

27. Share capital

Issued and fully paid ordinary shares of €0.07 each

	Number of shares	Nominal value \$ million
At January 1, 2025	6,115,031,158	510
Repurchases of shares	(396,394,760)	(33)
At December 31, 2025	5,718,636,398	477
At January 1, 2024	6,524,109,049	544
Repurchases of shares	(409,077,891)	(34)
At December 31, 2024	6,115,031,158	510

At the Company's Annual General Meeting (AGM) on May 20, 2025, the Board was authorised to allot ordinary shares in the Company, and to grant rights to subscribe for or to convert any security into ordinary shares in the Company, up to an aggregate nominal amount of approximately €140 million (representing approximately 2,007 million ordinary shares of €0.07 each), and to list such shares or rights on any stock exchange. This authority expires at the earlier of the close of business on August 19, 2026, and the end of the AGM to be held in 2026, unless previously renewed, revoked or varied by the Company in a general meeting.

At the May 20, 2025, AGM, shareholders granted the Company the authority to repurchase (i) up to 602.1 million ordinary shares "on-market" (excluding any treasury shares), less the number of ordinary shares purchased or committed to be purchased in terms of the buyback contracts ("off-market"), made under the authority in (ii); and (ii) up to 602.1 million ordinary shares off-market, less any on-market purchases made under the authority in (i).

In the case of both on-market and off-market purchases of the ordinary shares, the minimum price, exclusive of expenses, which may be paid for an ordinary share is €0.07 and the maximum price, exclusive of expenses, which may be paid for an ordinary share is the higher of: (i) an amount equal to 5% above the average market value for an ordinary share for the five business days immediately preceding the date of the purchase; and (ii) the higher of the price of the last independent trade and the highest current independent bid in relation to ordinary shares on the trading venues where the purchase is carried out. The authorities for both on-market and off-market purchases of the ordinary shares will expire at the earlier of the close of business on August 19, 2026, and the end of the AGM of the Company to be held in 2026. Ordinary shares purchased by the Company pursuant to these authorities will either be cancelled or held in treasury. Treasury shares are shares in the Company that are owned by the Company itself.

28. Share-based compensation plans and shares held in trust

Share-based compensation expense

	2025	2024	2023
Equity-settled [A]	774	732	700

[A] On an incidental basis awards may be cash-settled, where an equity settlement is not possible under local regulations.

With effect from 2025, the principal share-based employee compensation plans are the Performance Share Awards (PSA) and Restricted Share Awards (RSA). Awards of shares and American Depositary Shares (ADS) of the Company under the PSA and RSA are made to eligible employees, subject to specified conditions. The actual number of PSA that may vest ranges from 0% to 200% of the original awards, depending on the outcomes of prescribed performance conditions over a three-year period commencing on January 1 of the award year. The RSA has no performance conditions and vests at 100% of the original awards.

Awards granted in 2023 and 2024 under the previously used Performance Share Plan (PSP) and Long-term Incentive Plan (LTIP) remain unvested at December 31, 2025, reflecting the three-year performance period. No new awards were granted under these plans in 2025.

28. Share-based compensation plans and shares held in trust continued**Share awards**

	Number of ordinary shares (million)	Number of ADSs (million)	Weighted average remaining contractual life (years)
At January 1, 2025	49	9	0.9
Granted	21	4	
Vested	(31)	(5)	
Forfeited	(3)	—	
At December 31, 2025	36	8	0.9
At January 1, 2024	58	10	0.9
Granted	20	3	
Vested	(26)	(4)	
Forfeited	(3)	—	
At December 31, 2024	49	9	0.9

Other plans offer eligible employees opportunities to acquire shares and ADSs of the Company or receive cash benefits measured by reference to the Company's share price.

Shell employee share ownership trusts and trust-like entities purchase the Company's shares in the open market to meet delivery commitments under employee share plans. At December 31, 2025, they held a total of 21.4 million ordinary shares (2024: 22.6 million) and 3.7 million ADS (2024: 4.1 million).

29. Other reserves**Other reserves attributable to Shell plc shareholders**

					Accumulated other comprehensive income	\$ million Total
	Merger reserve	Share premium reserve	Capital redemption reserve	Share plan reserve		
At January 1, 2025	37,298	154	270	1,417	(19,373)	19,766
Other comprehensive income attributable to Shell plc shareholders	—	—	—	—	1,467	1,467
Transfer from other comprehensive income	—	—	—	—	26	26
Repurchases of shares	—	—	33	—	—	33
Share-based compensation	—	—	—	(58)	—	(58)
At December 31, 2025	37,298	154	303	1,359	(17,880)	21,234
At January 1, 2024	37,298	154	236	1,308	(17,851)	21,145
Other comprehensive income attributable to Shell plc shareholders	—	—	—	—	(1,715)	(1,715)
Transfer from other comprehensive income	—	—	—	—	193	193
Repurchases of shares	—	—	34	—	—	34
Share-based compensation	—	—	—	109	—	109
At December 31, 2024	37,298	154	270	1,417	(19,373)	19,766
At January 1, 2023	37,298	154	196	1,140	(17,656)	21,132
Other comprehensive loss attributable to Shell plc shareholders	—	—	—	—	(83)	(83)
Transfer from other comprehensive income	—	—	—	—	(112)	(112)
Repurchases of shares	—	—	40	—	—	40
Share-based compensation	—	—	—	168	—	168
At December 31, 2023	37,298	154	236	1,308	(17,851)	21,145

The merger reserve and share premium reserve were established as a consequence of the Company becoming the single parent company of Royal Dutch Petroleum Company and The "Shell" Transport and Trading Company, plc, now The Shell Transport and Trading Company Limited, in 2005. The merger reserve increased in 2016 following the issuance of shares for the acquisition of BG Group plc.

The capital redemption reserve was established in connection with repurchases of shares of the Company.

The share plan reserve is in respect of equity-settled share-based compensation plans (see Note 28). The movement comprises the net of the charge for the year and the release as a result of vested awards.

29. Other reserves continued

Accumulated other comprehensive income comprises the following:

Accumulated other comprehensive income attributable to Shell plc shareholders

\$ million

	Currency translation differences	Equity instruments remeasurements	Debt instruments remeasurements	Cash flow hedging (losses)/ gains	Net investment hedging (losses)/ gains	Deferred cost of hedging	Retirement benefits remeasurements	Total
At January 1, 2025	(14,482)	(40)	(29)	(311)	(2,008)	(247)	(2,256)	(19,373)
Recognised in other comprehensive income	5,819	(60)	22	(295)	22	13	(6,313)	(792)
Reclassified to income	108	—	2	(31)	—	18	—	97
Reclassified to the balance sheet	—	—	—	61	—	(60)	—	1
Reclassified to retained earnings	—	22	—	—	—	—	4	26
Tax on amounts recognised/reclassified	(10)	19	—	66	(6)	(3)	2,157	2,223
Total, net of tax	5,917	(19)	24	(199)	16	(32)	(4,152)	1,555
Share of joint ventures and associates	64	(45)	—	101	—	—	11	131
Other comprehensive income/(loss) for the period	5,981	(64)	24	(98)	16	(32)	(4,141)	1,686
Less: non-controlling interest	(199)	1	—	—	—	—	5	(193)
Attributable to Shell plc shareholders	5,782	(63)	24	(98)	16	(32)	(4,136)	1,493
At December 31, 2025	(8,700)	(103)	(5)	(409)	(1,992)	(279)	(6,392)	(17,880)
At January 1, 2024	(11,213)	73	(34)	(451)	(2,008)	(174)	(4,044)	(17,851)
Recognised in other comprehensive income	(4,574)	(7)	20	211	—	(137)	1,854	(2,633)
Reclassified to income	1,256	—	16	29	—	24	—	1,325
Reclassified to the balance sheet	—	—	(11)	32	—	—	—	21
Reclassified to retained earnings	—	(182)	—	—	—	—	375	193
Tax on amounts recognised/reclassified	70	35	(20)	(56)	—	40	(447)	(378)
Total, net of tax	(3,248)	(154)	5	216	—	(73)	1,782	(1,472)
Share of joint ventures and associates	(42)	43	—	(76)	—	—	4	(71)
Other comprehensive (loss)/income for the period	(3,290)	(111)	5	140	—	(73)	1,786	(1,543)
Less: non-controlling interest	21	(2)	—	—	—	—	2	21
Attributable to Shell plc shareholders	(3,269)	(113)	5	140	—	(73)	1,788	(1,522)
At December 31, 2024	(14,482)	(40)	(29)	(311)	(2,008)	(247)	(2,256)	(19,373)
At January 1, 2023	(12,590)	487	(75)	(524)	(1,964)	(26)	(2,964)	(17,656)
Recognised in other comprehensive income	1,393	(67)	33	(196)	(44)	(273)	(1,088)	(242)
Reclassified to income	1	—	9	162	—	61	—	233
Reclassified to the balance sheet	—	—	(1)	117	—	1	—	117
Reclassified to retained earnings	—	(112)	—	—	—	—	—	(112)
Tax on amounts recognised/reclassified	3	(32)	—	(12)	—	63	5	27
Total, net of tax	1,397	(211)	41	71	(44)	(148)	(1,083)	23
Share of joint ventures and associates	16	(202)	—	2	—	—	1	(183)
Other comprehensive (loss)/income for the period	1,413	(413)	41	73	(44)	(148)	(1,082)	(160)
Less: non-controlling interest	(36)	(1)	—	—	—	—	2	(35)
Attributable to Shell plc shareholders	1,377	(414)	41	73	(44)	(148)	(1,080)	(195)
At December 31, 2023	(11,213)	73	(34)	(451)	(2,008)	(174)	(4,044)	(17,851)

30. Dividends

Interim dividends

	\$ per share			\$ million		
	2025	2024	2023	2025	2024	2023
Cash:						
March	0.358	0.344	0.2875	2,179	2,210	2,030
June	0.358	0.344	0.2875	2,123	2,177	1,984
September	0.358	0.344	0.3310	2,103	2,169	2,179
December	0.358	0.344	0.3310	2,067	2,112	2,196
Total	1.432	1.376	1.237	8,472	8,668	8,389

On February 5, 2026, the Directors announced a further interim dividend in respect of 2025 of \$0.372 per ordinary share. The total dividend is estimated to be \$2,110 million and is payable on March 30, 2026, to shareholders on the register at February 20, 2026.

Shareholders will be able to elect to receive their dividends in US dollars, sterling or euros.

31. Earnings per share

	2025	2024	2023
Income attributable to Shell plc shareholders (\$ million)	17,837	16,094	19,359
Weighted average number of shares used as the basis for determining:			
Basic earnings per share (million of shares)	5,890.8	6,299.6	6,733.5
Diluted earnings per share (million of shares)	5,948.6	6,363.7	6,799.8

Basic earnings per share are calculated by dividing the income attributable to Shell plc shareholders for the year by the weighted average number of shares outstanding during the year. The weighted average number of shares outstanding excludes shares held in trust.

Diluted earnings per share are based on the same income figures. The weighted average number of shares outstanding during the year is increased by dilutive shares related to share-based compensation plans. If the inclusion of potentially issuable shares could decrease diluted loss per share, the potentially issuable shares are excluded from the weighted average number of shares outstanding used to calculate diluted earnings per share.

32. Legal proceedings and other contingencies

General

In the ordinary course of business, Shell subsidiaries are subject to a number of contingencies arising from litigation and claims brought by governmental authorities, including tax authorities and private parties. The operations and earnings of Shell subsidiaries continue, from time to time, to be affected to varying degrees by political, legislative, fiscal and regulatory developments, including those relating to the protection of the environment and indigenous groups in the countries where they operate. The industries in which Shell subsidiaries are engaged are also subject to physical risks of various types.

