outcomes summary

2025 pay compared with current Policy [A]

Wael Sawan
(£ million)

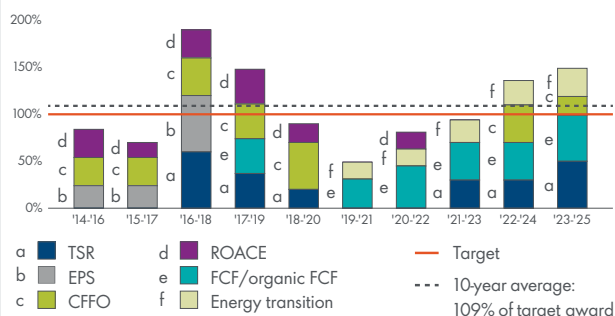


Sinead Gorman
(£ million)

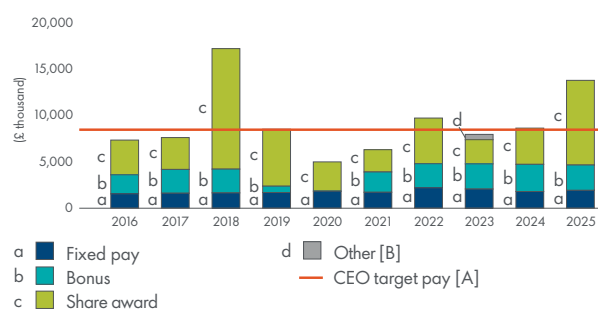


a Fixed pay
b Bonus
c Share award
d Share award: share price change and accrued dividends

10-year share award vesting



10-year CEO single figure outcomes



[A] Current Policy target and maximum based on the shareholder-approved 2023 Remuneration Policy in respect of the annual bonus and the share award. Salary, pension and benefits are based on 2025 data.

[B] Incremental remuneration in respect of 2022 for services as CEO Designate, in anticipation of becoming CEO in 2023.

Strategic review of remuneration

At the May 2026 AGM, shareholders will have the opportunity to vote on the proposed Directors' Remuneration Policy (Policy). In preparing for the Policy, the REMCO has spent considerable time over the past two years reflecting on the nature of the leadership ask at Shell; what it takes to lead Shell now and for the performance opportunity ahead; and how to frame remuneration appropriately – including quantum, performance requirements and the use of discretion – with incentives to deliver exceptional performance that supports the journey ahead as set out at Capital Markets Day 2025 (CMD25) and beyond.

Background

Since his appointment in January 2023, CEO Wael Sawan has acted with urgency to focus on delivering consistent performance, sharpen Shell's strategic focus and lay the foundations to unlock the Company's full potential. Capital Markets Day 2023 (CMD23) marked a course correction: it challenged internal assumptions, and initiated a reset to improve asset performance and shareholder returns, apply capital discipline, reduce costs, drive a cultural shift and simplify portfolio and execution. The Energy Transition Strategy 2024 aligned Shell's role in the energy transition with our core strengths and competitive capabilities. Most recently, CMD25 evolved the strategy to further focus on value by raising the bar on key financial targets while maintaining the current climate-related targets and ambition.

These changes demand significant leadership, particularly from the CEO. The impact is clear: Shell is delivering higher and more consistent returns, enhanced capital discipline and reduced costs, all while driving a cultural shift towards performance, discipline and simplification. It has been a very positive tenure for the CEO so far and the results are evident in the clear outperformance of peers on shareholder returns.

Case for change

The Board has outlined a vision to unlock the Company's potential for shareholders by redefining performance, repositioning the portfolio and resetting culture. We will drive performance by unlocking additional value from capital and cost discipline. Our portfolio must transform to secure growth in areas of competitive advantage, while navigating significant uncertainty around the pace and shape of the energy transition. Building resilience, optionality and longevity for the decades to come is essential, alongside continuing to reset aspects of the organisation into a strong performance culture across Shell.

Transforming this Company is a leadership ask of the highest order. The REMCO has carefully considered the nature of the leadership required to lead Shell for the performance opportunity ahead through multi-decade, multi-vector societal transition in a systemically important sector. The REMCO has therefore updated the benchmarking peer group to provide a guiding frame of companies with comparable leadership asks, stretched the long-term equity-based element of reward, and strengthened the performance framework to create the right incentives to deliver exceptional performance.

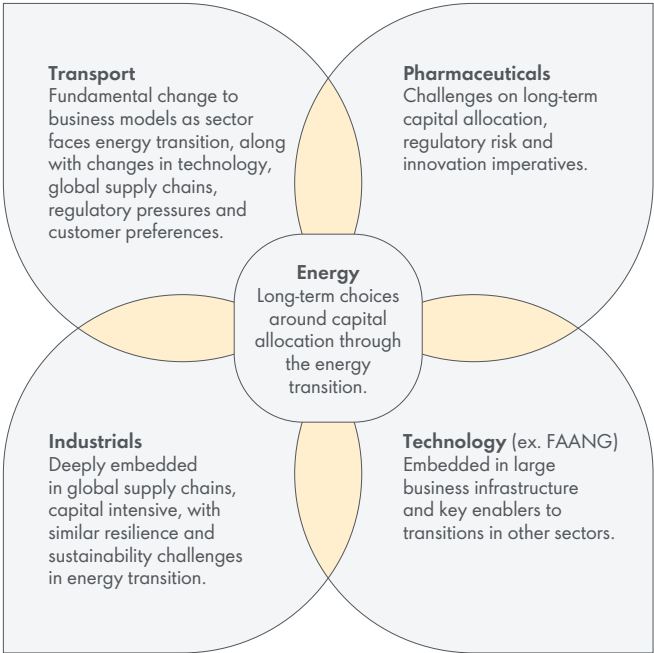
Pay benchmarking peer group

As part of the Policy review, the REMCO spent time reviewing the pay benchmarking peer group. The REMCO has historically benchmarked Executive Director pay against a peer group comprising major European companies and global energy majors. Given the leadership challenge set out by the Board for the Company's transformation, the REMCO is resetting this pay benchmarking peer group to comprise major global companies in systemically important sectors going through multi-product, multi-decadal transition.

Size continues to be a key factor in pay benchmarking. In addition, the sectors the REMCO has focused on are: energy, transport, pharmaceuticals, industrials and technology. Companies from all these sectors are already part of the existing peer group and so there is no change from that perspective. However, there is now a conscious choice for the pay benchmarking peer group to comprise comparably sized companies in these sectors.

This focus is premised on the REMCO's view that there is something fundamentally different about leading in these sectors. These are the sectors at the heart of the energy transition and other global challenges. They are sectors on which other sectors depend and build, and are, therefore, deeply interconnected. They are deeply embedded in global supply chains, subject to regulatory and stakeholder scrutiny and high barriers to entry, and characterised by direct relevance to everyday life and being foundational layers of global economies. The REMCO sees strong commonalities in the leadership demands facing Shell and companies in these sectors, whether in long-term capital allocation, pace of innovation or driving transformative change at scale.

Pay benchmarking – a focus on five sectors



Following a comprehensive global selection process and consultation with shareholders, the REMCO selected an updated pay benchmarking peer group, as set out below.

Energy	Transport	Pharmaceuticals	Technology	Industrials	
bp	BMW	AstraZeneca	Cisco Systems	Boeing	For the avoidance of doubt, the performance benchmarking peer group used in the share award (bp, Chevron, ExxonMobil and TotalEnergies) remains unchanged.
Chevron	Mercedes-Benz	Novartis	IBM	GE Aerospace	
ExxonMobil	Volkswagen	Pfizer	Intel	Siemens	
TotalEnergies	Stellantis	Roche			

Peer group selection methodology

Shell is a truly global company, with only 11% of our revenue for 2025 generated in the UK, and less than 7% of our permanent employees (as at December 31, 2025) based in the UK. Close to 27% of revenue in 2025 is from North America (comprising the USA and Canada), and around 20% of employees (as at December 31, 2025) are based there, with the remainder from the rest of the world.

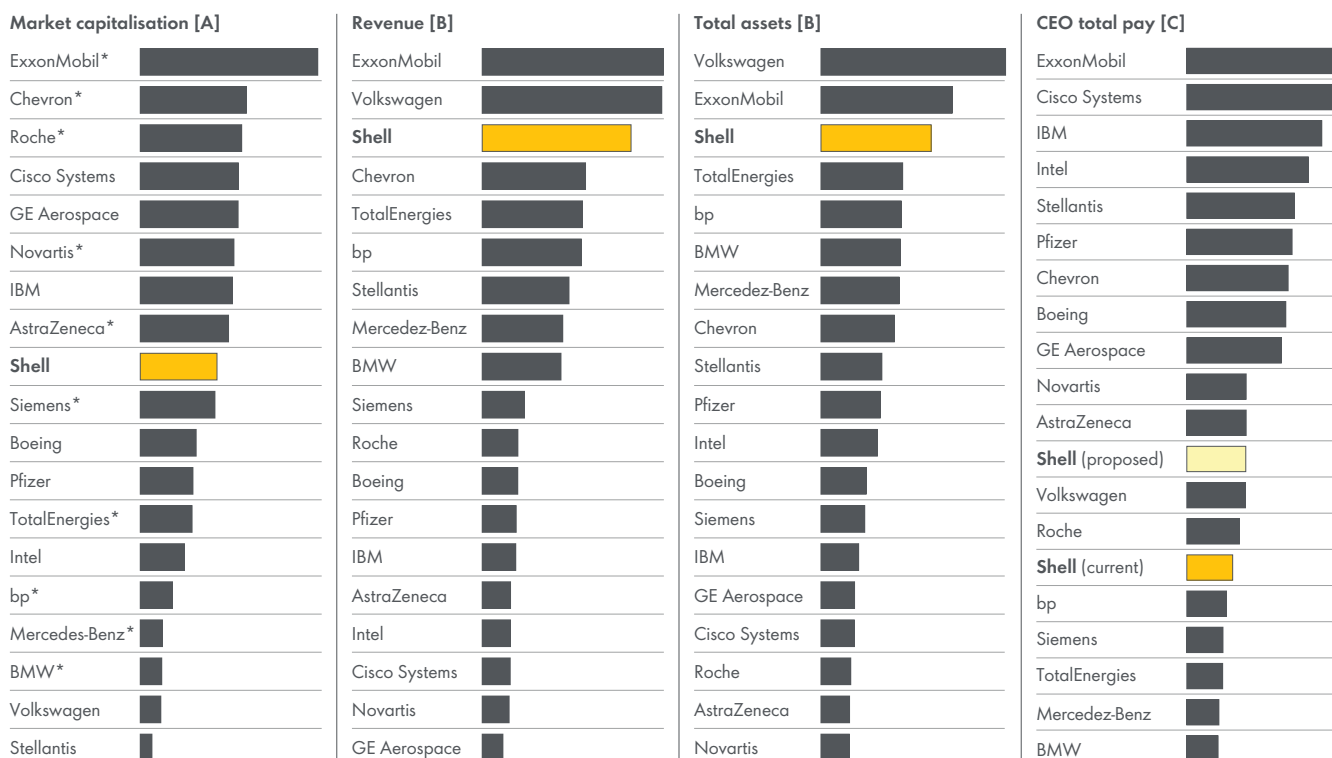
Given Shell's global footprint, the REMCO's approach began with a universe of investable companies in global indices with good public pay disclosure, which was then narrowed and ranked by proximity of size, as measured by market capitalisation, revenue and total assets, and filtered for systemically important sectors, and then applied manual adjustments as appropriate (see next page).

Methodology for constructing new global peer group (for pay benchmarking)



The new peer group overlaps with the existing peer group by around 50%.

Proposed new global peer group (for pay benchmarking): size and pay



[A] Based on the average value in 2025.

[B] Based on latest reported financial year.

[C] Target total direct compensation, comprising base salary, annual bonus and long-term incentives. Based on latest reported financial year.

*Companies that are in the existing peer group are marked by an asterisk.

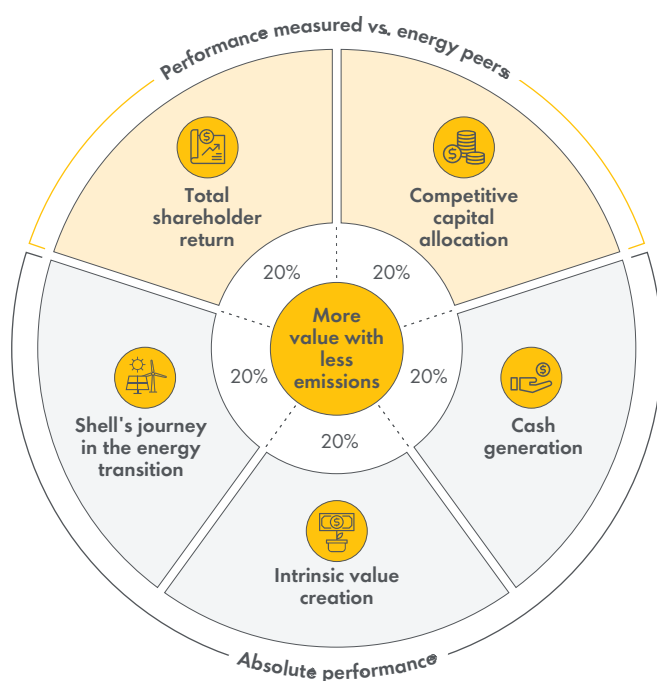
Quantum

The REMCO is proposing an increase in quantum in consideration of the continued transformation journey and the Board's performance expectations. In line with the leadership task of transformation for the long-term, the proposed increase in quantum is focused solely on the Performance Share Award (PSA). Further details are provided on page 198.

Performance framework

The REMCO reflected on how to measure the leadership ask for the performance opportunity ahead. At CMD25, we extended our normalised FCF per share growth target out to 2030 to measure intrinsic value creation. The REMCO intends to strengthen the performance framework with the addition of this metric as a performance condition to the PSA. The 2026 performance conditions and link to strategy are as follows:

	Performance condition	Weighting	Purpose and link to strategy
Relative	Total shareholder return	20%	○ Create value for our shareholders. ○ Generate returns for shareholders that exceed those of our peers.
	Competitive capital allocation (measured by CFFO divided by average capital employed)	20%	○ Generate competitive cash flows relative to the long-term funding of the business. ○ Proxy for ROACE; generate returns that exceed those of our peers.
	Cash generation (measured by organic FCF)	20%	○ Generate cash from the core ongoing operations of the portfolio, to fund growth, service and reduce debt and deliver shareholder returns.
Absolute	Intrinsic value creation (measured by normalised FCF per share growth, based on organic FCF before working capital and derivatives)	20%	○ Create and grow intrinsic value independently of external market fluctuations or short-term investor sentiment. ○ Optimise portfolio in line with strategy.
	Shell's journey in the energy transition	20%	○ Reduce emissions from our operations and support our customers to reduce their emissions.



Delivering normalised FCF per share growth requires disciplined cost management and capital spending, bringing on-stream accretive growth, improving underperforming businesses, exiting those that do not create value, as well as share buybacks. It differs from the other metrics in that it is a proxy for the ability to generate long-term, sustainable value within the Company independently of external market fluctuations or short-term investor sentiment. The normalised FCF metric uses organic FCF as the basis of measurement and excludes the

volatility of working capital and derivatives and the impact of macroeconomic price movements, so as to determine a more comparable basis for calculating the growth year on year. Normalised FCF per share growth is determined on a compound annual growth rate basis by comparing the normalised FCF per share to the value from the 2024 base year [A]. Vesting will be assessed based on cumulative growth from 2024 through to the final year of the performance period. The REMCO has a robust approach to target setting. For the 2026 award, the performance target range will be 9% p.a. to 12% p.a. with a target of 10% p.a. To put this in context, the target set out at CMD25 is growth of >10% p.a. by 2030. Further information on the 2026 PSA performance conditions is set out on page 198.

The REMCO has determined to retain the existing peer group (being bp, Chevron, ExxonMobil and TotalEnergies) and vesting schedule for the relative performance conditions. Outperforming Shell's closest competitors on key financial metrics is challenging. A vesting outcome of 80% of target (40% of maximum) for median performance in a small peer group is considered appropriate by the REMCO. The REMCO is aware that vesting for median is generally set at a limit of 25% of maximum for other UK companies. However, this is typically applied against a larger peer group. It is also noted that most UK companies would set full vesting at 75th percentile performance, rather than 80-100th percentile (first place) at Shell.

The REMCO has a strong track record of setting stretching targets which ensure that reward outcomes are appropriate (note that the 10-average vesting outcome of the share award is close to target at 109% of target, or 55% of maximum) and will provide a full disclosure of all factors taken into account in making the vesting decision at the conclusion of each cycle.

[A] See Non-GAAP measures on page 430 for normalised FCF per share reconciliation.

2026 Remuneration Policy proposals
Structure

In considering Shell's remuneration structure, the REMCO reflected on alternative mechanisms, such as the restricted share and hybrid models. The REMCO concluded that while such arrangements have their merits, maintaining the FTSE-standard performance share model is the best way for Shell to preserve a sharp focus on pay for performance.

Quantum

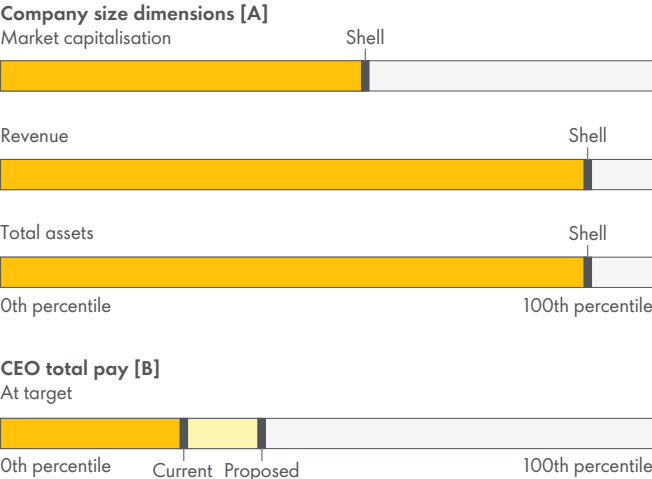
The REMCO does not seek a particular pay position in the pay benchmarking peer group. It exercises judgement and does not intend to change that approach.

The REMCO is proposing an increase in quantum in consideration of the nature of the leadership required to lead Shell through the continued transformation and the performance opportunity ahead. The REMCO continues to believe it is essential that Executive Director pay continues to support sustainable, long-term performance and strong shareholder alignment. Accordingly, the proposed increase in quantum is focused solely on the PSA, with the CEO's target opportunity increasing from 300% to 450% of salary. Maximum opportunity of 900% of salary will be delivered only for achievement of the highest quality of performance, requiring exceeding our internal targets and exceptional outperformance relative to peers (given a 40% weighting on relative performance conditions). The proposed quantum change moves the CEO's total pay from around 25th percentile to just below median of the updated pay benchmarking group. The REMCO will continue to enhance its approach to discretion to manage outcomes.

Following a comprehensive review, the REMCO concluded that only a modest change would be made to the CFO's package. The CEO and the CFO are in a strong leadership partnership and play a critical role as a team in Shell's transformation. An increase in the target PSA from 270% to 300% of salary is proposed for the CFO (with a proposed maximum of 600% of salary), which does not alter her pay positioning vs. peers.

The PSA proposals represent the first increase in Policy maximum since Shell's first shareholder-approved Remuneration Policy in 2013, and the REMCO further notes that the share award sizes reduced in the 2020 Policy.

Shell percentile rank vs. global peers



[A] Market capitalisation based on the average value in 2025; revenue and total assets based on latest reported financial year.

[B] Target total direct compensation, comprising base salary, annual bonus and long-term incentives. Based on latest reported financial year.

Subject to shareholder approval, the Policy changes will take effect from the 2026 AGM and are intended to apply to the 2026 share awards. Awards within the confines of the current Policy were made to both Executive Directors in February 2026, of 300% and 270% of salary to the CEO and the CFO, respectively. Subject to shareholder approval of the revised Policy, a further share award of 150% and 30% of salary will be made to the CEO and the CFO, respectively, following the 2026 AGM, bringing awards for 2026 into line with the award levels under the revised Policy, i.e. 450% and 300% of salary for the CEO and the CFO, respectively.

Discretionary framework

The REMCO has determined to retain and further strengthen the existing discretionary framework for assessing annual pay outcomes relative to the quality of performance outcomes, so that it may take into account the overall level of remuneration for the Executive Directors, Shell's performance, shareholder experience, the operation of the remuneration structures, the internal context for other employees and any other relevant factors to ensure that the highest variable pay outcomes are achieved only in years with the highest-quality performance.

As before, in years where the vesting outcome makes the total remuneration inappropriate for any Executive Director, the REMCO will consider an adjustment to the annual bonus outcome and/or the PSA vesting outcome for the purposes of managing remuneration quantum.

Shareholding requirements and bonus deferral

The proposed Policy also sets out an increase to the shareholding requirements, from 700% to 900% of salary for the CEO, and from 500% to 550% of salary for the CFO. The new requirement levels are close to the top of the FTSE and the new global peer group, and broadly consistent with the new maximum PSA opportunities. A revision to bonus holding arrangements is also proposed, so that if an Executive Director has met their shareholding requirement, 75% (rather than 50%) of net-of-tax bonus will be delivered in cash and 25% in shares subject to the usual three-year holding period. This proposed change balances greater financial flexibility for individuals who have built up significant holdings with continued shareholder alignment. The share award post-vesting holding arrangements remain unchanged, with a three-year holding period compared to the more typical two-year period for many other UK companies.

Other Policy proposals considered

The above proposals reflect the results of a comprehensive review by the REMCO, during which alternative ideas were also considered. These are described below, along with the supporting rationale for our eventual, selected approach.

Alternative proposal	Rationale for our selected approach
Increase salary only	Increasing fixed pay only does not provide appropriate performance alignment.
Increase the annual bonus opportunity instead of/in addition to the PSA	- The REMCO determined that focusing the increase solely on the PSA was more in line with the leadership task of transformation for the long-term. - The resulting pay mix better reflects that observed at the global peer companies.
Phase the proposed increases	A phased approach is not aligned with Shell's philosophy around simplification, and would specifically pose challenges to metric selection and weighting.

Shareholder consultation

As part of the Policy review, Shell engaged with large institutional shareholders. Overall, shareholders were supportive of the proposed quantum, including the new peer group and case for change. On the PSA performance conditions, the rationale for introducing normalised FCF per share growth was well understood with some very supportive voices. There was also appreciation for the simplicity of the overall remuneration design.

I would like to thank everyone we engaged with for their valuable contributions, which helped us to shape the detail of the proposed Policy.

2026 remuneration**2026 salaries**

Effective January 1, 2026, Wael Sawan and Sinead Gorman received a salary increase of 4.0%, and their salaries for 2026 are £1,596,000 and £1,055,000, respectively. In reviewing their salaries, the REMCO considered carefully the external environment, including the increases provided to Shell's workforce in the key markets of the UK (4.1%), the USA (3.0%) and the Netherlands (3.0%). The Executive Directors' increases for 2026 were positioned just below the average UK increase.