The amounts claimed in relation to such events and, if such claims against Shell were successful, the costs of implementing the remedies sought in the various cases could be substantial. Based on information available to date and taking into account that in some cases it is not practicable to estimate the possible magnitude or timing of any resultant payments, management believes that the foregoing are not expected to have a material adverse impact on Shell's Consolidated Financial Statements. However, there remains a high degree of uncertainty around these contingencies, as well as their potential effect on future operations, earnings, cash flows and Shell's financial condition.

Costs in respect of decommissioning and restoration obligations are subject to uncertain timing and amount, and are dependent on various factors that are not always within management's control (see Note 25). In certain divestment transactions, liabilities related to decommissioning and restoration are de-recognised upon transfer of these obligations to the buyer. In certain cases, Shell retains a secondary obligation for decommissioning activities, either via reversionary legislation or the issuance of guarantees, in case the primary obligor is not able to meet its obligation. These exposures are actively monitored, and the likelihood of a liability arising in respect of these obligations is not considered probable.

Decommissioning and restoration of manufacturing facilities

For long-lived manufacturing facilities, where decommissioning would generally be more than 50 years away, while there is a present obligation that has arisen from past events, the amount of the obligation cannot be reliably measured. This is because the settlement dates are indeterminate; and other estimates, such as extremely long-term discount rates for which there is no observable measure, cannot be reliably determined. Consequently, the decommissioning and restoration obligation that exists for such long-lived manufacturing facilities cannot be reliably quantified and is disclosed as a contingent liability. There remains a high degree of uncertainty concerning such obligations and their potential effects on future operations, earnings, cash flows, reputation and Shell's financial condition.

32. Legal proceedings and other contingencies continued**Pesticide litigation**

Shell, along with another agricultural chemical pesticide manufacturer and several distributors, has been sued by public and quasi-public water purveyors, water storage districts and private landowners alleging responsibility for groundwater contamination caused by applications of chemical pesticides. There are approximately six such cases currently pending, three claims made but not yet filed, and an active subpoena for records. These matters assert various theories of strict liability and negligence, seeking to recover actual damages, including drinking well treatment and remediation costs. Most assert claims for punitive damages. Shell continues to vigorously defend these actions. Based on the claims asserted and Shell's history regarding amounts paid to resolve varying actions, management does not expect the outcome of the matters pending at December 31, 2025, to have a material adverse impact on our Shell Chemical USA business. However, there remains a high degree of uncertainty regarding the potential outcome of some of these pending lawsuits, as well as their potential effect on future operations, earnings, cash flows and Shell's financial condition.

Climate change litigation

In the USA, energy companies (including Shell), industry associations, and others have been named in several matters alleging responsibility for the impacts of climate change due to the use of fossil fuels and/or deceptive conduct. These matters assert various theories of liability for a wide variety of harms, including but not limited to, impacts to public and private infrastructure, natural resources, public health and services, personal injuries, and increased insurance premiums. The cases are filed by municipalities, states or other quasi-government bodies, and individuals, including a class action. As of December 31, 2025, more than 30 lawsuits naming Shell as a defendant were pending.

In the Netherlands, on February 11, 2025 in a case against Shell, a group of environmental non-governmental organisations and individual claimants (referred to herein as "Milieudefensie") 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.

In the United Kingdom, on December 9, 2025 a group of claimants from the Philippines brought a claim against Shell plc and The Shell Transport and Trading Company Limited in relation to loss and damage allegedly arising from Typhoon Odette in the Philippines in 2021.

Management believes the outcome of these matters should be resolved in a manner favourable to Shell, but there remains a high degree of uncertainty regarding the ultimate outcome of these lawsuits, as well as their potential effect on future operations, earnings, cash flows and Shell's financial condition.

NAM (Groningen gas field) litigation

Since 1963, NAM – a joint venture between Shell and ExxonMobil (50%:50%) – has been producing gas from the Groningen field, the largest gas field in Western Europe. After smaller tremors in the 1990s and the late 2000s, an earthquake measuring 3.6 on the Richter scale occurred in 2012, causing damage to properties in the affected area. NAM has successfully settled close to 80,000 claims for physical damage to property. The Dutch State has taken over the damage-claim-handling from NAM for all claim categories, and the strengthening operation in the region, while NAM remains financially responsible insofar as the costs corresponded to NAM's liability. Since 2022, NAM and its shareholders have brought several arbitrations against the Dutch government to have its financial liability determined for costs which the Dutch government compensated to claimants and subsequently charged to NAM. These claims include but are not limited to physical damage to property, housing value loss, emotional damage, and loss of living enjoyment. Arbitral awards in the NAM strengthening and damages arbitrations are expected to be rendered in 2026.

Shell is seeking to reach a final, all-encompassing settlement with the Dutch government on the new design of the Dutch "Gasgebouw" earthquake costs and the wind-down of natural gas production in Groningen. Shell, ExxonMobil and the Dutch government reached agreements in 2018 (Heads of Agreement) and 2019 (Interim Agreement) and subsequently have been engaged in discussions on the interpretation and implementation of these agreements and on a final and all-encompassing settlement. As these discussions have not led to such a settlement, in December 2023, the NAM shareholders asked an independent arbitration panel to rule on the interpretation and implementation of the agreements made in 2018/2019. The purpose of this arbitration is for a neutral third party to assess the situation and provide clarity. The arbitration is expected to take several years, and the judgement will be binding. In December 2025, Shell plc also initiated an arbitration against the Dutch State under the Energy Charter Treaty on the basis that its rights as an investor had been breached. These arbitration do not preclude a final and all-encompassing settlement, in the event that Shell, ExxonMobil and the Dutch government agree to such a settlement.

There remains a high degree of uncertainty concerning the ultimate outcome of these disputes and their potential effect on future operations, earnings, cash flows, reputation and Shell's financial condition.

32. Legal proceedings and other contingencies continued**Kazakhstan**

Shell has several matters in dispute involving the Republic of Kazakhstan. One litigation matter involving a Shell NOV relates to a Sulphur permitting inspection outcome. An unfavourable ruling was issued by the Specialized Interdistrict Administrative Court of the City of Astana in December 2025, which was appealed in March 2026.

The other matters are ongoing disputes involving two Shell NOV's under the applicable production-sharing contracts.

Management believes that the outcomes of these matters, once determined, will be favourable to the Shell NOV. However, there remains a high degree of uncertainty regarding the ultimate outcomes and it is not possible to reliably estimate the magnitude and timing of any possible obligations or payments in respect of the matters above or potential effect on future operations, earnings, cash flows and Shell's financial condition.

Nigerian litigation

Shell remains a party to litigation in Nigeria and the UK related to the onshore business activities that it divested in 2025. It may take considerable time before these disputes are resolved by the various courts. There remains a high degree of uncertainty regarding the ultimate outcome of these disputes, as well as their potential effect on future operations, earnings, cash flows and Shell's financial condition.

OPL 245

In 2025, the criminal charges filed in 2017 against SNEPCO, a then current (now former) Shell employee, and third parties including ENI SpA and one of its subsidiaries were struck out for want of diligent prosecution, and the proceedings were dismissed. In March 2017, parties alleging to be shareholders of Malabu Oil and Gas Company Ltd. (Malabu) filed two actions to challenge the 2011 settlement of litigation pertaining to Oil Prospecting Licence 245 (OPL 245) with regard to potential anti-bribery, anti-corruption and anti-money laundering laws and the award of OPL 245 to SNEPCO and an ENI SpA subsidiary by the Federal Government of Nigeria. Both actions are currently stayed awaiting the outcome of appeals filed against procedural decisions. Those appeal proceedings are ongoing. On May 8, 2018, Human Environmental Development Agenda (HEDA) sought permission from the Federal High Court of Nigeria to apply for an order to direct the Attorney General of the Federation to revoke OPL 245 on grounds that the entire Malabu transaction in relation to the OPL is unconstitutional, illegal and void as it was obtained through fraudulent and corrupt practice. On July 3, 2019, the Nigerian Federal High Court upheld objections from SNEPCO and NAE and struck the lawsuit filed by HEDA. The suit was struck because of the statute of limitations and lack of jurisdiction to hear the matter. HEDA has appealed the judgement, which is ongoing.

On July 21, 2022, the Dutch Public Prosecutor's office announced it had dismissed its investigation into bribery allegations related to OPL 245. On October 24, 2022, Re:Common, HEDA and The Corner House announced that they filed a complaint at the Court of Appeal in The Hague, pursuant to Article 12 of the Dutch Code for Criminal Procedure, challenging the decision by the Dutch Public Prosecutor to dismiss its investigation. On March 20, 2025, the Court of Appeal in The Hague dismissed this complaint. There remains a high degree of uncertainty around the OPL 245 matters and contingencies discussed above, as well as their potential effect on future operations, earnings, cash flows and Shell's financial condition. Accordingly, at this time, it is not possible to reliably estimate the possible obligations and timing of any payments.

Russia

On October 2, 2024, the Russian prosecutor filed a Moscow court claim against eight Shell-group entities (including Shell plc and Shell Energy Europe Limited ("SEEL")). The prosecutor seeks (i) declarations that Shell illegally abandoned in support of Sakhalin Energy Investment Company ("Sakhalin"); (ii) monetary relief of approximately €1.5 billion from SEEL to Gazprom Export ("GPE") for alleged unpaid gas deliveries in 2022; and (iii) a declaration that GPE can take 94P billion purportedly set aside for Shell for Sakhalin equity compensation from a Type-C account to net off against part of the alleged debt owed by SEEL to GPE. The proceedings are ongoing.

At this time, it is not possible to reliably estimate the magnitude and timing of any possible obligations or payments in respect of the matters above or whether any payments will be due. There remains a high degree of uncertainty regarding the ultimate outcomes, as well as the potential effect on future operations, earnings, cash flows and Shell's financial condition.

33. Employees

Employee costs

	\$ million		
	2025	2024	2023
Remuneration [A]	11,183	11,907	11,456
Social security contributions [A]	1,047	1,124	1,085
Retirement benefits (see Note 24)	1,075	809	1,324
Share-based compensation (see Note 28)	774	732	700
Total [B]	14,079	14,572	14,565

[A] From 2025, Remuneration and Social security contributions include additional categories of employee-related costs. Prior period comparatives have been revised to conform with the current year change.

[B] Excludes employees seconded to joint ventures and associates.

Average employee numbers [A]

	Thousand		
	2025	2024	2023
Integrated Gas	6	6	6
Upstream	11	13	11
Marketing	22	24	26
Chemicals and Products	20	22	22
Renewables and Energy Solutions	2	3	5
Corporate [B]	27	30	30
Total [C]	88	98	100

[A] The employee numbers are based on headcount.

[B] Includes 22,000 employees (2024: 23,000; 2023: 23,000) working in business service centres irrespective of the segment they support.

[C] Excludes employees seconded to joint ventures and associates (2025: 1,000 employees; 2024: 1,000 employees; 2023: 2,000 employees).

34. Directors and Senior Management

Remuneration of Directors of the Company

	\$ million		
	2025	2024	2023
Emoluments	13	13	12
Value of released awards under long-term incentive plans	19	10	4
Employer contributions to pension plans	1	1	1

Emoluments comprise salaries and fees, annual bonuses (for the period for which performance is assessed) and other benefits. The value of released awards under long-term incentive plans for the period is in respect of the performance period ending in that year. In 2025, no Director accrued retirement benefits in respect of qualifying services under defined benefit plans.