2026 annual bonus

There will be no change to the overall annual bonus scorecard architecture, structure or weightings for 2026. Given the evolution of the business, and the shift in focus to value over volume, the supporting customer decarbonisation metric will move from assessing the number of electric vehicle charge points to electric vehicle gross margin growth.

2026 Performance Share Award performance conditions

The performance conditions for the 2026 PSA are discussed earlier in this letter, and further details are provided on page 198.

Looking ahead

I hope that you find that this report presents a clear account of the REMCO's decisions for the year. This year brings the vote on the proposed Policy at the AGM, and I look forward to ongoing dialogue with our shareholders in the coming months.

Cyrus Taraporevala

Chair of the Remuneration Committee

Annual Report on Remuneration

Remuneration at a glance

2025

Fixed pay and shareholding

Base salary

Wael Sawan (CEO)	Sinead Gorman (CFO)
£1,535,000	£1,014,000

Pension

The Executive Directors are eligible to participate in the defined contribution UK Shell Pension Plan with an employer contribution rate of 20% of salary or take this as a pension cash alternative, consistent with other employees.

Benefits

Typically include car allowance, home-to-office transport and medical insurance.

Shareholding

	Target levels, % of base salary	Actual levels, % of base salary at December 31, 2025
CEO	700%	676%
CFO	500%	590%

Annual bonus

2025 annual bonus

Wael Sawan	Sinead Gorman
£2,724,625	£1,799,850

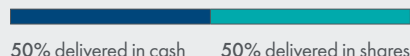
2025 bonus scorecard outcome

Mathematical outcome: **1.48**

Given the fatalities in respect of 2025, the final scorecard outcome was **1.42**.

No individual performance factor used in bonus calculation.

Bonus delivery



Shares are subject to a three-year holding period which extends beyond an Executive Director's tenure.

Malus and clawback provisions apply.

Share award

2023–2025 LTIP vesting outcome

Wael Sawan	Sinead Gorman
£9,112,171	£5,418,439

Vesting outcome

Performance condition	Outcome	Vesting
TSR	(5) (4) (3) (2) (1)	50%
Competitive capital allocation	(5) (4) (3) (2) (1)	20%
Cash generation		49%
Energy transition		30%
		149% (out of a 200% maximum)

Shares are subject to a three-year holding period which extends beyond an Executive Director's tenure.

Malus and clawback provisions apply.

2026

Fixed pay and shareholding

Base salary

Wael Sawan (CEO)	Sinead Gorman (CFO)
£1,596,000	£1,055,000
↑ 4.0%	↑ 4.0%

Pension

No change for 2026.

Benefits

No change for 2026.

Shareholding

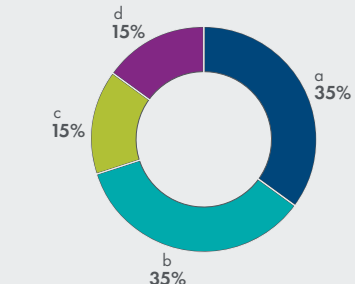
	Target levels, % of base salary	Actual levels, % of base salary at March 4, 2026
CEO	900%	1,073%
CFO	550%	951%

Annual bonus

Target % of base salary

	Wael Sawan	Sinead Gorman
Target	125%	125%
Maximum	250%	250%

Scorecard architecture



- a Cash flow from operating activities (weighted 35%)
- b Operational excellence (asset management excellence 15%, project delivery excellence 10%, customer excellence 10%)
- c Shell's journey in the energy transition (LNG volumes [A] 5%, reducing operational emissions 5%, supporting customer decarbonisation 5%)
- d Safety (FPI-F 7.5%, Tier 1 and 2 process safety 7.5%)

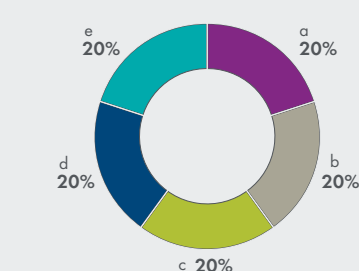
[A] Equity liquefaction

Share award

Target awards % of base salary

	Wael Sawan	Sinead Gorman
Target	450%	300%
Maximum	900%	600%

Performance conditions



- a Cash generation (measured by organic FCF) [B]
- b Intrinsic value creation (measured by normalised FCF per share growth, based on organic FCF before working capital and derivatives) [B]
- c Shell's journey in the energy transition [B]
- d Competitive capital allocation (measured by CFFO divided by average capital employed) [C]
- e Total shareholder return [C]

Performance against the relative performance conditions is assessed against other energy majors (bp, Chevron, ExxonMobil and TotalEnergies).

[B] Absolute. [C] Relative.

The Annual Report on Remuneration sets out:

- remuneration at a glance, page 183;
- the REMCO's responsibilities and activities, page 184;
- Directors' remuneration for 2025, pages 185 and 193; and
- the statement of the planned implementation of Policy in 2026, page 197.

The base currency in the Directors' Remuneration Report is British pound sterling (GBP), which is the base salary currency for the Executive Directors. Where amounts are shown in other currencies, an average exchange rate for the relevant year is used, unless a specific date is stated, in which case the exchange rate for the specific date is used.

REMCO membership



Cyrus Taraporevala



Dick Boer



Jane H. Lute



Clare Scherrer [A]



Bram Schot

[A] Member since January 1, 2026.

Attendance during 2025

Biographies can be found on pages 143-148; and REMCO meeting attendance during 2025 is set out below:

REMCO member	Member since	Meetings attended	% of meetings attended
Cyrus Taraporevala (Chair) [B]	October 30, 2024	6/6	100%
Dick Boer [C]	May 23, 2023	5/6	83%
Jane H. Lute	May 23, 2023	6/6	100%
Bram Schot	May 24, 2022	6/6	100%
Neil Carson OBE [D]	June 1, 2019	2/2	100%

- [B] Cyrus Taraporevala was appointed as REMCO Chair with effect from May 20, 2025.
[C] Dick Boer was unable to attend the August 2025 meeting due to another scheduled business commitment.
[D] Neil Carson OBE stepped down as a member of the REMCO with effect from May 20, 2025.

The REMCO's key responsibilities include determining:

	Senior Management [A]		
	Executive Directors	Executive Committee	Company Secretary and EVP Controller & Finance Operations
Performance framework	✓	X	X
Remuneration Policy	✓	✓	X
Actual remuneration and benefits	✓	✓	✓
Annual bonus and long-term incentive measures and targets	✓	✓	✓

[A] In the Directors' Remuneration Report, Senior Management is defined as Executive Directors, other Executive Committee members, Company Secretary, and EVP Controller & Finance Operations.

The REMCO determines remuneration for the Chair of the Board and monitors the level and structure of remuneration for senior executives. The REMCO also considers workforce remuneration and related policies, and how pay and benefits align with culture. In exercising its responsibilities, the REMCO takes into account a variety of stakeholder considerations.

Delivering Shell's continued transformation is a leadership challenge of the highest order. Much of the REMCO's work over the past year has focused on considering the scale of the leadership ask and how remuneration can support this ambition.

The REMCO Terms of Reference are reviewed annually (last reviewed in February 2026 with non-substantive changes made) and are available on [shell.com](https://www.shell.com).

To support the REMCO in carrying out its duties, input was provided by:

- Chief Executive Officer (CEO);
- Chief Human Resources and Corporate Officer, who also acted as Secretary to the REMCO; and
- Executive Vice President Performance and Reward.

The Chair of the Board was consulted on remuneration proposals affecting the CEO. The CEO was consulted on proposals relating to the Chief Financial Officer (CFO) and Senior Management.

The REMCO met six times in 2025, and its activities included:

- reviewing the Remuneration Policy and considering changes, with the resulting proposed Policy to be put to a shareholder vote at the 2026 AGM;
- determining final 2024 bonus outcomes for Senior Management;
- determining vesting of the 2022 share award [A] for Senior Management;
- determining 2025 target bonus opportunities and 2025 PSA for Senior Management;
- setting 2025 bonus and PSA performance measures and targets;
- approving the 2024 Directors' Remuneration Report;
- reviewing 2026 bonus and PSA performance measures and targets;
- engaging with major shareholders and proxy bodies on remuneration matters;
- setting remuneration in relation to changes in the Executive Committee;
- setting the Chair's remuneration; and
- monitoring external developments and assessing the impact on remuneration decisions.

[A] Share awards made to Executive Directors prior to 2025 were referred to as Long-term Incentive Plan (LTIP) awards. From 2025, such awards are referred to as PSA.

After a competitive tender process, Ellason was appointed by the REMCO and provided external advice on remuneration market practice. The choice of Ellason was based on its knowledge of investors' expectations and familiarity with UK market practices. Ellason is a member of the Remuneration Consultants Group. The REMCO is satisfied that the advice provided was objective and independent. The total fees in relation to Ellason's advice were £77,565 (excluding value-added tax). The REMCO also reviewed analysis prepared by Shell's internal HR function, which included input from other functions such as finance.

Directors' remuneration for 2025

Single figure of total remuneration for Executive Directors (audited)

	Wael Sawan		Sinead Gorman	
	2025	2024	2025	2024
Salaries [A]	1,535	1,455	1,014	961
Taxable benefits [B]	77	45	35	32
Pension [C]	307	291	203	192
Total fixed remuneration	1,919	1,791	1,252	1,186
Annual bonus [D]	2,725	2,925	1,800	1,930
Share award [E]	9,112	3,899	5,418	4,136
Total variable remuneration	11,837	6,824	7,218	6,066
Total remuneration	13,756	8,615	8,470	7,251
in US dollars	18,140	11,012	11,169	9,269
in euros	16,057	10,177	9,887	8,566

[A] Base salary: Wael Sawan's base salary for 2025 was set at £1,535,000 (+5.5% from 2024). Sinead Gorman's base salary for 2025 was set at £1,014,000 (+5.5% from 2024).

[B] Benefits: in respect of 2025, Wael Sawan's benefits included a one-off payment related to tax liabilities arising from his move to the UK, in line with Shell's international mobility policy (£28,253), car allowance (£29,890), and tax gross-up costs (£14,253). Sinead Gorman's benefits included car allowance (£29,890).

[C] Pension: Wael Sawan and Sinead Gorman received cash in lieu of pension contributions equal to 20% of base salary in 2025.

[D] Annual bonus: the full value of the bonus in respect of performance in 2025, comprising both the 50% delivered in cash and 50% bonus delivered in shares. The market price of shares on February 26, 2026, for London-listed shares (£30.11) was used to determine the number of shares delivered, resulting in 23,980 ordinary shares for Wael Sawan and 15,841 ordinary shares for Sinead Gorman, net of tax.

[E] Share award: the amounts reported for 2025 relate to the 2023 award, which vested on March 4, 2026, at the market price for London-listed shares of £30.84. The value is calculated as the product of: (i) the number of shares of the original award multiplied by the vesting percentage, plus accrued dividend shares, and (ii) the market price of ordinary shares at the vesting date. Share price appreciation accounted for £1,736,892 for Wael Sawan and £1,032,821 for Sinead Gorman.

Notes to the table: Single figure of total remuneration for Executive Directors (audited)

Pension

During the year, Wael Sawan and Sinead Gorman were eligible to participate in the defined contribution UK Shell Pension Plan with an employer contribution rate of up to 20% of salary, or take this as a pension cash alternative. The UK Shell Pension Plan or associated pension cash alternative is available to new Shell employees in the UK at the same contribution levels, and currently around two thirds of UK employees participate in these arrangements. The majority of the remainder participate in a legacy defined benefit plan, which closed to new members in March 2013.

Annual bonus

The annual bonus is intended to reward the delivery of short-term targets, typically derived from the Operating Plan. The REMCO reviews the bonus measures, weightings and targets annually to evolve with Shell's strategy and circumstances, and to ensure that the targets remain stretching but realistic. For 2025, the mathematical bonus outcome was 1.48. The REMCO reviewed performance against the scorecard, as described below. Further information is on page 187.

Financial delivery (35% weighting): CFFO allows us to run and invest in our businesses and make shareholder distributions. We delivered \$42.9 billion of CFFO against our target of \$43 billion, driven by strong operational performance and solid commercial delivery. As a reminder, the REMCO has a long-standing policy of not adjusting CFFO to take account of changes in energy prices and currency fluctuations. This policy supports alignment between pay outcomes and the shareholder experience.

Operational excellence (35%): Operational excellence underpins delivery to our customers and drives financial performance. In 2025, overall operational excellence performance was above target.

- Asset management excellence: Upstream controllable availability was outstanding, driven by performance in Kazakhstan, Nigeria, Norway, Oman and the Gulf of America. Midstream availability was outstanding, thanks to excellent reliability in Qatar and Australia, and the successful completion of turnarounds. Refining and Chemicals availability exceeded the plan, mainly due to strong performance at Deer Park and Rheinland Refinery, offsetting a shortfall at Monaca.
- Project delivery excellence: Highlights for the year in project delivery include the successful start-up of 21 projects, including Whale in the Gulf of America, Penguins restart in the UK, Mero-4 in Brazil and the first export cargo at LNG Canada Trains 1 and 2.
- Customer excellence: Customer satisfaction index remained strong, following our focus on performance, continuous improvement of e-commerce platforms and the resilience of our teams. Our Brand Share Preference continued to be outstanding, and was performing ahead of target in all regions.

Shell's journey in the energy transition (15%): This metric reflects progress on our longer-term strategic ambitions. The overall score was above target for the year.

- LNG volumes [A]: Performance is measured based on liquefaction volumes. Our score for LNG liquefaction volumes reflects strong operational performance across most Integrated Gas assets and a maintenance programme with no major delays.

[A] Equity liquefaction.

- Reducing operational emissions: 1,238 thousand tonnes of greenhouse gas emissions reductions were achieved from abatement, renewable energy and permanent shutdowns or conversions ("right-sizing"). The main contributors were multiple transformation projects in Rheinland in Germany (Downstream and Renewables), compressor electrification in Canada (Integrated Gas) and catalyst improvements in Qatar (Integrated Gas).
- Supporting customer decarbonisation: We have continued to expand our network of electric vehicle charge points, mainly driven by growth in China and Ubitricity's portfolio. The business is focused on building a leaner, more profitable e-Mobility network to deliver long-term success.

Safety (15%): It remains our priority to run our day-to-day operations safely and ensure the well-being of all our people. The overall outcome for safety is above target for 2025.

- Process safety: Performance continues to be measured through the number of Tier 1 and 2 operational safety incidents. There were 62 Tier 1 and 2 operational process safety events reported in 2025, which was an improvement compared with our performance in 2024.
- Personal safety: Performance is assessed based on the frequency of serious incidents which occur in Shell's businesses. Our ultimate goal is zero harm to people working for Shell. There were tragically four fatalities and four serious injuries in 2025, highlighting the need for our ongoing focus on Goal Zero.

The REMCO reflected carefully on these events and Shell's broader safety performance and determined that the bonus outcome should be adjusted downwards from 1.48 to 1.42 (see "The REMCO's reflections on safety" below).

The REMCO's reflections on safety

Safety, along with our core values, underpins our strategy. We aim to do no harm to people and to have no leaks across our operations. We call this our Goal Zero ambition.

In 2025, Shell used fatality and permanent impairment (FPI) as our scorecard measure for personal safety performance. We focus on FPIs because they represent the most serious harm that can occur in our operations, and concentrating on them ensures we prioritise the risks that matter most to keeping people safe. This focus also aligns Shell with the IOGP industry standard, simplifies and strengthens how we learn from high-impact events and helps us direct our attention, assurance and resources to where they will have the greatest effect on preventing life-altering harm.

Following discussions with shareholders in 2023, the REMCO adopted a discretionary framework to guide its decisions regarding the impact of fatalities on remuneration. The framework takes account of multiple reflection points, as set out below. This framework supports holistic and detailed consideration of the circumstances arising, and consistent and fair judgement of safety performance over time.

Circumstances

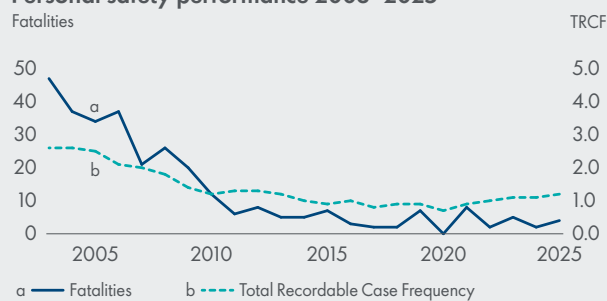
In February 2025, a fire occurred at the EcoOils facility in Malaysia, resulting in a contractor colleague sustaining second-degree burns and passing away from his injuries. In February 2026, Malaysia's Department of Occupational Safety and Health concluded that the incident occurred due to a failure to assess the risks associated with the cleaning activity and levied a fine of value of MYR 50,000 (equivalent to \$12,800). In April 2025, a contractor colleague on a drillship in Malaysia was struck and pinned by the sliding panel of a watertight door as it automatically closed, and passed away. In July 2025, a contractor-operated minibus was involved in a collision with a third-party truck on a rural road in Argentina, resulting in two fatalities, including a contractor colleague and the truck driver. In November 2025, there was an incident in the UK where a contractor colleague died following a fall from height, which remains under internal investigation. The UK regulator, the Health and Safety Executive, concluded that there was a failure to make an assessment of the risks to the health and safety of employees.

Internal investigations, launched to understand the "what" and "why", discover any thematic failures, and gain insights and learnings for the future, have concluded that while there are lessons to be learned and more to do, the incidents were not considered repetitive or systemic failures.

Wider safety context

During 2025, we continued our focus on enhancing how we prepare for and conduct high-risk activities by: (i) improving our preparation and execution of front-line work; (ii) building an environment of trust and learning; and (iii) using technology to reduce exposure and identify conditions that could lead to serious incidents. There were no material safety events beyond those included in standard reporting focusing on work-related incidents at Shell-operated ventures.

Personal safety performance 2003–2025



Conclusions

Safety performance at Shell has improved significantly over time, with structural improvements made. In 2025, we met our scorecard targets on safety, but analysis of underlying performance shows there are still vulnerabilities that require leadership and constant vigilance at all levels.

After careful consideration of Shell's holistic safety performance in 2025 including the outcome of the formal metrics, the in-year fatalities and Shell's long-term progress on safety, the REMCO has determined that the scorecard outcome for Executive Directors should be adjusted downwards from 1.48 to 1.42. The reduction in the bonus outcome as a result of the adjustment is equal to around 8% of salary for both Executive Directors.

The table below summarises the 2025 annual bonus scorecard measures including their weightings, targets and outcomes.

2025 annual bonus scorecard measures and weightings

Performance measures		Weighting	Unit	Threshold (score of 0 out of 2)	Target (score of 1 out of 2)	Outstanding (score of 2 out of 2)	Outcome	Score (out of 2)
Financial delivery (35%)	Cash flow from operating activities	35%	\$bn	33.0	43.0	53.0	42.9	0.99
Operational excellence (35%)	Asset management excellence [A]	15%	%		See note below			1.73
	Project delivery excellence [B]	10%	%		See note below			1.33
	Customer excellence [C]	10%	Index		See note below			1.90
Shell's journey in the energy transition (15%)	LNG volumes [D]	5%	Million tonnes per annum	26.1	27.5	28.9	28.4	1.64
	Reducing operational emissions	5%	Thousand tonnes CO ₂ e	788	1,050	1,313	1,238	1.71
	Supporting customer decarbonisation [E]	5%	Number of EV charge points	75,000	80,000	85,000	83,493	1.70
Safety (15%)	Personal safety: fatality and permanent impairment frequency (FPI-F) [F]	7.5%	Cases per 100 million working hours	4.5	3.6	2.7	2.1	2.00
	Process safety: operational Tier 1 and 2 events	7.5%	Number of events	104	83	62	62	2.00
Scorecard outcome								1.48
Final scorecard outcome (including safety adjustment)								1.42

[A] Upstream controllable availability: 89.2% (Threshold 83.3%, Target 85.3%, Outstanding 87.3%); Midstream availability: 90.3% (Threshold 86.0%, Target 88.0%, Outstanding 90.0%); Chemicals and Refinery availability: 94.1% (Threshold 92.9%, Target 93.9%, Outstanding 94.9%). Performance assessment is equally weighted between Upstream, Midstream, and Chemicals and Refining.

[B] Projects delivered on schedule: 84% (Threshold 50%, Target 75%, Outstanding 100%); project delivery on budget: 99.8% (Threshold 107.5%, Target 101.5%, Outstanding 95.5%). Performance assessment is equally weighted between projects delivered on schedule and on budget.

[C] Customer Satisfaction Index: 8.5 (Threshold 7.6, Target 8.1, Outstanding 8.6); Brand Share Preference: 17.3% (Threshold 12.1%, Target 13.6–14.0%, Outstanding 15.6%). Performance assessment is equally weighted between Customer Satisfaction Index and Brand Share Preference.

[D] Equity liquefaction.

[E] An adjustment was applied to exclude 4,407 electric vehicle charge points divested effective January 2, 2026.

[F] The overall scorecard outcome was adjusted downwards from 1.48 to 1.42 in consideration of safety performance.

Accordingly, the REMCO decided the final bonus outcome should be 142% of target (71% of maximum). This results in a bonus of £2,724,625 for Wael Sawan and £1,799,850 for Sinead Gorman.

2025 bonus outcome calculation

Wael Sawan			
Target bonus: £1,535,000 (base salary) x 125% = £1,918,750	×	2025 scorecard result 1.42	= £2,724,625 [A]
Sinead Gorman			
Target bonus: £1,014,000 (base salary) x 125% = £1,267,500	×	2025 scorecard result 1.42	= £1,799,850 [A]
[A] Half was delivered in shares subject to a three-year holding period which extends beyond the Executive Director's tenure.			

2023 share award vesting

In 2023, Wael Sawan and Sinead Gorman were granted conditional share awards. The table below summarises the performance conditions, weightings, targets and outcomes.

2023 share award vesting outcomes – performance measures

Performance conditions		Weighting	Threshold	Target	Maximum	Outcome (out of the maximum 200%)	Vesting outcome (% of target award)
Relative Performance ranked against the other energy majors: bp, Chevron, ExxonMobil and TotalEnergies	Total shareholder return [A]	25%	Third		First	⑤ ④ ③ ② ①	200%
	Competitive capital allocation (measured by CFFO divided by average capital employed)	25%	Third		First	⑤ ④ ③ ② ①	80%
Absolute Performance assessed against internal financial and strategic targets	Cash generation (measured by organic FCF)	25%	\$52bn	\$70bn	\$100bn	\$99.1bn	197%
	Shell's journey in the energy transition	25%		See below			120%
							149%

[A] TSR over the performance period was 44.7%.

The REMCO reviewed Shell's broader performance over the performance period, and also reflected on the share price at award and on vesting, noting that the share price had increased by 28%, and that appreciation accounted for 19% of the total value of the award at vesting, and was satisfied that no windfall gain had arisen.