Directors and Senior Management expense

	\$ million		
	2025	2024	2023
Short-term benefits	39	33	31
Retirement benefits	2	2	2
Share-based compensation	14	11	17
Termination and related amounts	4	—	7
Total	59	46	57

Directors and Senior Management comprise members of the Executive Committee and the Non-executive Directors of the Company.

Short-term benefits comprise salaries and fees, annual bonuses delivered in cash and shares (for the period for which performance is assessed), other benefits and employer social security contributions.

35. Auditor's remuneration

	2025	2024	\$ million 2023
Fees in respect of the audit of the Consolidated and Parent Company Financial Statements, including audit of consolidation returns	38	41	42
Other audit fees, principally in respect of audits of accounts of subsidiaries	18	19	19
Total audit fees	56	60	61
Audit-related fees	3	3	3
Fees in respect of other non-audit services	4	3	2
Total	63	66	66

In addition, the auditor provided audit services to retirement benefit plans for employees of subsidiaries. Remuneration paid by those benefit plans amounted to \$1 million in 2025 (2024: \$1 million; 2023: \$1 million).

36. Post-balance sheet events

On February 5, 2026, Shell announced the commencement of a \$3.5 billion share buyback programme ("the programme") covering an aggregate contract term of approximately three months. The purpose of the programme is to reduce the issued share capital of the Company. All shares repurchased as part of the programme will be cancelled. It is intended that, subject to market conditions, the programme will be completed prior to the Company's first quarter 2026 results announcement, scheduled for May 7, 2026. The company has entered into an arrangement with a single broker, consisting of two irrevocable non-discretionary contracts, to enable the purchase of ordinary shares.

After the balance sheet date and following the Iran conflict, oil and gas supply from the Middle East is impacted. Commodity markets showed high volatility creating uncertainty with regards to prices for oil and gas. As at the date of these Consolidated Financial Statements, the conflict has not resulted in a material impact on Shell's financial position and performance. The scale and duration of the conflict remain uncertain but could impact Shell's earnings, cash flow and financial condition.

On March 9, 2026, Shell entered into an agreement to sell its 100% interest in Jiffy Lubricants International to an affiliate of Monomoy Capital Partners (Monomoy) for a consideration of \$1.3 billion. As part of this transaction, Shell has entered into a long-term lubricants supply agreement with Monomoy. The transaction is expected to close in the second half of 2026, subject to regulatory approval and closing conditions.

Supplementary information – oil and gas (unaudited)

About this section

The purpose of this section is to comply with the US Securities and Exchange Commission (SEC) Rules and the requirements of the Financial Accounting Standards Board (FASB) "Extractive Activities – Oil and Gas (Topic 932)". Extractive activities for this purpose include exploration and production activities to extract oil, condensates, natural gas liquids, oil sands and natural gas from their natural reservoirs.

In Shell, extractive activities, or oil and gas exploration and production activities, are undertaken within the Integrated Gas, Upstream and the Chemicals and Products (includes oil sands) segments. Shell's extractive activities do not represent the full extent of Integrated Gas, Upstream and Chemicals and Products activities, and exclude GTL processing, some LNG activities, trading and optimisation, as well as other non-extractive activities. As a result, the information in this extractive activities section is not suitable for modelling Shell's integrated businesses, for which we refer to the segment information. Full segment information to the Consolidated Financial Statements is available on pages 259-267.

The information set out on pages 307-325 is referred to as "unaudited" as a means of clarifying that it is not covered by the audit opinion of the independent registered public accounting firm that has audited and reported on the Consolidated Financial Statements.

Proved reserves

Proved reserves estimates are calculated pursuant to the US Securities and Exchange Commission (SEC) Rules and the FASB's Topic 932. Proved reserves can be either developed or undeveloped. The definitions used are in accordance with the SEC Rule 4-10 (a) of Regulation S-X. We include proved reserves associated with future production that will be consumed in operations.

Proved reserves shown are net of any quantities of crude oil or natural gas that are expected to be (or could be) taken as royalties in kind. Proved reserves outside North America include quantities that will be settled as royalties in cash. Proved reserves include certain quantities of crude oil or natural gas that will be produced under arrangements that involve Shell subsidiaries, joint ventures and associates in risks and rewards but do not transfer title of the product to those entities.

Subsidiaries' proved reserves at December 31, 2025, were divided into 77% developed and 23% undeveloped on a barrel of oil equivalent (boe) basis. For the Shell share of joint ventures and associates, the proved reserves at December 31, 2025, were divided into 36% developed and 64% undeveloped on a boe basis.

Proved reserves are recognised under various forms of contractual agreements. Shell's proved reserves volumes at December 31, 2025, present in agreements such as production-sharing contracts (PSC), tax/variable royalty contracts or other forms of economic entitlement contracts, where the Shell share of reserves can vary with commodity prices, were 1,383 million barrels of liquids, and 10,065 thousand million standard cubic feet (scf) of natural gas.

Proved reserves cannot be measured exactly because estimation of reserves involves subjective judgement (see "Risk factors" on page 127 and our "Proved reserves assurance process" below). These estimates remain subject to revision and are unaudited supplementary information.

Proved reserves assurance process

A central group of reserves experts, who on average have around 29 years' experience in the oil and gas industry, undertake the primary assurance of the proved reserves bookings. This group of experts is part of the Resources Assurance and Reporting (RAR) organisation within Shell. A Vice President with 40 years' experience in the oil and gas industry currently heads the RAR organisation. He is a member of the Society of Petroleum Engineers, Society of Petroleum Evaluation Engineers and holds a BA in mathematics from Oxford University and an MEng in Petroleum Engineering from Heriot-Watt University. The RAR organisation reports directly to an Executive Vice President of Finance, who is the chair of the Upstream Reserves Committee (URC). The URC is a multidisciplinary committee consisting of senior representatives from the Finance, Legal, Integrated Gas and Upstream organisations. The URC reviews and endorses all major (larger than 30 million barrels of oil equivalent) proved reserves bookings and debookings and endorses the total aggregated proved reserves. Final approval of all proved reserves bookings remains with Shell's CEO, and all proved reserves bookings are reviewed by Shell's Audit and Risk Committee. The Internal Audit function also provides secondary assurance through audits of the control framework.

Crude oil, natural gas liquids, synthetic crude oil and bitumen

Shell subsidiaries' proved reserves of crude oil, natural gas liquids (NGL), synthetic crude oil and bitumen at the end of the year; their share of the proved reserves of joint ventures and associates at the end of the year; and the changes in such reserves during the year are set out on pages 308-311. Significant changes in these proved reserves are discussed below (except where specific disclosures are prohibited), where "revisions and reclassifications" are changes based on new information that resulted from development drilling, production history and changes in economic factors.

Proved reserves 2025–2024**Shell subsidiaries****Africa**

- The decrease of 131 million barrels in sales of minerals in place was mainly due to the divestment in Nigeria.

Asia

- The increase of 94 million barrels in revisions and reclassifications was mainly in Oman, Malaysia, and Kazakhstan.

Canada

- The decrease of 725 million barrels in sales of minerals in place was mainly due to the divestment of Oil Sands.

USA

- The increase of 61 million barrels in revisions and reclassifications was mainly in Vito, Appomattox, Kaikias, Whale, and Mars.

South America

- The increase of 74 million barrels in revisions and reclassifications was mainly in Mero and Tupi (Brazil).

Proved reserves 2024–2023**Shell subsidiaries****Asia**

- The increase of 115 million barrels in revisions and reclassifications was mainly in Oman and Kazakhstan.

USA

- The increase of 92 million barrels in revisions and reclassifications was mainly in Vito, Appomattox, Kaikias and Mars.

South America

- The increase of 162 million barrels in revisions and reclassifications was mainly due to an FID of an additional FPSO in Atapu, Brazil.

Proved developed and undeveloped reserves 2025

Million barrels

	Europe	Asia	Oceania	Africa	North America		South America	Total		All products
	Oil and NGL	Oil and NGL	Oil and NGL	Oil and NGL	USA	Canada	Oil and NGL	Oil and NGL	Synthetic crude oil	
Shell subsidiaries										
At January 1	158	1,361	65	294	437	—	741	1,211	3,526	4,267
Revisions and reclassifications	(2)	94	6	7	61	2	—	74	242	242
Improved recovery	—	16	—	—	—	—	—	—	16	16
Extensions and discoveries	—	—	6	1	18	—	—	19	44	44
Purchases of minerals in place	—	—	—	22	7	—	—	1	30	30
Sales of minerals in place	(91)	—	—	(131)	—	—	(725)	(1)	(223)	(948)
Production [A]	(35)	(167)	(11)	(25)	(117)	(1)	(16)	(162)	(518)	(534)
At December 31	30	1,304	66	168	406	1	—	1,142	3,117	3,117
Shell share of joint ventures and associates										
At January 1	1	362	—	—	—	—	—	—	363	363
Revisions and reclassifications	—	37	—	—	—	—	—	—	37	37
Improved recovery	—	—	—	—	—	—	—	—	—	—
Extensions and discoveries	—	—	—	—	—	—	—	—	—	—
Purchases of minerals in place	56	—	—	—	—	—	—	—	56	56
Sales of minerals in place	—	—	—	—	—	—	—	—	—	—
Production	(2)	(25)	—	—	—	—	—	—	(27)	(27)
At December 31	55	374	—	—	—	—	—	—	429	429
Total	85	1,678	66	168	406	1	—	1,142	3,546	3,546
Reserves attributable to non-controlling interest in Shell subsidiaries at December 31	—	—	—	—	—	—	—	—	—	—

[A] Includes 1 million barrels consumed in operations for synthetic crude oil.

Proved developed reserves 2025

Million barrels

	Europe	Asia	Oceania	Africa	North America		South America	Total		All products
	Oil and NGL	Oil and NGL	Oil and NGL	Oil and NGL	USA	Canada	Oil and NGL	Oil and NGL	Synthetic crude oil	Bitumen
Shell subsidiaries										
At January 1	115	1,183	43	216	285	—	741	886	2,728	741
At December 31	29	1,134	35	93	330	1	—	896	2,518	—
Shell share of joint ventures and associates										
At January 1	1	135	—	—	—	—	—	—	136	—
At December 31	46	132	—	—	—	—	—	—	178	—

Proved undeveloped reserves 2025

Million barrels

	Europe	Asia	Oceania	Africa	North America		South America	Total		All products
	Oil and NGL	Oil and NGL	Oil and NGL	Oil and NGL	USA	Canada	Oil and NGL	Oil and NGL	Synthetic crude oil	
Shell subsidiaries										
At January 1	43	178	22	78	152	—	—	325	798	798
At December 31	1	170	31	75	76	—	—	246	599	599
Shell share of joint ventures and associates										
At January 1	—	227	—	—	—	—	—	—	227	227
At December 31	9	242	—	—	—	—	—	—	251	251

Proved developed and undeveloped reserves 2024

	Million barrels										
	North America							South America		Total	
	Europe Oil and NGL	Asia Oil and NGL	Oceania Oil and NGL	Africa Oil and NGL	USA Oil and NGL	Canada Oil and NGL	Synthetic crude oil	Oil and NGL	Oil and NGL	Synthetic crude oil	All products
Shell subsidiaries											
At January 1	160	1,392	79	259	439	5	757	1,178	3,512	757	4,269
Revisions and reclassifications	32	115	(2)	13	92	(4)	(13)	162	408	(13)	395
Improved recovery	—	9	—	39	—	—	—	—	48	—	48
Extensions and discoveries	—	5	—	24	14	—	—	9	52	—	52
Purchases of minerals in place	—	1	—	—	—	—	16	12	13	16	29
Sales of minerals in place	—	—	—	—	—	—	—	—	—	—	—
Production [A]	(34)	(161)	(12)	(41)	(108)	(1)	(19)	(150)	(507)	(19)	(526)
At December 31	158	1,361	65	294	437	—	741	1,211	3,526	741	4,267
Shell share of joint ventures and associates											
At January 1	2	390	—	—	—	—	—	—	392	—	392
Revisions and reclassifications	—	(5)	—	—	—	—	—	—	(5)	—	(5)
Improved recovery	—	—	—	—	—	—	—	—	—	—	—
Extensions and discoveries	—	—	—	—	—	—	—	—	—	—	—
Purchases of minerals in place	—	—	—	—	—	—	—	—	—	—	—
Sales of minerals in place	—	—	—	—	—	—	—	—	—	—	—
Production	(1)	(23)	—	—	—	—	—	—	(24)	—	(24)
At December 31	1	362	—	—	—	—	—	—	363	—	363
Total	159	1,723	65	294	437	—	741	1,211	3,889	741	4,630
Reserves attributable to non-controlling interest in Shell subsidiaries at December 31	—	—	—	—	—	—	370	—	—	370	370

[A] Includes 1 million barrels consumed in operations for synthetic crude oil.

Proved developed reserves 2024

	Million barrels										
	North America							South America		Total	
	Europe Oil and NGL	Asia Oil and NGL	Oceania Oil and NGL	Africa Oil and NGL	USA Oil and NGL	Canada Oil and NGL	Synthetic crude oil	Oil and NGL	Oil and NGL	Synthetic crude oil	All products
Shell subsidiaries											
At January 1	122	985	53	230	305	2	757	841	2,538	757	3,295
At December 31	115	1,183	43	216	285	—	741	886	2,728	741	3,469
Shell share of joint ventures and associates											
At January 1	2	113	—	—	—	—	—	—	115	—	115
At December 31	1	135	—	—	—	—	—	—	136	—	136

Proved undeveloped reserves 2024

	Million barrels										
	North America							South America		Total	
	Europe Oil and NGL	Asia Oil and NGL	Oceania Oil and NGL	Africa Oil and NGL	USA Oil and NGL	Canada Oil and NGL	Synthetic crude oil	Oil and NGL	Oil and NGL	Synthetic crude oil	All products
Shell subsidiaries											
At January 1	38	407	26	29	134	3	—	337	974	—	974
At December 31	43	178	22	78	152	—	—	325	798	—	798
Shell share of joint ventures and associates											
At January 1	—	277	—	—	—	—	—	—	277	—	277
At December 31	—	227	—	—	—	—	—	—	227	—	227

Proved developed and undeveloped reserves 2023

	Million barrels										
	North America							South America		Total	
	Europe Oil and NGL	Asia Oil and NGL	Oceania Oil and NGL	Africa Oil and NGL	USA Oil and NGL	Canada Oil and NGL	Synthetic crude oil	Oil and NGL	Oil and NGL	Synthetic crude oil	All products
Shell subsidiaries											
At January 1	192	1,411	106	218	543	4	731	1,138	3,612	731	4,343
Revisions and reclassifications	2	149	(17)	79	46	1	35	165	425	35	460
Improved recovery	—	3	—	—	—	—	—	—	3	—	3
Extensions and discoveries	—	2	—	—	69	1	—	25	97	—	97
Purchases of minerals in place	—	—	1	—	3	—	11	—	4	11	15
Sales of minerals in place	—	(11)	—	—	(110)	—	—	—	(121)	—	(121)
Production [A]	(34)	(162)	(11)	(38)	(112)	(1)	(20)	(150)	(508)	(20)	(528)
At December 31	160	1,392	79	259	439	5	757	1,178	3,512	757	4,269
Shell share of joint ventures and associates											
At January 1	3	327	—	—	—	—	—	7	337	—	337
Revisions and reclassifications	—	—	—	—	—	—	—	(7)	(7)	—	(7)
Improved recovery	—	—	—	—	—	—	—	—	—	—	—
Extensions and discoveries	—	—	—	—	—	—	—	—	—	—	—
Purchases of minerals in place	—	85	—	—	—	—	—	—	85	—	85
Sales of minerals in place	—	—	—	—	—	—	—	—	—	—	—
Production	(1)	(22)	—	—	—	—	—	—	(23)	—	(23)
At December 31	2	390	—	—	—	—	—	—	392	—	392
Total [B]	162	1,782	79	259	439	5	757	1,178	3,904	757	4,661
Reserves attributable to non-controlling interest in Shell subsidiaries at December 31	—	—	—	—	—	—	378	—	—	378	378

[A] Includes 1 million barrels consumed in operations for synthetic crude oil.

Proved developed reserves 2023

	Million barrels										
	North America							South America		Total	
	Europe Oil and NGL	Asia Oil and NGL	Oceania Oil and NGL	Africa Oil and NGL	USA Oil and NGL	Canada Oil and NGL	Synthetic crude oil	Oil and NGL	Oil and NGL	Synthetic crude oil	All products
Shell subsidiaries											
At January 1	140	999	73	187	356	3	731	831	2,589	731	3,320
At December 31	122	985	53	230	305	2	757	841	2,538	757	3,295
Shell share of joint ventures and associates											
At January 1	3	154	—	—	—	—	—	7	164	—	164
At December 31	2	113	—	—	—	—	—	—	115	—	115

Proved undeveloped reserves 2023

	Million barrels										
	North America							South America		Total	
	Europe Oil and NGL	Asia Oil and NGL	Oceania Oil and NGL	Africa Oil and NGL	USA Oil and NGL	Canada Oil and NGL	Synthetic crude oil	Oil and NGL	Oil and NGL	Synthetic crude oil	All products
Shell subsidiaries											
At January 1	52	412	33	31	187	1	—	307	1,023	—	1,023
At December 31	38	407	26	29	134	3	—	337	974	—	974
Shell share of joint ventures and associates											
At January 1	—	173	—	—	—	—	—	—	173	—	173
At December 31	—	277	—	—	—	—	—	—	277	—	277

Natural gas

Shell subsidiaries' proved reserves of natural gas at the end of the year, their share of the proved reserves of joint ventures and associates at the end of the year, and the changes in such reserves during the years are set out on pages 312-315. Significant changes in these proved reserves are discussed below (except where specific disclosures are prohibited).

Volumes are not adjusted to standard heat content. Apart from integrated projects, volumes of gas are reported on an "as-sold" basis. The price used to calculate future revenue and cash flows from proved gas reserves is the contract price or the 12-month average on "as-sold" volumes. Volumes associated with integrated projects are those measured at a designated transfer point between the upstream and downstream portions of the integrated project. Natural gas volumes are converted into oil equivalent using a factor of 5,800 scf per barrel.

Proved reserves 2025–2024

Shell subsidiaries

Asia

- The increase of 313 thousand million scf in revisions and reclassifications was mainly in Oman and Malaysia.

Africa

- The decrease of 1819 thousand million scf in sales of minerals in place was mainly due to the divestment in Nigeria.

Canada

- The increase of 405 thousand million scf in revisions and reclassifications was mainly due to re-booking of proved reserves in Groundbirch, Canada following an adequate year-average AECO (Alberta Energy Company) price in 2025.

Europe

- The decrease of 299 thousand million scf in sales of minerals in place was mainly in UK due to formation of IJV - Adura.

Oceania

- The increase of 447 thousand million scf in revisions and reclassifications was mainly in Surat - QGC, Gorgon, Crux, and Prelude.
- The increase of 528 thousand million scf in extensions and discoveries was mainly in Geryon.

Proved reserves 2024–2023

Shell subsidiaries

Asia

- The increase of 490 thousand million scf in revisions and reclassifications was mainly in Malaysia.

Canada

- The decrease of 1,329 thousand million scf in revisions and reclassifications was mainly due to the low year-average AECO (Alberta Energy Company) price in 2024 in Groundbirch, Canada.

Europe

- The increase of 280 thousand million scf in revisions and reclassifications was mainly in Troll, Norway.

South America

- The increase of 1,664 thousand million scf in extensions and discoveries was mainly due to an FID on Manatee, Trinidad and Tobago.

Proved developed and undeveloped reserves 2025

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	2,507	8,891	5,695	1,952	498	—	3,015	22,558
Revisions and reclassifications	82	313	447	58	20	405	190	1,515
Improved recovery	—	—	—	—	—	—	—	—
Extensions and discoveries	83	—	528	88	38	5	13	755
Purchases of minerals in place	—	—	—	7	10	—	—	17
Sales of minerals in place	(299)	—	—	(1,819)	—	—	(12)	(2,130)
Production [A]	(293)	(880)	(768)	(82)	(128)	(160)	(279)	(2,590)
At December 31	2,080	8,324	5,902	204	438	250	2,927	20,125
Shell share of joint ventures and associates								
At January 1	89	5,900	395	—	—	—	—	6,384
Revisions and reclassifications	31	199	21	—	—	—	—	251
Improved recovery	—	—	—	—	—	—	—	—
Extensions and discoveries	—	—	13	—	—	—	—	13
Purchases of minerals in place	166	—	—	—	—	—	—	166
Sales of minerals in place	(35)	—	—	—	—	—	—	(35)
Production [B]	(33)	(288)	(42)	—	—	—	—	(363)
At December 31	218	5,811	387	—	—	—	—	6,416
Total	2,298	14,135	6,289	204	438	250	2,927	26,541

Reserves attributable to non-controlling interest in
Shell subsidiaries at December 31

[A] Includes 249 thousand million standard cubic feet consumed in operations.

[B] Includes 26 thousand million standard cubic feet consumed in operations.

Proved developed reserves 2025

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	2,054	7,693	4,521	1,072	226	—	1,120	16,686
At December 31	1,966	7,237	4,028	113	370	250	996	14,960
Shell share of joint ventures and associates								
At January 1	88	1,855	265	—	—	—	—	2,208
At December 31	161	1,769	262	—	—	—	—	2,192

Proved undeveloped reserves 2025

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	453	1,198	1,174	880	272	—	1,895	5,872
At December 31	114	1,087	1,874	91	68	—	1,931	5,165
Shell share of joint ventures and associates								
At January 1	1	4,045	130	—	—	—	—	4,176
At December 31	57	4,042	125	—	—	—	—	4,224

Proved developed and undeveloped reserves 2024

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	2,508	9,168	6,229	1,847	485	1,483	1,556	23,276
Revisions and reclassifications	280	490	232	89	77	(1,329)	79	(82)
Improved recovery	—	—	—	7	—	—	—	7
Extensions and discoveries	4	37	51	181	46	—	1,664	1,983
Purchases of minerals in place	—	86	—	—	—	—	15	101
Sales of minerals in place	(1)	—	—	—	—	—	—	(1)
Production [A]	(284)	(890)	(817)	(172)	(110)	(154)	(299)	(2,726)
At December 31	2,507	8,891	5,695	1,952	498	—	3,015	22,558
Shell share of joint ventures and associates								
At January 1	122	6,103	228	—	—	—	—	6,453
Revisions and reclassifications	5	84	59	—	—	—	—	148
Improved recovery	—	—	—	—	—	—	—	—
Extensions and discoveries	—	1	148	—	—	—	—	149
Purchases of minerals in place	—	—	—	—	—	—	—	—
Sales of minerals in place	—	—	—	—	—	—	—	—
Production [B]	(38)	(288)	(40)	—	—	—	—	(366)
At December 31	89	5,900	395	—	—	—	—	6,384
Total	2,596	14,791	6,090	1,952	498	—	3,015	28,942

Reserves attributable to non-controlling interest in

Shell subsidiaries at December 31

[A] Includes 233 thousand million standard cubic feet consumed in operations.