The REMCO decided that the vesting outcome was consistent with the target opportunity and intended operation of the plan under the current Policy and appropriate, and therefore no adjustment to the vesting outcome was required. Accordingly, the REMCO decided that the award should vest at 149% of target (equivalent to 75% of maximum).

2023 share award vesting outcome

Wael Sawan

Vesting outcome: [A]

173,985 x 149% =
259,238 ordinary shares
£6,257,997



Change in share price: [B]

259,238 x £6.70
£1,736,892



Accrued dividends: [C]

36,228 ordinary shares
£1,117,282



Total vesting:

295,466 ordinary shares
£9,112,171

Sinead Gorman

Vesting outcome: [A]

103,458 x 149% =
154,152 ordinary shares
£3,721,239



Change in share price: [B]

154,152 x £6.70
£1,032,821



Accrued dividends: [C]

21,543 ordinary shares
£664,378



Total vesting:

175,695 ordinary shares
£5,418,439

[A] Based on the share price at award of £24.14.

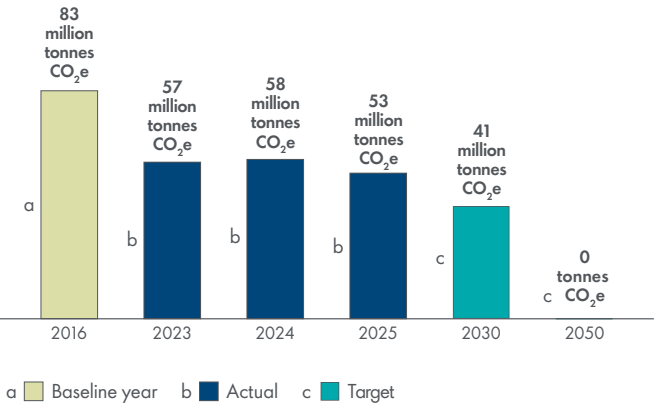
[B] Calculated based on the opening share price on March 4, 2026 (being the 2023 award vesting date) minus the share price on the award date: £30.84 – £24.14 = £6.70.

[C] Based on the opening share price on March 4, 2026 of £30.84.

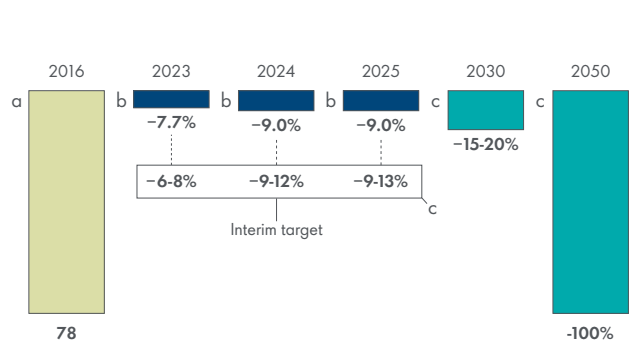
Our carbon targets

In 2025, we continued to make progress against our climate-related targets and ambition. At the end of 2025, we had reduced our Scope 1 and 2 operational emissions by 36%, and the NCI of our energy products by 9.0%, from our 2016 baseline.

Net carbon emissions – Scope 1 and 2 operational emissions



Net carbon intensity (NCI) [A] (gCO₂e/MJ)



[A] Average intensity, weighted by sales volume, of the energy products we sell, on an equity boundary, net of carbon credits. Estimated total GHG emissions included in NCI reflect well-to-wheel emissions associated with energy products sold by Shell. This includes the well-to-tank emissions associated with the manufacturing of energy products by others that are sold by Shell.

2023 share award energy transition performance condition: outcome

Shell's strategy is to deliver more value with less emissions, providing the oil and gas people need today, while helping to build the energy system of the future. The performance condition for Shell's journey in the energy transition is determined by the REMCO based on a holistic view of achievement of strategic intent, using performance indicators as guidance. This approach supports learning through the development of new businesses and business models and understanding of solutions Shell can profitably deliver to help achieve our strategy to deliver more value with less emissions.

At the outset of Shell's energy transition journey, the strategy was intentionally designed as a learning journey – taking strategic positions, observing market and regulatory evolution and adapting based on experience. This cycle reflects that philosophy, with an emphasis on high-grading the portfolio, and focusing on competitive strengths that deliver shareholder value, with disciplined investment and execution. Shell's energy transition strategy is firmly focused on the highest-return opportunities – leading in the energy transition where we have competitive strengths, see strong customer demand, identify clear regulatory support from governments and where we can create most impact – creating more value with less emissions.

For 2023 share awards, assessment of performance is based on NCI reduction against the 2016 base year and supporting strategic themes of reducing Scope 1 and 2 emissions; building a renewable power business; growing new low-carbon energy offerings; and developing emission sinks and offsets.



Net carbon intensity (NCI)

The target for the 2023–2025 share award cycle to reduce our NCI by 9–13% compared with the 2016 base year was met with a 9.0% reduction by the end of 2025. In making its decision, the REMCO reviewed how the target was met including the use of emission offsets, such as carbon credits, and the retirement of Renewable Energy Certificates, recognising the importance of these in the energy transition.



Reducing Scope 1 and 2 emissions

Shell has a target to reduce Scope 1 and 2 emissions under Shell's operational control by 50% by 2030, on a net basis (compared with the 2016 baseline). The REMCO noted the progress being made towards this target with a reduction of 36% achieved by the end of 2025.



Growing the Power business

During the performance cycle, management strategically repositioned the Power business, shifting from capital-intensive renewables development to a capital-light, trading-led, asset-backed model to leverage Shell's strengths in trading, optimisation and B2B customer relationships.

Shell exited a number of non-strategic and lower-return renewables positions, particularly across onshore and offshore wind and solar, including the sale of interests in SouthCoast Wind Energy LLC, Brazos Wind and Madison Fields Solar, Cleantech Renewable Assets and five US solar projects via a new joint venture with Ares. In addition, Shell withdrew from Atlantic Shores Offshore Wind and exited two floating wind projects in Scotland (MarramWind and CampionWind). These actions reduced exposure to assets under development and enabled capital to be redirected towards higher-return opportunities, supporting the goal of returns of around 10% across the Power portfolio by 2030 as referenced at CMD25.

Alongside divestments, selective projects progressed into operation, including the Hollandse Kust Noord offshore wind park in the Netherlands and capacity growth through Sprng Energy in India. The business increased its focus on flexible generation and system support, including the acquisition of RISEC Holdings in the USA and the contracting of battery storage across several regions.

The Power trading business continued to grow in scale and profitability, supported by targeted acquisitions of Ego, a manager of small renewables assets in Italy, and Prime, a power marketer in Brazil, investment in scalable IT platforms and tighter working capital discipline.



Growing low-carbon offerings

Shell continued to leverage its position as one of the world's largest energy traders and biofuels blenders, trading more than 10 billion litres of low-carbon fuels, while investing selectively in low- and zero-carbon products, such as hydrogen, and in carbon removals. Throughout the performance cycle, the focus remained on working closely with customers to identify commercially viable pathways to decarbonisation.

In hydrogen, Shell maintained a measured approach as regulatory frameworks and infrastructure mature. Key milestones included continued development of Holland Hydrogen I in the Netherlands, expected to be Europe's largest green hydrogen [A] plant at 200 MW once operational, and a final investment decision on Refhyne II, a 100 MW green hydrogen project at the Rheinland refinery in Germany.

Shell further expanded its biofuels platform, supplying products such as sustainable aviation fuel (SAF), renewable diesel and biogas to the aviation, road transport and marine sectors. In 2023, Shell acquired Nature Energy, one of Europe's largest biogas producers, and by 2025 operated 17 biogas plants, across Europe and the USA. During the period, Shell also became one of the world's largest traders and suppliers of SAF, accounting for close to 20% of SAF sales in North America and Europe through Shell Aviation. The decision not to restart construction of the HEFA biofuels facility in Rotterdam, while difficult, demonstrated continued discipline in capital allocation in light of market conditions. In 2025, we continued investment in the EcoOils waste oil platform acquired in 2022, with construction of Project Mentari: this plant is the latest addition to the five already in operation in Malaysia and Indonesia. EcoOils' waste oils are a valuable feedstock for HEFA plants producing SAF and a strategic control point of the biofuels value chain.

Alongside biofuels and hydrogen, Shell continued to assess emerging longer-term opportunities, including e-fuels for aviation and shipping, advanced carbon removal technologies such as Direct Air Capture and innovative products like immersion cooling fluids to improve energy efficiency in data centres. Shell Ventures complemented this approach through minority investments that provide exposure to emerging technologies while limiting capital risk.



Developing emission sinks

During the performance cycle, Shell progressed several carbon capture and storage (CCS) projects. Final investment decisions were taken on Northern Lights Phase II, and operations commenced at Northern Lights Phase I. Shell also announced final investment decisions on Project Polaris, a carbon capture project at Shell Energy and Chemicals Park Scotford in Canada, alongside Project Atlas, a carbon storage hub developed in partnership with ATCO EnPower. The first phase of Atlas will provide permanent underground storage for CO₂ captured by the Polaris project.

Nature Based Solutions (NBS) also continued to evolve. While shortfalls in earlier years reflected regulatory and verification delays and portfolio changes, progress is expected to recover through projects such as Aider, which supports conservation of approximately 173,000 hectares of the Peruvian Amazon, and Select Carbon, a specialist in developing and aggregating carbon farming projects. The divestment of Climate Bridge in 2024 adjusted delivery expectations, with the overall strategy increasingly focused on enabling growth through third-party capital and partnerships.

Conclusion

Over the 2023–2025 performance cycle, Shell made progress in its energy transition strategy, while maintaining a clear focus on capital discipline and shareholder value. The NCI target was met within the stated range, supported by portfolio actions, low-carbon offerings and the appropriate use of offsets and certificates. Progress was also made in reducing Scope 1 and 2 emissions under operational control, advancing towards Shell's 2030 target. Across the Power business, low-carbon products and emissions sinks, management demonstrated strategic repositioning, actively high-grading the portfolio, exiting lower-return activities and investing selectively in scalable, commercially viable platforms aligned to Shell's competitive strengths.

In reaching its overall assessment, the REMCO noted that progress reflected disciplined decision-making, responsiveness to market and regulatory conditions, and the retention of strategic optionality to scale as demand and frameworks evolve. The REMCO concluded that performance across the energy transition measures was aligned with shareholder interests and long-term value creation, determining the vesting outcome for this element of the award at 120% of target.

[A] The colour terminology of hydrogen, whether grey, blue or green, denotes which production methods were used to create the clean-burning, low-carbon fuel. The resulting fuel associated with each method is the same. Green hydrogen is produced through the electrolysis of water using renewable energy.

Consideration of 2025 single figure outcomes

In determining the final single figure outcomes for 2025, the REMCO also considered the personal performance of the Executive Directors.

Personal performance

2025 was another year of strong and decisive leadership from the Executive Directors.

CMD25 set out the next steps in the execution of the Company's strategy, strengthening commitment to value creation and maintaining focus on performance, discipline and simplification. CMD25 raised the bar across our key financial targets, investing where we have competitive strengths and delivering more for our shareholders.