[B] Includes 27 thousand million standard cubic feet consumed in operations.

Proved developed reserves 2024

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	2,205	7,348	4,870	875	268	706	1,273	17,545
At December 31	2,054	7,693	4,521	1,072	226	—	1,120	16,686
Shell share of joint ventures and associates								
At January 1	120	1,936	228	—	—	—	—	2,284
At December 31	88	1,855	265	—	—	—	—	2,208

Proved undeveloped reserves 2024

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	303	1,820	1,359	972	217	777	283	5,731
At December 31	453	1,198	1,174	880	272	—	1,895	5,872
Shell share of joint ventures and associates								
At January 1	2	4,167	—	—	—	—	—	4,169
At December 31	1	4,045	130	—	—	—	—	4,176

Proved developed and undeveloped reserves 2023

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	2,884	9,078	5,949	1,841	521	956	1,819	23,048
Revisions and reclassifications	(103)	952	1,043	139	64	443	64	2,602
Improved recovery	—	—	—	—	—	—	—	—
Extensions and discoveries	—	55	—	—	43	224	14	336
Purchases of minerals in place	—	—	14	—	2	—	—	16
Sales of minerals in place	—	(82)	—	—	(31)	—	—	(113)
Production [A]	(273)	(835)	(777)	(133)	(114)	(140)	(341)	(2,613)
At December 31	2,508	9,168	6,229	1,847	485	1,483	1,556	23,276
Shell share of joint ventures and associates								
At January 1	175	5,008	169	—	—	—	7	5,359
Revisions and reclassifications	3	(141)	60	—	—	—	(6)	(84)
Improved recovery	—	—	—	—	—	—	—	—
Extensions and discoveries	—	—	30	—	—	—	—	30
Purchases of minerals in place	—	1,516	—	—	—	—	—	1,516
Sales of minerals in place	—	—	—	—	—	—	—	—
Production [B]	(56)	(280)	(31)	—	—	—	(1)	(368)
At December 31	122	6,103	228	—	—	—	—	6,453
Total	2,630	15,271	6,457	1,847	485	1,483	1,556	29,729
Reserves attributable to non-controlling interest in Shell subsidiaries at December 31	—	—	—	—	—	—	—	—

[A] Includes 228 thousand million standard cubic feet consumed in operations.

[B] Includes 31 thousand million standard cubic feet consumed in operations.

Proved developed reserves 2023

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	2,460	6,698	4,111	984	275	712	1,582	16,822
At December 31	2,205	7,348	4,870	875	268	706	1,273	17,545
Shell share of joint ventures and associates								
At January 1	175	2,261	129	—	—	—	7	2,572
At December 31	120	1,936	228	—	—	—	—	2,284

Proved undeveloped reserves 2023

	Thousand million standard cubic feet							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Shell subsidiaries								
At January 1	424	2,380	1,838	857	246	244	237	6,226
At December 31	303	1,820	1,359	972	217	777	283	5,731
Shell share of joint ventures and associates								
At January 1	—	2,747	40	—	—	—	—	2,787
At December 31	2	4,167	—	—	—	—	—	4,169

Standardised measure of discounted future cash flows

SEC Form 20-F requires the disclosure of a standardised measure of discounted future net cash flows, relating to proved reserves quantities and based on a 12-month unweighted arithmetic average sales price, calculated on a first-day-of-the-month basis, with cost factors based on those at the end of each year, currently enacted tax rates and a 10% annual discount factor. In our view, the information so calculated does not provide a reliable measure of future cash flows from proved reserves, nor does it permit a realistic comparison to be made of one entity with another because the assumptions used cannot reflect the varying circumstances within each entity. In addition, a substantial but unknown proportion of future real cash flows from oil and gas production activities is expected to derive from reserves which have already been discovered, but which cannot yet be regarded as proved.

Standardised measure of discounted future cash flows relating to proved reserves at December 31**2025 – Shell subsidiaries**

	\$ million							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Future cash inflows	27,361	105,021	53,210	13,059	27,095	359	87,014	313,119
Future production costs	6,529	26,460	23,154	4,892	9,541	375	40,593	111,544
Future development costs	2,654	13,630	10,599	5,476	8,366	274	16,843	57,842
Future tax expenses	15,440	27,077	3,897	1,081	1,304	—	7,415	56,214
Future net cash flows	2,738	37,854	15,560	1,610	7,884	(290)	22,163	87,519
Effect of discounting cash flows at 10%	1,007	15,051	6,259	1,147	1,289	(59)	9,483	34,177
Standardised measure of discounted future net cash flows	1,731	22,803	9,301	463	6,595	(231)	12,680	53,342
Non-controlling interest included	—	—	—	—	—	—	—	—

2025 – Shell share of joint ventures and associates

	\$ million							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Future cash inflows	5,934	59,690	2,200	—	—	—	—	67,824
Future production costs	3,462	23,375	1,569	—	—	—	—	28,406
Future development costs	2,372	5,977	434	—	—	—	—	8,783
Future tax expenses	480	18,103	—	—	—	—	—	18,583
Future net cash flows	(380)	12,235	197	—	—	—	—	12,052
Effect of discounting cash flows at 10%	(600)	5,624	6	—	—	—	—	5,030
Standardised measure of discounted future net cash flows	220	6,611	191	—	—	—	—	7,022

2024 – Shell subsidiaries

	\$ million							
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Future cash inflows	37,955	123,846	55,232	28,879	32,916	48,952	102,670	430,450
Future production costs	11,866	29,048	24,991	10,232	12,472	19,831	46,858	155,298
Future development costs	6,522	13,124	8,866	5,971	9,953	4,905	18,146	67,487
Future tax expenses	16,295	35,843	3,306	6,345	1,710	5,492	10,910	79,901
Future net cash flows	3,272	45,831	18,069	6,331	8,781	18,724	26,756	127,764
Effect of discounting cash flows at 10%	703	19,582	6,456	2,793	1,386	13,675	11,592	56,187
Standardised measure of discounted future net cash flows	2,569	26,249	11,613	3,538	7,395	5,049	15,164	71,577
Non-controlling interest included	—	—	—	—	—	2,525	—	2,525

2024 – Shell share of joint ventures and associates

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Canada		Total
Future cash inflows	1,068	68,554	2,542	–	–	–	–	72,164
Future production costs	571	26,367	1,697	–	–	–	–	28,635
Future development costs	608	8,260	491	–	–	–	–	9,359
Future tax expenses	132	23,786	–	–	–	–	–	23,918
Future net cash flows	(243)	10,141	354	–	–	–	–	10,252
Effect of discounting cash flows at 10%	(151)	5,338	81	–	–	–	–	5,268
Standardised measure of discounted future net cash flows	(92)	4,803	273	–	–	–	–	4,984

2023 – Shell subsidiaries

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Canada		Total
Future cash inflows	47,840	130,018	61,283	25,740	34,456	54,604	96,804	450,745
Future production costs	13,367	29,098	28,065	10,844	14,506	23,944	43,320	163,144
Future development costs	6,013	13,744	8,902	3,446	8,771	6,633	15,862	63,371
Future tax expenses	23,310	37,566	3,562	6,805	1,561	5,485	11,674	89,963
Future net cash flows	5,150	49,610	20,754	4,645	9,618	18,542	25,948	134,267
Effect of discounting cash flows at 10%	1,351	21,769	7,594	1,392	1,644	13,453	9,320	56,523
Standardised measure of discounted future net cash flows	3,799	27,841	13,160	3,253	7,974	5,089	16,628	77,744
Non-controlling interest included	–	–	–	–	–	2,544	–	2,544

2023 – Shell share of joint ventures and associates

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Canada		Total
Future cash inflows	1,885	71,003	1,478	–	–	–	–	74,366
Future production costs	792	27,725	1,136	–	–	–	–	29,653
Future development costs	601	8,267	155	–	–	–	–	9,023
Future tax expenses	386	24,495	–	–	–	–	–	24,881
Future net cash flows	106	10,516	187	–	–	–	–	10,809
Effect of discounting cash flows at 10%	(83)	6,539	(59)	–	–	–	–	6,397
Standardised measure of discounted future net cash flows	189	3,977	246	–	–	–	–	4,412

Change in standardised measure of discounted future net cash flows relating to proved reserves**2025**

			\$ million
	Shell subsidiaries	Shell share of joint ventures and associates	Total
At January 1	71,577	4,984	76,561
Net changes in prices and production costs	(13,808)	(2,503)	(16,311)
Revisions of previous reserves estimates	12,682	1,273	13,955
Extensions, discoveries and improved recovery	4,693	28	4,721
Purchases and sales of minerals in place	(17,342)	2,145	(15,197)
Development cost related to future production	(3,912)	(343)	(4,255)
Sales and transfers of oil and gas, net of production costs	(35,815)	(2,630)	(38,445)
Development cost incurred during the year	11,479	1,370	12,849
Accretion of discount	10,888	1,258	12,146
Net change in income tax	12,900	1,440	14,340
At December 31	53,342	7,022	60,364

2024

			\$ million
	Shell subsidiaries	Shell share of joint ventures and associates	Total
At January 1	77,744	4,412	82,156
Net changes in prices and production costs	(6,032)	813	(5,219)
Revisions of previous reserves estimates	16,196	2,180	18,376
Extensions, discoveries and improved recovery	6,559	277	6,836
Purchases and sales of minerals in place	475	0	475
Development cost related to future production	(12,193)	(668)	(12,861)
Sales and transfers of oil and gas, net of production costs	(40,034)	(3,767)	(43,801)
Development cost incurred during the year	11,298	1,260	12,558
Accretion of discount	11,892	1,144	13,036
Net change in income tax	5,672	(667)	5,005
At December 31	71,577	4,984	76,561

2023

			\$ million
	Shell subsidiaries	Shell share of joint ventures and associates	Total
At January 1	111,667	7,196	118,863
Net changes in prices and production costs	(57,249)	(8,991)	(66,240)
Revisions of previous reserves estimates	17,624	(1,507)	16,117
Extensions, discoveries and improved recovery	5,007	60	5,067
Purchases and sales of minerals in place	(4,039)	3,365	(674)
Development cost related to future production	(8,339)	(2,011)	(10,350)
Sales and transfers of oil and gas, net of production costs	(41,345)	(1,976)	(43,321)
Development cost incurred during the year	9,797	1,337	11,134
Accretion of discount	17,482	1,855	19,337
Net change in income tax	27,139	5,084	32,223
At December 31	77,744	4,412	82,156

Oil and gas exploration and production activities capitalised costs

The aggregate amount of property, plant and equipment and intangible assets, excluding goodwill, relating to oil and gas exploration and production activities, and the aggregate amount of the related depreciation, depletion and amortisation at December 31, are shown in the tables below. Furthermore, long-lived assets that are classified as held for sale are presented separately in the balance sheet and are not included in the capitalised costs for oil and gas producing activities.

Shell subsidiaries

	\$ million	
	2025	2024
Cost		
Proved properties [A]	251,062	247,001
Unproved properties	6,630	7,214
Support equipment and facilities	10,982	12,164
	268,674	266,379
Depreciation, depletion and amortisation		
Proved properties [A]	165,610	159,802
Unproved properties	2,649	3,106
Support equipment and facilities	7,021	7,658
	175,280	170,566
Net capitalised costs	93,394	95,813

[A] Includes capitalised asset decommissioning and restoration costs and related depreciation.