Detailed information on Shell's performance by the end of 2025 against specific remuneration targets is set out on pages 185 (relating to 2025 annual bonus) and 188 (relating to 2023 share award vesting outcome); key achievements included:

- delivered strong shareholder distributions in 2025 of 52% of CFFO*, at the top end of the CMD25 commitment of 40–50% of CFFO through the cycle. TSR over the 2023–2025 share award performance period outperformed peers;
- delivered strong financial results with CFFO of \$42.9 billion against plan target of \$43 billion, Adjusted Earnings* of \$18.5 billion and FCF* of \$26.1 billion;
- maintained a resilient balance sheet in a softer macroeconomic environment;
- continued structural cost reductions* across the organisation, delivering \$5.1 billion since 2022 against the CMD25 commitment of \$5.7 billion by 2028;
- continued to drive capital discipline, with cash capital expenditure in 2025 below the target range for the year and creating a culture in which a focus on value creation is central;
- continued high-grading the portfolio: finalising the sale of our loss-making Chemicals and Products asset in Singapore, completing the sale of SPDC in Nigeria, which concluded a multi-year effort, and stopping the construction of the HEFA biofuels plant in Rotterdam;
- completed the Adura Energy Limited joint venture, creating the North Sea's largest independent producer and unlocking additional value through the new partnership;
- started up LNG Canada, a major greenfield project in an advantaged geographical location;
- strengthened the deep-water position in the Gulf of America, Brazil and Nigeria through a number of final investment decisions (FID) and deepening working interest in advantaged assets;
- delivered best-ever Adjusted Earnings in Mobility and Lubricants through execution of value over volume strategy and high-grading the portfolio;
- continued focus on climate performance, including progress against the target to halve Scope 1 and 2 emissions under operational control by 2030 on a net basis compared with 2016 and achieving the ambition to eliminate 100% of routine flaring from our upstream operations; and
- continued focus on personal and process safety performance.

Wael Sawan

Wael Sawan has steered Shell through a year of increased geopolitical uncertainty and a softer macro, delivering on targets and positioning the organisation to be resilient into the future.

Wael Sawan has demonstrated clear and decisive leadership, driving growth where we have a competitive advantage, embedding capital discipline across the portfolio, and making tough decisions to pause and address performance challenges where needed.

The businesses had a strong year operationally and financially, building on strong momentum from 2024. There has been continued high-grading of the portfolio with a sharp focus on core capabilities and strengths to shape the portfolio into the future.

The roll-out of "This is Shell" across the organisation complements the continued focus on competitive performance with a simple and cohesive framework that sets out Shell's purpose, vision, strategy, operating model, values and culture. The culture journey is essential to delivering competitive performance.

Wael Sawan has continued to shape the broader energy conversation through engagements at events including, for example, CERAWEEK, Gastech, OPEC International Seminar and Energy Asia, and through engagement with political leaders, regulators and other stakeholders.

The key highlights from the CEO have been strengthening capital discipline, deepening performance culture and delivering on commitments.

Sinead Gorman

Working closely with the CEO, Sinead Gorman has continued to drive a disciplined, high-performance culture where we learn and adapt. The year has been characterised by strong financial results, a healthy balance sheet and effective risk management. Sinead Gorman has steered disciplined capital stewardship and effective management of Shell's financial framework, allowing Shell to meet its organisational objectives and commitments to shareholders as well as enabling future success. Her leadership of CMD25 was outstanding and strongly received by the investor community.

The REMCO also considered a range of other factors in finalising its remuneration decisions for 2025, including:

- Shell's performance in 2025 and over the share award performance period 2023–2025, and the formulaic outcomes of the bonus and the share award;
- absolute and relative TSR performance over the period;
- the impact of fatalities on the formulaic scorecard outcome;
- a range of factors that take account of Shell's performance beyond the formulaic outcomes of the variable pay structures, including safety, reputation, ethics and compliance, and feedback from the Audit and Risk and Sustainability Committees;
- the external environment and wider stakeholder experience, including shareholders' expectations with regard to executive pay decision-making and the employee experience;
- the Executive Directors' remuneration compared with the variable pay outcomes for the general workforce;
- the alignment of the Executive Directors with the shareholder experience through their high shareholding requirements; and
- the Executive Directors' remuneration compared with historical outcomes.

After reflecting on the above factors, the REMCO was satisfied with the single figure outcomes for the CEO and the CFO.

Malus and clawback

No malus or clawback provisions were invoked in respect of the Executive Directors during 2025.

* Non-GAAP measure. See page 430.

2025 Performance Share Awards

Scheme interests awarded to Executive Directors in 2025 (audited)

On January 31, 2025, PSAs were made to the Executive Directors, as set out in the table below. In approving the awards, the REMCO considered Shell's historical share price, including the share price over the prior year, and noted that the share price at award was in line with that in 2024 and was higher than average historical levels. The REMCO determined that the risk of windfall gain was limited, and therefore no adjustment was made to the award size.

Scheme interest type	Type of interest awarded	End of performance period	Target award [A]	Potential amount vesting	
				Minimum performance (% of shares awarded) [B]	Maximum performance (% of shares of the target award)
PSA	Performance shares	December 31, 2027	Wael Sawan: 162,964 London-listed ordinary shares, equivalent to 300% × base salary or £4,364,991. Sinead Gorman: 96,871 London-listed ordinary shares, equivalent to 270% × base salary or £2,594,690.	0	Maximum number of shares vesting is 200% of the shares awarded, before dividends.

[A] The awards for both Executive Directors were made based on the closing market price on the date of award, January 31, 2025, for ordinary shares of £26.79.

[B] Minimum performance relates to the lowest level of achievement, for which there is no vesting.

The performance conditions and weightings applying to the 2025 PSAs were: relative TSR (25% of award), relative competitive capital allocation (25%), absolute organic FCF (25%) and energy transition (25%).

Relative performance conditions

The relative performance conditions are based on our performance on key measures against our closest comparators.

TSR measures actual value created for shareholders (i.e. change in share price plus dividends) and, as in prior years, is calculated in US dollars using a 90-day averaging period.

Competitive capital allocation is defined as CFFO divided by average capital employed, and measures Shell's ability to generate competitive cash flows relative to the long-term funding of the business.

Vesting under each relative performance condition is assessed independently, with the vesting outcome ranging from 0% to 200% of the target award in respect of the measure, in accordance with the following vesting schedule:

- ranking first equals 200% vesting;
- ranking second equals 150% vesting;
- ranking third equals 80% vesting; and
- ranking fourth or fifth equals 0% vesting.

Outperforming Shell's closest competitors on key financial metrics is challenging. The REMCO is aware that vesting for median performance is generally set at a limit of 25% of maximum for other UK companies, but notes that this is typically applied against a larger comparator group. A vesting outcome of 80% for median performance (40% of maximum) in a small comparator group is considered appropriate by the REMCO.

Absolute measures

Organic free cash flow

The organic FCF performance condition supports the delivery of our cash flow priorities, which are to fund growth, service and reduce debt and deliver shareholder returns.

* Non-GAAP measure. See page 430. The most comparable GAAP financial measure for organic FCF is cash flow from operating activities of \$42.9 billion for 2025.

The performance targets for organic FCF are set by reference to Shell's annual operating plans, based on the sum of annual organic FCF targets over the three-year performance period, with each annual target reflecting updates such as a changing price premise. The REMCO believes it is more appropriate to set the target based on the aggregation of the annual operating plans rather than setting a three-year target at the outset and making adjustments at the end. The organic FCF targets are disclosed retrospectively and in aggregate, following the conclusion of the three-year period.

Under the organic FCF performance condition, achievement of threshold performance will result in 40% of the target award (20% of maximum) in respect of the organic FCF vesting, increasing to full vesting for achievement of outstanding performance. A straight-line vesting schedule will apply for performance between threshold and outstanding.

Energy transition

For the 2025 award, the REMCO's determination of the extent to which awards will vest will be based on its holistic assessment of progress towards reducing emissions from our operations and supporting customers to reduce their emissions. The key factors in the REMCO's decision will be disclosed at the end of the performance period (unless commercially sensitive).

For further details of the 2025 energy transition performance condition, see the 2024 Directors' Remuneration Report. For information on Shell's energy transition, see the Energy Transition Strategy 2024 on [shell.com](https://www.shell.com).

Performance update on organic FCF 2024 share award

At December 31, 2025, organic FCF* performance was above target, with an outcome of \$37.5 billion for 2024 (target \$24.0 billion) and \$25.7 billion for 2025 (target \$24.0 billion). As one year of organic FCF performance remains, and 75% of the award is subject to relative and energy transition performance conditions, this does not necessarily reflect the potential vesting of the award.

2025 share award

At December 31, 2025, organic FCF* performance was above target, based on \$25.7 billion for 2025 (target \$24.0 billion). As two years of organic FCF performance remain, and 75% of the award is subject to relative and energy transition performance conditions, this does not necessarily reflect the potential vesting of the award.

Single figure of total remuneration for Non-executive Directors (audited)

	Fees		Taxable benefits [A]		Total	
	2025	2024	2025	2024	2025	2024
Dick Boer	220	220	15	9	235	229
Neil Carson OBE	151	177	5	9	156	186
Ann Godbehere	186	186	44	36	230	222
Jane H. Lute	166	166 [B]	22	59	188	225
Catherine Hughes	192	196 [B]	28	31	220	227
Sir Andrew Mackenzie	850	850 [C]	2	1	852	851
Sir Charles Roxburgh	149	165 [B]	36	116	185	281
Bram Schot	150	150	9	10	159	160
Leena Srivastava	151	155 [B]	16	15	167	170
Cyrus Taraporevala	193	168 [B]	28	44	220	211

[A] UK regulations require the inclusion of benefits where these would be taxable in the UK, on the assumption that Directors are tax residents in the UK. On this premise, the taxable benefits include the cost of a Non-executive Director's occasional business-required partner travel. Shell also pays for travel between home and the head office, where Board and Committee meetings are typically held, and related hotel and subsistence costs. For consistency, business expenses for travel between home and the head office are not reported as taxable benefits because for most Non-executive Directors this is international travel and hence would not be taxable in the UK.

[B] Fees disclosed are those in respect of 2024, of which £12,000 was paid in 2025.

[C] Fees disclosed are those in respect of 2024, of which £65,000 was paid in 2025.

Statement of Directors' shareholding and share interests (audited)**Shareholding guidelines**

The REMCO believes that Executive Directors should align their interests with those of shareholders by holding shares in Shell plc.

Only unfettered shares count towards an Executive Director's shareholding. Shares delivered that are subject to holding requirements also count towards the guidelines. The CEO and the CFO have five years from their respective appointment to the Board to achieve their respective shareholding requirements.

There is a Company-sponsored nominee account for each Executive Director, which allows for restrictions to be applied on the sale or transfer of shares that are subject to holding periods. The restrictions remain in force beyond the Executive Director's employment.

See page 202 for further details of the shareholding guidelines.

Directors' share interests

The interests, in shares of the Company or calculated equivalents, of the Directors in office during 2025, including any interests of their connected persons, are set out in the table below.

Directors' share and scheme interests (audited)

	Ordinary shares held at January 1, 2025	Ordinary shares held at December 31, 2025	Unvested and subject to performance conditions [A]	Shareholding guideline as % of salary [B]	Current shareholding as % of salary [C]
Executive Directors					
Wael Sawan	266,533	378,519	550,431	700%	676%
Sinead Gorman	105,589	218,416	327,272	500%	590%
Non-executive Directors					
Dick Boer	10,000	10,000			
Neil Carson OBE	16,000	16,000			
Ann Godbehere	10,000 [D]	10,000 [D]			
Jane H. Lute	7,332 [D]	7,332 [D]			
Catherine Hughes	55,984 [E]	55,984 [E]			
Sir Andrew Mackenzie	37,175	37,175			
Sir Charles Roxburgh	5,000	5,000			
Bram Schot	—	—			
Leena Srivastava	—	—			
Cyrus Taraporevala	10,866 [D] [F]	10,000 [D]			

[A] Includes unvested share awards and notional dividend shares accrued at December 31, 2025. Interests are shown on the basis of the original awards, which can vest at between 0% and 200% based on performance. Dividend shares accumulate each year on an assumed notional award. Such dividend shares are disclosed and recorded on the basis of the number of shares conditionally awarded but, when an award vests, dividend shares will be awarded only in relation to vested shares as if the vested shares were held from the award date.