Shell share of joint ventures and associates

	\$ million	
	2025	2024
Cost		
Proved properties [A] [B]	55,874	50,270
Unproved properties [B]	2,723	1,309
Support equipment and facilities	5,201	4,752
	63,798	56,331
Depreciation, depletion and amortisation		
Proved properties [A]	40,272	38,068
Unproved properties	452	452
Support equipment and facilities	3,426	3,213
	44,150	41,733
Net capitalised costs	19,648	14,598

[A] Includes capitalised asset decommissioning and restoration costs and related depreciation.

[B] Includes costs incurred on acquisition by Aduro Energy Limited.

Oil and gas exploration and production activities costs incurred

Costs incurred during the year in oil and gas property acquisition, exploration and development activities, whether capitalised or charged to income currently, are shown in the tables below. Development costs include capitalised asset decommissioning and restoration costs (including increases or decreases arising from changes to cost estimates or to the discount rate applied to the obligations) and exclude costs of acquiring support equipment and facilities, but include depreciation thereon.

Shell subsidiaries**2025**

								\$ million
	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Other [A]		
Acquisition of properties								
Proved	2	—	—	160	—	—	—	162
Unproved	1	—	—	1	28	2	19	51
Exploration	196	181	41	175	619	48	438	1,698
Development	1,471	1,265	2,294	1,282	4,139	368	3,303	14,122

[A] Comprises Canada, Mexico and Barbados.

2024

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Other [A]		Total
Acquisition of properties								
Proved	1	—	—	1	—	—	—	2
Unproved	—	—	—	9	68	1	19	97
Exploration	264	187	91	398	499	85	342	1,866
Development	1,728	1,812	1,904	1,002	4,302	402	2,568	13,718

[A] Comprises Canada, Mexico and Barbados.

2023

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Other [A]		Total
Acquisition of properties								
Proved	1	—	—	—	3	—	—	4
Unproved	—	—	—	(6)	18	34	45	91
Exploration	352	201	62	536	1,159	293	365	2,968
Development	1,431	1,701	1,039	353	3,265	309	1,982	10,080

[A] Comprises Canada and Mexico.

Shell share of joint ventures and associates

Joint ventures and associates did not incur costs in the acquisition of oil and gas properties in 2025, 2024, and 2023.

2025

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Other		Total
Acquisition of properties								
Proved	2,449 [A]	—	—	—	—	—	—	2,449
Unproved	1,370 [A]	—	—	—	—	—	—	1,370
Exploration	—	25	17	—	—	—	—	42
Development	66	2,311	198	—	—	—	—	2,575

[A] Includes costs incurred on acquisition by Adura Energy Limited.

2024

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Other		Total
Exploration	—	43	10	—	—	—	—	53
Development	34	2,746	96	—	—	—	—	2,876

2023

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Other		Total
Exploration	—	65	5	—	—	—	—	70
Development	2	2,809	189	—	—	—	—	3,000

Oil and gas exploration and production activities earnings

The earnings disclosed in this "extractive activities" section are only a subset of Shell's total earnings and as a result are not suitable for modelling Shell's integrated businesses, for which we refer to the full segment earnings and descriptions of Integrated Gas, Upstream and Chemicals and Products. These are available on pages 28, 35 and 57 respectively. The earnings disclosed in this "extractive activities" section are not adjusted for items such as impairment charges, restructuring charges and charges for onerous contract provisions. Full segment information to the Consolidated Financial Statements is available on pages 259-267.

The results of operations for oil and gas producing activities are shown in the tables below. Taxes other than income tax include royalties in cash to governments, without option to pay in kind outside the USA and Canada.

Shell subsidiaries**2025**

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Other [A]		Total
Revenue								
Third parties	965	2,873	448	958	142	916	1,595	7,897
Sales between businesses	6,430	10,511	6,021	1,649	7,815	1,626	9,458	43,510
Total	7,395	13,384	6,469	2,607	7,957	2,542	11,053	51,407
Production costs excluding taxes	1,438	1,889	1,067	444	1,208	552	1,749	8,347
Taxes other than income tax	75	125	298	58	—	—	2,567	3,123
Exploration	164	201	13	159	401	3	195	1,136
Depreciation, depletion and amortisation	549	1,697	2,427	468	4,259	254	4,007	13,661
Other costs/(income)	(1,162)	1,460	195	291	205	1,665	1,276	3,930
Earnings before taxation	6,331	8,012	2,469	1,187	1,884	68	1,259	21,210
Taxation charge/(credit)	3,521	4,869	866	358	387	58	274	10,333
Earnings after taxation	2,810	3,143	1,603	829	1,497	10	985	10,877

[A] Comprises Canada, Mexico and Barbados.

2024

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Other [A]		Total
Revenue								
Third parties	1,263	3,166	591	1,535	181	1,322	1,963	10,021
Sales between businesses	6,663	11,905	7,596	2,667	8,261	1,907	10,093	49,092
Total	7,926	15,071	8,187	4,202	8,442	3,229	12,056	59,113
Production costs excluding taxes	1,389	1,878	1,097	817	1,269	565	1,488	8,503
Taxes other than income tax	82	176	405	332	—	—	2,911	3,906
Exploration	707	152	13	503	533	34	469	2,411
Depreciation, depletion and amortisation	1,249	1,551	2,309	831	4,371	347	3,930	14,588
Other costs/(income)	2,302	1,583	303	(33)	541	2,126	1,400	8,222
Earnings before taxation	2,197	9,731	4,060	1,752	1,728	157	1,858	21,483
Taxation charge/(credit)	2,119	5,920	1,145	1,280	345	56	507	11,372
Earnings after taxation	78	3,811	2,915	472	1,383	101	1,351	10,111

[A] Comprises Canada, Mexico and Barbados.

2023

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Other [A]		Total
Revenue								
Third parties	1,328	2,967	754	1,431	123	827	1,934	9,364
Sales between businesses	7,452	11,717	7,113	2,344	8,711	2,382	10,663	50,382
Total	8,780	14,684	7,867	3,775	8,834	3,209	12,597	59,746
Production costs excluding taxes	1,655	1,827	1,181	659	1,259	677	1,514	8,772
Taxes other than income tax	102	165	412	284	—	—	3,307	4,270
Exploration	146	256	13	317	446	336	236	1,750
Depreciation, depletion and amortisation	1,687	1,324	2,760	1,471	4,330	1,094	4,100	16,766
Other costs/(income)	1,846	1,350	118	(32)	886	1,595	1,774	7,537
Earnings before taxation	3,344	9,762	3,383	1,076	1,913	(493)	1,666	20,651
Taxation charge/(credit)	2,362	5,544	976	343	330	(13)	1,088	10,630
Earnings after taxation	982	4,218	2,407	733	1,583	(480)	578	10,021

[A] Comprises Canada, Mexico and Barbados.

Shell share of joint ventures and associates**2025**

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Canada		Total
Third-party revenue	214	3,538	265	—	—	—	—	4,017
Total	214	3,538	265	—	—	—	—	4,017
Production costs excluding taxes	171	558	105	—	—	—	—	834
Taxes other than income tax	2	716	22	—	—	—	—	740
Exploration	1	19	—	—	—	—	—	20
Depreciation, depletion and amortisation	46	726	64	—	—	—	—	836
Other costs/(income)	200	(21)	25	—	—	—	4	208
Earnings before taxation	(206)	1,540	49	—	—	—	(4)	1,379
Taxation charge	(135)	715	—	—	—	—	1	581
Earnings after taxation	(71)	825	49	—	—	—	(5)	798

2024

					North America		South America	\$ million
	Europe	Asia	Oceania	Africa	USA	Canada		Total
Third-party revenue	1,607	3,849	313	—	—	—	—	5,769
Total	1,607	3,849	313	—	—	—	—	5,769
Production costs excluding taxes	200	625	132	—	—	—	—	957
Taxes other than income tax	3	876	22	—	—	—	—	901
Exploration	2	23	—	—	—	—	—	25
Depreciation, depletion and amortisation	51	630	59	—	—	—	1	741
Other costs/(income)	102	77	(20)	—	—	—	(1)	158
Earnings before taxation	1,249	1,618	120	—	—	—	—	2,987
Taxation charge	630	751	—	—	—	—	—	1,381
Earnings after taxation	619	867	120	—	—	—	—	1,606

2023

\$ million

	Europe	Asia	Oceania	Africa	North America		South America	Total
					USA	Canada		
Third-party revenue	433	3,801	239	—	—	—	52	4,525
Total	433	3,801	239	—	—	—	52	4,525
Production costs excluding taxes	255	634	109	—	—	—	7	1,005
Taxes other than income tax	26	872	17	—	—	—	7	922
Exploration	—	9	—	—	—	—	—	9
Depreciation, depletion and amortisation	105	501	45	—	—	—	29	680
Other costs/(income)	(2)	29	17	—	(7)	—	(10)	27
Earnings before taxation	49	1,756	51	—	7	—	19	1,882
Taxation charge	25	868	—	—	2	—	(20)	875
Earnings after taxation	24	888	51	—	5	—	39	1,007

Acreage and wells

The tables below reflect acreage and wells of Shell subsidiaries, joint ventures and associates. The term "gross" refers to the total activity in which Shell subsidiaries, joint ventures and associates have an interest. The term "net" refers to the sum of the fractional interests owned by Shell subsidiaries plus the Shell share of joint ventures and associates' fractional interests. Data below are rounded to the nearest whole number.

Oil and gas acreage (at December 31)

	2025						2024						Thousand Acres
	Developed		Undeveloped		Developed		Undeveloped		Developed		Undeveloped		2023
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	
Europe	5,063	1,666	6,171	3,308	5,919 [B]	1,916 [B]	5,670 [B]	3,107 [B]	5,913	1,854	4,230	2,105	
Asia	20,676	7,368	31,843	16,412	20,672 [C]	7,367 [C]	32,001 [C]	16,443 [C]	20,662 [C]	7,362 [C]	34,774 [C]	18,513 [C]	
Oceania	2,425	900	7,241	4,027	2,394	885	7,492	4,262	2,381	879	7,618	4,337	
Africa	936	512	50,468	23,758	3,086	1,141	51,735	24,210	3,086	1,141	57,376	28,471	
North America - USA	444	280	1,383	1,060	427	264	1,650	1,264	388	242	1,984	1,318	
North America - Mexico	—	—	4,870	3,067	—	—	4,870	3,067	—	—	5,406	3,335	
North America - Canada	317	203	995	595	390	217	1,150	649	385	213	1,147	646	
South America	1,686	766	33,123	19,738	1,687	767	37,825	22,532	1,678	761	31,164	20,183	
Total	31,547	11,695	136,094 [A]	71,965 [A]	34,575 [D]	12,557 [D]	142,393 [D]	75,534 [D]	34,493 [D]	12,452 [D]	143,699 [D]	78,908 [D]	

[A] Out of 136,094 thousand acres gross (71,965 net) undeveloped acreage, 15,172 thousand acres gross (8469 net) has expired and is in the process of being relinquished.

[B] Developed: Revised from 5,916 gross (1,915 net); Undeveloped: Revised from 5,578 gross (3,075 net).

[C] For 2024: Developed - Revised from 20,664 gross (7,365 net); Undeveloped - Revised from 32,009 gross (16,445 net).

For 2023: Developed - Revised from 20,654 gross (7,360 net); Undeveloped - Revised from 34,782 gross (18,515 net).

[D] For 2024: Developed - Revised from 34,564 gross (12,554 net); Undeveloped - Revised from 142,309 gross (75,504 net).

For 2023: Developed - Revised from 34,485 gross (12,450 net); Undeveloped - Revised from 143,707 gross (78,910 net).