[B] As at December 31, 2025. Increased guidelines are applicable from the date of the 2026 AGM, subject to shareholder approval of the revised Remuneration Policy.

[C] Calculated using the £27.40 per share closing price on December 31, 2025, the last market day of 2025.

[D] Held in American Depositary Shares (ADS). Each ADS represents two ordinary shares.

[E] Held as 50,984 ordinary shares and 2,500 ADS.

[F] Revised from 10,000 (as at December 31, 2024, in the 2024 Directors' Remuneration Report).

At December 31, 2025, the Directors and Senior Management (pages 143-148 and 149-150) of the Company beneficially owned, individually and in aggregate (including shares under option), less than 1% of Company shares. These shareholdings are not considered sufficient to affect the independence of the Directors.

The changes to Directors' shareholdings as at March 4, 2026, are as follows:

- Wael Sawan's share interest increased by 180,577 ordinary shares after the delivery of the 2025 annual bonus shares and the vesting of the 2023 share award; and
- Sinead Gorman's share interest increased by 108,959 ordinary shares after the delivery of the 2025 annual bonus shares and the vesting of the 2023 share award.

Effective as of January 1, 2026, Holly Keller Koeppel and Clare Scherrer have been appointed as Non-executive Directors. As at March 4, 2026, Holly Keller Koeppel does not hold any ordinary shares or ADS, and Clare Scherrer holds 5,000 ADS.

Dilution

In any 10-year period, no more than 5% of the issued ordinary share capital of the Company may be issued or issuable under executive (discretionary) share plans adopted by the Company, or 10% when aggregated with awards under any other employee share plan operated by the Company. To date, no shareholder dilution has resulted from these plans, although it is permitted under the rules of the plans, subject to these limits.

Payments for loss of office (audited)

There were no payments for loss of office to Executive Directors in 2025.

Payments to past Directors (audited)

In respect of 2025, former CEO Ben van Beurden received taxable benefits of £7,443 in relation to tax support services. Former CFO Jessica Uhl received taxable benefits of £14,373, the majority of which related to tax gross-up costs.

Payments below £5,000 are not reported as they are considered de minimis.

TSR performance and CEO pay

Performance graph

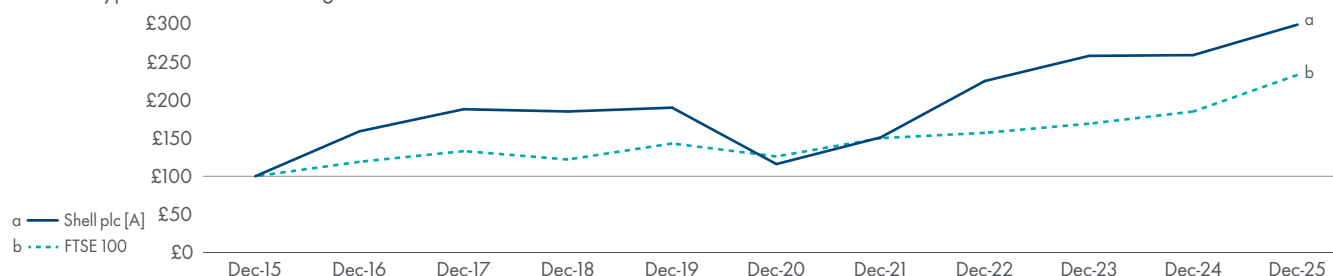
The graph below compares the TSR performance of Shell plc over the past 10 financial years with that of the FTSE 100 index. The Board regards this index as the most appropriate broad market equity index for comparison.

CEO pay outcomes

The table below the graphs sets out (i) the single figure of total remuneration, (ii) the annual bonus outcome and (iii) the share award vesting outcome for the CEO for the past 10 years.

Historical TSR performance

Value of hypothetical £100 holding



Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CEO	Ben van Beurden				Wael Sawan					
Single figure of total remuneration (£ thousand) [B]	7,046	7,811	17,817	8,746	5,197	6,344	9,698	7,940	8,615	13,756
Annual bonus (% of maximum opportunity)	66%	81%	79%	21%	—	64%	73%	78%	81%	71%
Share award vesting (% of maximum opportunity)	42%	35%	95%	74%	45%	25%	41%	47%	68%	75%

[A] Data shown are for the performance of RDS B shares prior to the assimilation of Shell's shares into a single line of ordinary shares on January 29, 2022.

[B] Prior to 2022, the CEO's remuneration was denominated in EUR. Each year's single figure of total remuneration has been converted to GBP using the 12-month average exchange rates for the year.

Percentage change in remuneration of the Directors and employees

The table below compares the remuneration of the Executive and Non-executive Directors of Shell plc with an employee comparator group consisting of local employees in the UK, the USA and the Netherlands. The local employee population of these countries is considered a suitable employee comparator group because: these are countries with a significant Shell employee base, a large proportion of senior managers come from these countries, and the REMCO considers remuneration levels in these countries when setting base salaries for Executive Directors. For the purposes of comparison, the change in employee remuneration is calculated by reference to the change in salary scale, benefits and annual bonus for a notional employee in each of the base countries, not by reference to the actual change in pay for a group of employees.

Taxable benefits are those that align with the definition of taxable benefits applying in the respective country. In line with the "Single figure of total remuneration for Executive Directors" table on page 185, the annual bonus is included in the year in which it was earned (rather than paid).

Percentage change in remuneration of Directors and employees [A]

	Salary/fees (% change)					Benefits (% change)					Annual bonus (% change)				
	2024–25	2023–24	2022–23	2021–22	2020–21	2024–25	2023–24	2022–23	2021–22	2020–21	2024–25	2023–24	2022–23	2021–22	2020–21
Employees [B]	3.7%	3.7%	5.7%	2.4%	0.6%	13.8%	13.7%	(10.2%)	(8.4%)	–	(8.4%)	7.5%	14.3%	(0.4%)	–
Executive Directors															
Wael Sawan	5.5%	3.9%	–	–	–	72.5%	(88.2%)	–	–	–	(6.9%)	7.9%	–	–	–
Sinead Gorman [C]	5.5%	3.9%	37.0%	–	–	7.4%	(83.5%)	(39.7%)	–	–	(6.7%)	12.2%	45.8%	–	–
Non-executive Directors [D]															
Dick Boer	–	14.7%	25.4%	6.3%	70.4%	77.9%	(58.0%)	389.8%	–	–	–	–	–	–	–
Neil Carson OBE	(14.6%)	3.5%	–	3.6%	4.3%	(40.2%)	(19.4%)	593.0%	–	–	–	–	–	–	–
Ann Godbehere	–	1.1%	–	0.8%	2.9%	21.1%	(46.8%)	829.4%	1,286.7%	–	–	–	–	–	–
Jane H. Lute	–	1.1%	6.7%	80.4%	–	(62.1%)	67.0%	155.0%	1,893.8%	–	–	–	–	–	–
Catherine Hughes	(2.0%)	3.0%	4.6%	14.1%	2.8%	(9.5%)	(37.3%)	435.0%	868.8%	–	–	–	–	–	–
Sir Andrew Mackenzie	–	8.3%	–	57.0%	1,473.0%	65.1%	(30.2%)	(57.5%)	(69.3%)	–	–	–	–	–	–
Sir Charles Roxburgh	(9.7%)	31.2%	–	–	–	(68.8%)	5,453.1%	–	–	–	–	–	–	–	–
Bram Schot	–	–	4.1%	10.1%	300.0%	(16.5%)	(32.4%)	702.6%	–	–	–	–	–	–	–
Leena Srivastava	(2.6%)	29.0%	–	–	–	2.4%	–	–	–	–	–	–	–	–	–
Cyrus Taraporevala	14.9%	25.1%	–	–	–	(36.7%)	3,139.1%	–	–	–	–	–	–	–	–

[A] Where the value for the preceding year was zero or the individual was not in post and therefore no comparison data are available, "–" is recorded.

[B] Relates to change in pay for local employees in the UK, the USA and the Netherlands.

[C] Sinead Gorman was appointed as CFO effective April 1, 2022. The changes in remuneration shown for 2022–2023 are based on the period April 1, 2022, to December 31, 2022, for 2022, and a full year for 2023.

[D] Non-executive Directors do not receive any short-term incentives. The increases shown reflect the individual's appointment to the Board part-way through the prior year, or additional fees payable for joining Board committees.

Relative importance of spend on pay

The table below sets out distributions to shareholders by way of dividends and share buybacks, and remuneration paid to or receivable by employees for the last five years, together with annual percentage changes.

Year	Dividends and share buybacks [A]		Spend on pay (all employees) [B]	
	\$ billion	Annual change	\$ billion	Annual change
2025	22.4	(1)%	14.1	(3)%
2024	22.6	(2)%	14.6	–%

[A] Dividends paid and repurchases of shares as reported in the "Consolidated Statement of Changes in Equity".

[B] Employee costs, excluding redundancy costs, as reported in Note 33 to the "Consolidated Financial Statements". From 2025, remuneration and social security contributions include expatriate-related costs allocated to host entities. Prior period comparatives have been revised to conform with the current year change.

Spend on pay can be compared with the major costs associated with generating income by referring to the "Consolidated Statement of Income". Over the last five years, the average spend on pay was around 5% of the major costs of generating income. These costs are considered to be the sum of: purchases; production and manufacturing expenses; selling, distribution and administrative expenses; research and development; exploration; and depreciation, depletion and amortisation.

External appointments

Neither Wael Sawan nor Sinead Gorman held any external Non-executive Director positions during 2025.

Statement of voting at AGMs

Shell's 2025 AGM was held on May 20, 2025. The result of the poll in respect of the 2024 Annual Report on Remuneration was as follows:

Approval of 2024 Annual Report on Remuneration

Votes	Number	Percentage
For	3,727,092,752	97.44%
Against	97,810,597	2.56%
Total cast	3,824,903,349 [A]	100.00%
Withheld [B]	19,987,286	

[A] Representing 64.13% of issued share capital.

[B] A vote withheld is not a vote under UK law and is not counted in the calculation of the proportion of the votes for and against a resolution.

The 2023 Directors' Remuneration Policy was approved at the 2023 AGM. The result of the poll was as follows:

Approval of 2023 Directors' Remuneration Policy

Votes	Number	Percentage
For	3,931,530,222	94.60%
Against	224,454,202	5.40%
Total cast	4,155,984,424 [A]	100.00%
Withheld [B]	29,173,157	

[A] Representing 60.97% of issued share capital.

[B] A vote withheld is not a vote under UK law and is not counted in the calculation of the proportion of the votes for and against a resolution.