Number of productive wells [A] (at December 31)

	2025				2024				2023			
	Oil		Gas		Oil		Gas		Oil		Gas	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Europe	759	174	641	212	691 [B]	186 [B]	800 [B]	254 [B]	754	201	930	295
Asia	9,571	3,311	393	247	9,082 [C]	3,143 [C]	373 [C]	238 [C]	8,536	2,959	374	238
Oceania	—	—	4,058	2,393	—	—	3,776	2,240	—	—	3,579	2,127
Africa	48	27	39	18	324	107	92	36	328	108	83	33
North America – USA	195	126	21	14	177 [D]	106 [D]	21	15	172	108	23	16
North America – Canada	—	—	575	509	—	—	579	512	—	—	545	472
South America	498	228	75	46	418	204	69	44	345	170	63	39
Total	11,071	3,866	5,802	3,439	10,692 [E]	3,746 [E]	5,710 [E]	3,339 [E]	10,135	3,546	5,597	3,220

[A] The number of productive wells with multiple completions at December 31, 2025: 204 Gross (95 Net); December 31, 2024: 313 Gross (125 Net); December 31, 2023: 346 Gross (142 Net).

[B] Oil: Revised from 693 gross (187 net), Gas: Revised from 801 gross (255 net).

[C] Oil: Revised from 9,160 gross (3,169 net), Gas: Revised from 369 gross (236 net).

[D] Oil: Revised from 178 gross (107 net).

[E] Oil: Revised from 10,773 gross (3,774 net), Gas: Revised from 5,707 gross (3,338 net).

Number of net productive wells and dry holes drilled [A]

	2025		2024		2023	
	Productive	Dry	Productive	Dry	Productive	Dry
Exploratory						
Europe	1	2	—	4	—	1
Asia	4	4	14	11	1	4
Oceania	5	0	4	—	24	—
Africa	1	—	3	4	—	2
North America - USA	—	1	1	1	2	5
North America - Canada	—	—	2	1	3	—
South America	12	1	8	2	10	—
Total	23	8	32	23	40	12
Development						
Europe	2	1	3	—	2	—
Asia	265	—	263 [B]	—	255	3
Oceania	90	—	102	1	166	25
Africa	2	—	2	—	2	—
North America - USA	14	1	5	1	12	—
North America - Canada	25	—	39	2	10	1
South America	18	—	24	—	20	—
Total	416	2	438 [C]	4	467	29

[A] Productive wells are wells with proved reserves allocated. Wells in the process of drilling are excluded and presented separately below.

[B] Revised from 262 net wells.

[C] Revised from 437 net wells.

Number of wells in the process of exploratory drilling [A]

2025

	At January 1		Wells in the process of drilling at January 1 and allocated proved reserves during the year		Wells in the process of drilling at January 1 and determined as dry during the year		New wells in the process of drilling at December 31		At December 31	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Europe	12 [B]	6 [B]	(2)	(1)	(1)	(2)	1	–	10	3
Asia	32	13	(9)	(4)	(6)	(2)	1	1	18	8
Oceania	28 [C]	12	(4)	(2)	–	–	51	12	75	22
Africa	15	9	(1)	(1)	–	–	1	–	15	8
North America - USA	5	4 [D]	–	–	(1)	(1)	3	2	7	5
North America - Canada	6	6	–	–	–	–	–	–	6	6
South America	45	20	(30)	(12)	(1)	(1)	11	4	25	11
Total	143 [E]	70 [E]	(46)	(20)	(9)	(6)	68	19	156	63

[A] Wells in the process of exploratory drilling includes wells pending further evaluation.

[B] Revised from 11 gross (5 net).

[C] Revised from 27 gross.

[D] Revised from 3 net.

[E] Revised from 141 gross (68 net).

Number of wells in the process of development drilling

2025

	At January 1		At December 31	
	Gross	Net	Gross	Net
Europe	9	6	10	3
Asia	141	14	144	17
Oceania	89 [A]	45 [A]	186	116
Africa	4	1	–	–
North America - USA	14 [B]	8 [B]	18	10
North America - Canada	7	7	12	12
South America	25 [C]	8 [C]	20	5
Total	289	89	390	163

[A] Revised from 80 gross (41 net) wells.

[B] Revised from 16 gross (9 net) wells.

[C] Revised from 32 gross (11 net) wells.

In addition to the present activities mentioned above, the following recovery methods are operational in the following countries: water flooding (Brazil (including water alternating gas), Brunei, Malaysia, Nigeria, Oman, the UK and the USA); gas injection (Brazil, Brunei, Kazakhstan, Malaysia, Nigeria and Oman); steam injection (the Netherlands and Oman), and polymer flooding (Oman).

Parent Company Financial Statements

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Statement of Income for the year ended December 31, 2025

		\$ million	
	Notes	2025	2024
Dividend income		23,999	18,499
Interest and other income	4	276	322
Administrative expenses		(401)	(329)
Interest and other expenses	5	(13)	—
Income before taxation		23,861	18,492
Taxation credit	9	26	1
Income for the period		23,887	18,493

Statement of Comprehensive Income for the year ended December 31, 2025

		\$ million	
		2025	2024
Income for the period		23,887	18,493
Comprehensive income for the period		23,887	18,493

Balance Sheet as at December 31, 2025

		\$ million	
	Notes	Dec 31, 2025	Dec 31, 2024
Assets			
Non-current assets			
Investments in subsidiaries	6	257,503	257,697
Deferred tax asset		4	4
		257,507	257,701
Current assets			
Accounts receivable	7	9,536	7,340
Tax receivables		25	6
Cash and cash equivalents		—	—
		9,561	7,346
Total assets		267,068	265,047
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8	1,627	1,351
Total liabilities		1,627	1,351
Equity			
Share capital	11	477	510
Other reserves	12	236,047	236,072
Retained earnings		28,917	27,114
Total equity		265,441	263,696
Total liabilities and equity		267,068	265,047

Signed on behalf of the Board

/s/ Sinead Gorman

Sinead Gorman
Chief Financial Officer
March 11, 2026

Statement of Changes in Equity for the year ended December 31, 2025

					\$ million
	Notes	Share capital	Other reserves	Retained earnings	Total equity
At January 1, 2025		510	236,072	27,114	263,696
Comprehensive income for the period		—	—	23,887	23,887
Dividends	13	—	—	(8,472)	(8,472)
Repurchases of shares	11	(33)	33	(14,070)	(14,070)
Share-based compensation	12	—	(58)	458	400
At December 31, 2025		477	236,047	28,917	265,441
At January 1, 2024		544	235,929	31,022	267,495
Comprehensive income for the period		—	—	18,493	18,493
Dividends	13	—	—	(8,668)	(8,668)
Repurchases of shares	11	(34)	34	(14,057)	(14,057)
Share-based compensation	12	—	109	324	433
At December 31, 2024		510	236,072	27,114	263,696

Statement of Cash Flows for the year ended December 31, 2025

			\$ million
	Notes	2025	2024
Income before taxation for the period		23,861	18,492
Adjustment for:			
Dividend income		(23,999)	(18,499)
Interest income	4	(276)	(320)
Share-based compensation		12	11
Decrease/(increase) in net working capital		77	(659)
Cash flow from operating activities		(325)	(975)
Dividends received		23,999	18,499
(Increase)/decrease in deposits with subsidiary undertakings	16	(2,195)	4,293
Interest received		276	320
Share-based compensation		596	429
Cash flow from investing activities		22,676	23,541
Cash dividends paid	13	(8,472)	(8,668)
Shares repurchased		(13,879)	(13,898)
Cash flow from financing activities		(22,351)	(22,566)
Change in cash and cash equivalents		—	—
Cash and cash equivalents at beginning of the year		—	—
Cash and cash equivalents at end of the year		—	—

Notes to the Parent Company Financial Statements

1. Basis of preparation

The Financial Statements of Shell plc (the "Company") have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the UK Companies Act 2006 as applicable to companies reporting under those standards. As applied to Shell, there are no material differences from International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB); therefore, the Financial Statements have been prepared in accordance with IFRS as issued by the IASB.

As described in the material accounting policies in Note 2, the Financial Statements have been prepared under the historical cost convention, except for certain items measured at fair value. Those accounting policies have been applied consistently in all periods.

The Financial Statements have been prepared on the going concern basis of accounting, as set out in Note 1 to the Consolidated Financial Statements (see page 234).

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Actual results may differ from those estimates.

The financial results of the Company are included in the Consolidated Financial Statements on pages 229-306. The financial results of the Company incorporate the results of the Royal Dutch Shell Dividend Access Trust (the "Trust").

The Company's principal activity is being the parent company for Shell, as described in Note 1 to the Consolidated Financial Statements (see page 234).

2. Material accounting policies, judgements and estimates

The Company's accounting policies follow those of Shell as set out in Note 2 to the Consolidated Financial Statements on pages 234-244. The following are Company-specific policies.

Presentation and functional currency

The Company's presentation and functional currency is US dollars (dollars).

Investments

Investments in subsidiaries are stated at cost, net of any impairment. Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts for those investments may not be recoverable. For the purposes of determining whether impairment of investments in subsidiaries has occurred, and the extent of any impairment loss or its reversal, management performs an assessment of value in use or fair value less costs of disposal. Management's conclusion may be determined by using one or both of these methodologies as appropriate. For key judgements applied in reaching management's conclusion, please see Note 6.

The original cost of the Company's investment in Royal Dutch Petroleum Company (Royal Dutch) was based on the fair value of the shares transferred to the Company by the former shareholders of Royal Dutch in exchange for A shares in the Company during the public exchange offer in 2005. The original cost of the Company's investment in The "Shell" Transport and Trading Company p.l.c., now The Shell Transport and Trading Company Limited (Shell Transport), was the fair value of the shares held by the former shareholders of The "Shell" Transport and Trading Company p.l.c., transferred in consideration for the issuance of B shares as part of the Scheme of Arrangement in 2005. The Company's investments in Royal Dutch and Shell Transport subsequently became an investment in Shell Petroleum N.V., now Shell Petroleum B.V. (Shell Petroleum); this change had no impact on the cost of investments in subsidiaries. On February 15, 2016, the Company acquired all the voting rights in BG Group plc via the issuance of shares and cash payments of a total fair value of \$53,086 million. In September 2016, the Company's shares in BG Group Limited (BG), formerly BG Group plc, were exchanged for an increased investment in Shell Petroleum. This change had no impact on the cost of investments in subsidiaries.

On October 16, 2023, the Company contributed its investment in Shell Petroleum to another subsidiary, Shell Group Holding Limited, in exchange for the issuance of 99 shares with a nominal value of \$1 issued at a premium of \$257,493 million, reflecting the carrying amount of the Company's investment in Shell Petroleum. This transaction had no impact on the cost of investments in subsidiaries.

Dividend income

Dividends are recognised on a paid basis unless the dividend has been confirmed by a general meeting of Shell Group Holding Limited, in which case income is recognised on the date at which receipt is deemed virtually certain.

Share-based compensation plans

The fair value of share-based compensation for equity-settled plans granted to employees of subsidiaries under the Company's plans is recognised as an investment in subsidiaries from the date of grant over the vesting period with a corresponding increase in equity.

In the year of vesting of a plan, the costs for the actual deliveries are charged to the relevant employing subsidiaries. This is recognised as a realisation of the investment originally recognised. If the actual vesting costs are higher than the cumulatively recognised share-based compensation charge, the difference is recognised in income.

See Note 28 to the Consolidated Financial Statements on pages 299-300 for information on the Company's principal share-based compensation plan.