CEO pay ratio

	Option [A]	25 th percentile pay ratio	Median pay ratio	75 th percentile pay ratio
2025	A	129:1	91:1	56:1
Total pay and benefits:		£106,835	£151,893	£245,920
Salary:		£76,056	£94,442	£117,885
2024	A	83:1	61:1	40:1
Total pay and benefits:		£103,390	£141,334	£216,048
Salary:		£54,327	£88,049	£104,877
2023	A	80:1	58:1	39:1
Total pay and benefits:		£99,599	£136,066	£205,115
Salary:		£70,000	£76,444	£102,634
2022	A	134:1	80:1	50:1
Total pay and benefits:		£72,632	£121,847	£192,995
Salary:		£45,904	£56,302	£96,790
2021	A	97:1	57:1	37:1
Total pay and benefits:		£65,123	£111,912	£170,289
Salary:		£43,550	£68,238	£101,000
2020	A	93:1	57:1	38:1
Total pay and benefits:		£55,584	£90,972	£136,007
Salary:		£49,117	£75,365	£118,291
2019	A	147:1	87:1	54:1
Total pay and benefits:		£59,419	£100,755	£161,717
Salary:		£40,417	£56,721	£79,991
2018	A	202:1	143:1	92:1
Total pay and benefits:		£88,112	£124,459	£193,027
Salary:		£53,528	£80,407	£96,074

[A] Shell has chosen to use option A (as defined in UK reporting regulations) to calculate the CEO pay ratio in accordance with guidance from the UK government that this is the preferred approach and the most statistically accurate method for identifying the ratios. Under option A, a comparable single figure for all UK employees has been calculated in order to identify the employees whose pay and benefits are at the 25th, 50th (median) and 75th percentiles for comparison with the CEO. Employee pay has been calculated based on the total pay and benefits paid in respect of the year for all employees who were employed on the last day of the year. For part-time workers and joiners in the year, pay and benefits have been annualised based on the proportion of their working time in the UK during the year. This is calculated with an approach consistent with the methodology for determining annual bonuses. The REMCO believes that this provides a fair and reasonable calculation of the pay ratios for Shell employees in the UK.

The ratio of the CEO's pay to the median UK employee is 91. The ratio at median for 2025 is higher than for 2024, reflecting that the 2025 CEO single figure includes the vesting of Wael Sawan's first CEO share award. The REMCO believes the CEO pay ratio for 2025 is consistent with Shell's philosophy of pay for performance.

Directors' employment arrangements and letters of appointment

Executive Directors have service contracts and are employed for an indefinite period. Non-executive Directors, including the Chair, have letters of appointment. Details of Executive Directors' employment arrangements can be found in the Policy on page 205.

Further details of Non-executive Directors' terms of appointment can be found in the "Other regulatory and statutory information" on page 214 and the "Governance framework" report on page 151.

Compensation of Directors and Senior Management

During the year ended December 31, 2025, Shell paid and/or accrued compensation totalling \$59 million (2024: \$46 million) to Directors and Senior Management for services in all capacities while serving as a Director or member of Senior Management, including \$2 million (2024: \$2 million) accrued to provide pension, retirement and similar benefits. The amounts stated are those recognised in Shell's income attributable to Shell plc shareholders. See Note 34 to the "Consolidated Financial Statements". Personal loans or guarantees were not provided to Directors or Senior Management.

Workforce engagement on remuneration matters

Workforce engagement

Our employees are fundamental to our success. Fostering a collaborative culture and reinforcing a learner mindset is central to delivering our strategy. The Board's view is that all Directors have a collective responsibility for workforce engagement, ensuring that employees' voices are heard on all business matters, including pay, and that the Company communicates effectively to employees on our remuneration policies and practices.

The Board and management regularly engage with the workforce through a range of formal and informal channels. These include webcasts and all-employee messages from our CEO and other senior leaders; town halls and team meetings; virtual coffee connects; interviews with senior management; internal social platforms; and focused engagements. During interactive sessions, employees have the opportunity to ask about any topic, including pay. The Board's preference is to build on existing, long-standing channels of engagement for discussions around remuneration. During the year, management engaged with the workforce on what the 2025 performance metrics meant for each of us, giving employees the opportunity to ask any questions on this topic. We also conduct annual employee surveys; further information is on page 116.

Wider employee context

The REMCO receives annual updates on workforce remuneration topics, including employees' views on pay matters; CEO pay ratio; workforce reward philosophy and principles; alignment of Shell values and behaviours with remuneration practices; and general employee salary planning and variable pay outcomes. The REMCO is also periodically updated on wider employee matters, such as the UK gender and ethnicity pay gap analyses. In this way, the REMCO is able to satisfy itself that reward across Shell is aligned to our strategy, culture and long-term sustainable success.

Shell adheres to its fair pay principles in all remuneration-related matters. Pay in Shell is market-competitive, free from bias and provides security to our employees. Shell sets clear performance expectations, gives employees the opportunity to share in Shell's success through variable pay schemes and is transparent and clear in its communication of remuneration. For more information, visit the "Careers" section of shell.com.

How executive remuneration aligns with wider Company pay policy

Executive remuneration structures in Shell are strongly aligned with the structures for the broader workforce, as set out in the table below.

Element	Comparison of Executive Director and wider workforce arrangements
Salary	The Executive Directors' salaries are reviewed with reference to the factors set out in the Policy, against defined comparator groups. The market-competitiveness of wider workforce salaries is assessed at a base country level.
Pension and benefits	The Executive Directors' pension benefits are aligned with those offered to employees who joined Shell from 2013 onwards in the UK. Shell does not operate separate executive pension arrangements. All Group employees participate in the relevant pension plan for their base country based on their date of joining. The Executive Directors are eligible to receive the same benefits available to the broader workforce.
Annual bonus	The Group scorecard applicable to Group employees is identical to that applicable to Executive Directors in terms of performance measures, weightings and targets. For the wider workforce, an additional multiplier applies based on individual performance during the year. No individual multiplier applies to Executive Directors, and further, up to 50% of the bonus is paid in shares, and the bonus is subject to malus and clawback provisions.
Long-term incentives	In 2026, Executive Directors and around 100 senior executives received PSAs on the same terms. Executive Directors' awards are subject to a three-year holding period. Around 9,000 employees received PSAs and/or Restricted Share Awards, with the split based on seniority. Further information is on page 117.
Shareholding guidelines	The Executive Directors have the highest shareholding guidelines in the Company. These guidelines continue post termination for a period of two years. Shareholding guidelines extend into the organisation to senior manager level. Employees are required to achieve their individual guideline within a specified timeframe, as is the case for Executive Directors.

Statement of planned implementation of proposed Policy in 2026

A summary of how the proposed Policy will be applied to Directors' remuneration for 2026 is set out below.

Executive Directors

Peer group

The pay benchmarking peer group will comprise major global companies in systemically important sectors going through multi-product, multi-decadal transition. The REMCO retains the right to alter the peer group as it sees fit to ensure it remains an appropriate and relevant benchmark.

The REMCO uses benchmark data from these companies only as a guide to the competitiveness of the remuneration packages. The REMCO does not seek to position remuneration at any defined point against the peer data.

Global peer group

AstraZeneca	ExxonMobil	Pfizer
BMW	GE Aerospace	Roche
Boeing	IBM	Siemens
bp	Intel	Stellantis
Chevron	Mercedes-Benz	TotalEnergies
Cisco Systems	Novartis	Volkswagen

Salaries

Effective January 1, 2026, Wael Sawan and Sinead Gorman received a salary increase of 4.0%, and their salaries for 2026 are £1,596,000 and £1,055,000, respectively.

In reviewing the Executive Directors' salaries, the REMCO carefully considered the external environment, and the increases provided to the Shell workforce in the key markets of the UK (4.1%), the USA (3.0%) and the Netherlands (3.0%). The Executive Directors' increases for 2026 were positioned just below other UK employees. The REMCO also took note of the proposed PSA quantum changes, and recognised the multiplier effect on total remuneration.

Annual bonus

There will be no change to the overall annual bonus scorecard architecture, structure or weightings for 2026. Given the evolution of the business, and the shift in focus to value over volume, the supporting customer decarbonisation metric will move from assessing the number of electric vehicle charge points to electric vehicle gross margin growth.

Some shareholders have commented on the use of LNG in the energy transition performance measure in the bonus. The REMCO reviewed this matter during the year. LNG has a critical role to play in Shell's energy transition strategy by producing less carbon emissions than coal when used to generate electricity, helping to maintain grid stability as the share of renewable energy grows, increasingly powering transport and shipping, and providing energy security in the coming decades. Therefore, the REMCO believes it is important that LNG is appropriately captured in the scorecard.

2026 annual bonus measures, weightings and link to strategy

Performance measure	Weighting
Financial delivery	35%
Operational excellence	35%
Shell's journey in the energy transition	15%
Safety	15%

Link to strategy	
Financial delivery Cash flow from operating activities (35%)	Supports our financial framework, which sets out our financial priority to generate cash to fund shareholder distributions and capital investment.
Operational excellence - Asset management excellence (15%) - Project delivery excellence (10%) - Customer excellence (10%)	Underpins delivery of our operating plans.
Shell's journey in the energy transition - LNG volumes [A] (5%) - Reducing operational emissions (5%) - Supporting customer decarbonisation (5%)	Focuses on Shell's energy transition strategy.
Safety (15%) - Fatality and permanent impairment (7.5%) - Tier 1 and 2 process safety (7.5%)	Focuses on personal and process safety.

[A] Equity liquefaction.

Scorecard targets will be disclosed retrospectively when they are no longer deemed to be commercially sensitive. Any bonus is paid in a mix of cash and net-of-tax shares, which are subject to a three-year holding period (which remains in force post tenure), with the proportions based on the individual's shareholding against their guideline level.

Performance Share Awards

As outlined in the REMCO Chair's letter, subject to shareholder approval of the proposed Policy, the 2026 PSAs will have a total face value of 450% and 300% of salary for the CEO and CFO, respectively, excluding potential share price appreciation and dividends. The 2026 PSAs to Executive Directors are based on salaries as at December 31 of the prior year, consistent with the rest of the organisation.

The REMCO reviewed the award levels in the context of share price movement over the year prior to award and determined that the risk of windfall gain was limited, and therefore no adjustment was made.

Performance is measured over the three-year period January 1, 2026, to December 31, 2028. The performance measures, weightings and link to strategy for the 2026 award are set out on this page. For the intrinsic value creation performance condition, the performance target range will be 9% p.a. to 12% p.a. with a target of 10% p.a.

2026 PSA performance conditions, weightings and link to strategy

Performance condition	Weighting	
Total shareholder return	20%	Relative
Competitive capital allocation	20%	Relative
Cash generation	20%	Absolute
Intrinsic value creation	20%	Absolute
Shell's journey in the energy transition	20%	Absolute

Link to strategy	Vesting schedule (% of initial award)
Total shareholder return - Create value for our shareholders. - Generate returns for shareholders that exceed those of our peers.	1st – 200% 2nd – 150% 3rd – 80% 4th or 5th – 0%
Competitive capital allocation (measured by CFFO divided by average capital employed) - Generate competitive cash flows relative to the long-term funding of the business. - Proxy for ROACE; generate returns that exceed those of our peers.	Performance ranked against the other energy majors: bp, Chevron, ExxonMobil and TotalEnergies.
Cash generation (measured by organic FCF) Generate cash from the core ongoing operations of the portfolio, to fund growth, to service and reduce debt, and deliver shareholder returns.	Maximum – 200% Target – 100% Threshold – 40% Below threshold – 0%
Intrinsic value creation (measured by normalised FCF per share growth, based on organic FCF before working capital and derivatives) - Create and grow intrinsic value independently of external market fluctuations or short-term investor sentiment. - Optimise portfolio in line with strategy.	Organic FCF targets are set annually for each annual operating plan. Normalised FCF targets are set at the start of the cycle.
Shell's journey in the energy transition Reduce emissions from our operations and support our customers to reduce their emissions.	Performance assessment will be based on the REMCO's holistic assessment of progress.

Any vested shares are subject to a three-year holding period, which remains in force post tenure.

Performance framework for the 2026 PSA Shell's journey in the energy transition performance condition

The REMCO's determination of the vesting outcome will be based on its holistic assessment of progress towards reducing emissions from our operations and supporting our customers to reduce their emissions. This will be based on our climate-related targets for our own operations as follows:

- halving Scope 1 and 2 emissions by 2030 under operational control on a net basis (2016 baseline); and
- maintaining methane emissions intensity below 0.2% and achieving near-zero methane emissions intensity by 2030.