2. Material accounting policies, judgements and estimates continued**Taxation**

The Company is tax-resident in the UK (see Note 9).

3. Changes to IFRS not yet adopted**IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18")**

IFRS 18 was issued in April 2024 and will replace IAS 1 Presentation of Financial Statements. IFRS 18 will be effective from reporting periods beginning on or after January 1, 2027. This standard sets out requirements for the presentation and disclosure of information in financial statements, particularly the Statement of Income. From Shell's initial impact assessment of IFRS 18, it is expected that the implementation will have very limited impact on the Company financial statements.

4. Interest and other income

	\$ million	
	2025	2024
Interest and other income:		
Interest income	276	320
Foreign exchange gains	—	2
Total	276	322

5. Interest and other expenses

	\$ million	
	2025	2024
Interest and other expenses:		
Foreign exchange Loss	13	—
Total	13	—

6. Investments in subsidiaries

	\$ million	
	2025	2024
At January 1	257,697	257,694
Share-based compensation	785	739
Recovery of vested share-based compensation	(979)	(736)
At December 31	257,503	257,697

As at December 31, 2025, the market capitalisation of the Company and its subsidiaries (collectively referred to as the "Group") was less than the Company's carrying value of its investment in the Group. Management has therefore performed an impairment test to determine whether recoverable amount exceeded the cost of investment recognised.

Recoverable amount was assessed by reference to fair value less costs of disposal. This was calculated by comparing the cost of investment with the Group's market capitalisation, adjusted to reflect a control premium. The control premium is considered a source of estimation uncertainty and is determined, along with the costs of disposal, with reference to available data from market transactions in comparable industries, conducted at arm's length for similar assets.

This resulted in a recoverable amount exceeding the cost of investment recognised and is consistent with management's expectation of the future recoverability of the Company's investment in the Group.

The recoverability of the Company's investment in the Group may be influenced by the risk factors of the Group, including commodity prices, market supply and demand, expected production volumes and developments related to climate change and the energy transition (see Note 4 to the Consolidated Financial Statements on pages 244-255).

7. Accounts receivable

	\$ million	
	Dec 31, 2025	Dec 31, 2024
Amounts due from subsidiaries (see Note 16)	9,531	7,335
Other receivables	5	5
Total	9,536	7,340

8. Accounts payable and accrued liabilities

	\$ million	
	Dec 31, 2025	Dec 31, 2024
Amounts due to subsidiaries (see Note 16)	322	239
Accruals and other liabilities	1,292	1,101
Unclaimed dividends	13	11
Total	1,627	1,351

Accruals and other liabilities at December 31, 2025, principally comprise commitments for share repurchases undertaken on the Company's behalf under irrevocable, non-discretionary arrangements of \$1,251 million (2024: \$1,061 million).

9. Taxation

Reconciliation of applicable tax charge at statutory tax rate to taxation charge

	\$ million	
	2025	2024
Income before taxation	23,861	18,492
Applicable tax charge at the statutory tax rate of 25% (2024: 25%)	5,965	4,623
Tax effects of:		
Income not subject to tax at statutory rates	(5,999)	(4,625)
Expenses not deductible for tax purposes	1	—
Adjustments in respect of prior periods	7	(2)
Taxes booked against Pillar Two liabilities	—	3
Taxation (credit)/charge	(26)	(1)

The UK corporate income tax rate applicable for the year ended December 31, 2025, is 25%. Deferred taxes on the Balance Sheet have been measured at 25%, which represents the future corporate income tax rate that was enacted at the balance sheet date.

On June 20, 2023, the UK substantively enacted Pillar Two Model Rules, effective as from January 1, 2024. The Pillar Two rules are designed to ensure large multinational enterprises (meeting certain conditions) pay a minimum level of tax on the income arising in each jurisdiction where they operate. Shell has applied the exception, as set out in the amendments to IAS 12 Income Taxes, to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

10. Financial instruments

Financial assets and liabilities measured at amortised cost in the Company's Balance Sheet comprise amounts due from subsidiaries (see Note 16) and certain amounts reported within accounts payable and accrued liabilities (see Note 8). The fair value of financial assets and liabilities measured at amortised cost at December 31, 2025, and December 31, 2024, approximates their carrying amount.

Information on financial risk management is presented in Note 26 to the Consolidated Financial Statements (see pages 290-294). Foreign currency derivatives are used by the Company to manage foreign exchange risk, which arises when certain transactions are denominated in a currency that is not the Company's functional currency. No derivative financial instruments were held at December 31, 2025, or December 31, 2024.

11. Share capital

Issued and fully paid ordinary shares of €0.07 each

	Number of shares	Nominal value \$ million
	Ordinary shares	Ordinary shares
At January 1, 2025	6,115,031,158	510
Repurchases of shares	(396,394,760)	(33)
At December 31, 2025	5,718,636,398	477
At January 1, 2024	6,524,109,049	544
Repurchases of shares	(409,077,891)	(34)
At December 31, 2024	6,115,031,158	510

At the Company's Annual General Meeting (AGM) on May 20, 2025, the Board was authorised to allot ordinary shares in the Company, and to grant rights to subscribe for or to convert any security into ordinary shares in the Company, up to an aggregate nominal amount of approximately €140 million (representing approximately 2,007 million ordinary shares of €0.07 each), and to list such shares or rights on any stock exchange. This authority expires at the earlier of the close of business on August 19, 2026, and the end of the AGM to be held in 2026, unless previously renewed, revoked or varied by the Company in a general meeting.

At the May 20, 2025 AGM, shareholders granted the Company the authority to repurchase (i) up to 602.1 million ordinary shares "on-market" (excluding any treasury shares), less the number of ordinary shares purchased or committed to be purchased under the buyback contracts ("off-market"), made under the authority in (ii); and (ii) up to 602.1 million ordinary shares off-market, less any on-market purchases made under the authority in (i).

In the case of both on-market and off-market purchases of the ordinary shares, the minimum price, exclusive of expenses, which may be paid for an ordinary share is €0.07 and the maximum price, exclusive of expenses, which may be paid for an ordinary share is the higher of: (i) an amount equal to 5% above the average market value for an ordinary share for the five business days immediately preceding the date of the purchase; and (ii) the higher of the price of the last independent trade and the highest current independent bid in relation to ordinary shares on the trading venues where the purchase is carried out. The authorities for both on-market and off-market purchases of the ordinary shares will expire at the earlier of the close of business on August 19, 2026, and the end of the AGM of the Company to be held in 2026. Ordinary shares purchased by the Company pursuant to these authorities will either be cancelled or held in treasury. Treasury shares are shares in the Company which are owned by the Company itself.

All shares repurchased in 2025 under the Company's share buyback programme were cancelled prior to 31 December 2025 except for repurchases on December 30 and December 31 which were cancelled in January 2026.

For information on the number of shares in the Company held by Shell employee share ownership trusts and trust-like entities to meet delivery commitments under employee share plans, see Note 28 to the Consolidated Financial Statements (see page 299-300).

Assimilation of A and B shares

On January 29, 2022, the Company completed the assimilation of A and B shares into a single class of share, following the change in tax residence to the UK with effect from December 31, 2021. After this date, dividend payments made by the Company with the use of the dividend access mechanism were restricted to the settlement of amounts unclaimed in respect of dividends declared on Class B shares prior to assimilation and any dividends which are unclaimed after six years will revert to Shell Transport and BG once forfeited.

At December 31, 2025 unclaimed dividends of £2 million (December 31, 2024: £3 million) remain in respect of dividends declared on Class B shares prior to assimilation.

12. Other reserves

					\$ million
	Merger reserve	Share premium reserve	Capital redemption reserve	Share plan reserve	Total
At January 1, 2025	234,231	154	270	1,417	236,072
Repurchases of shares	—	—	33	—	33
Share-based compensation	—	—	—	(58)	(58)
At December 31, 2025	234,231	154	303	1,359	236,047
At January 1, 2024	234,231	154	236	1,308	235,929
Repurchases of shares	—	—	34	—	34
Share-based compensation	—	—	—	109	109
At December 31, 2024	234,231	154	270	1,417	236,072

The merger reserve was established as a consequence of the Company becoming the single parent company of Royal Dutch and Shell Transport and represented the difference between the cost of the investment in those companies and the nominal value of shares issued in exchange for those investments as required by the prevailing legislation at that time, section 131 of the Companies Act 1985. On February 15, 2016, the Company acquired all shares in BG Group plc by means of a Scheme of Arrangement under Part 26 of the Act, via the issuance of 218.7 million A shares and 1,305.1 million B shares and cash payments. This resulted in an increase in the merger reserve, representing the difference between the fair value and the nominal value of the shares issued by the Company.

On January 6, 2006, loan notes were converted into 4,827,974 A shares. The difference between the carrying value of the loan notes and the nominal value of the new shares issued was credited to the share premium reserve. The capital redemption reserve was established in connection with repurchases of shares of the Company. The share plan reserve is in respect of equity-settled share-based compensation plans (see Note 28 to the Consolidated Financial Statements) and movement in share-based compensation for the year is the net of the charge to equity and the release as a result of vested awards.

13. Dividends

See Note 30 to the Consolidated Financial Statements (see page 302).

14. Legal proceedings and other contingencies

See Note 32 to the Consolidated Financial Statements (see pages 302-304).

15. Directors and Senior Management

See Note 34 to the Consolidated Financial Statements (see page 305) for the remuneration of Directors of the Company. In 2025, the Company recognised \$17 million (2024: \$14 million) in administrative expenses for the compensation of Directors and Senior Management.

16. Related parties

Information about the Company's subsidiaries, and whether these are held directly or indirectly, and other related undertakings (all of which are held indirectly), at December 31, 2025, is set out in "Appendix 1: Significant subsidiaries and other related undertakings (audited)".

	Amounts due from subsidiaries (see Note 7)		Amounts due to subsidiaries (see Note 8)	
	2025	2024	2025	2024
Shell Petroleum B.V.	—	—	123	122
Shell Treasury Centre Limited	9,527	7,332	—	—
The Shell Petroleum Company Limited	—	—	166	103
The Shell Transport and Trading Company Limited	—	1	—	—
Other	4	2	33	14
Total	9,531	7,335	322	239

The amount due from Shell Treasury Centre Limited (STCL) comprises call deposits and overdrafts in dollars, sterling and euros. Interest is calculated using arm's-length benchmark based on externally derived reference rates received by the Group, in line with the updated intragroup current account pricing policy. Net interest income in 2025 from STCL was \$276 million (2024: \$320 million). During the year, the Company was recharged costs from The Shell Petroleum Company Limited of \$379 million (2024: \$264 million).

16. Related parties continued**Other transactions and balances**

The Company periodically enters into forward and spot foreign currency contracts with Treasury companies, which are subsidiaries. There were no open foreign currency contracts at December 31, 2025, or December 31, 2024.

The Company settles general and administrative expenses of the Trust, including the auditor's remuneration.

The Company has guaranteed contractual payments totalling \$22,574 million at December 31, 2025 (December 31, 2024: \$31,778 million), and related interest, in respect of listed debt issued by Shell International Finance B.V. The fair value of this guarantee was considered to be immaterial at initial recognition and since the likelihood of default is considered remote no subsequent expected credit losses have been recognised.

On January 11, 2023, the Company guaranteed contractual payments totalling \$2,081 million at December 31, 2025 (December 31, 2024: \$2,825 million), and related interest, in respect of listed debt issued by BG Energy Capital plc, in place of the previous guarantor, BG Energy Holdings Limited. Both entities are subsidiaries of the Company. The fair value of this guarantee was considered to be immaterial at initial recognition and since the likelihood of default is considered remote no subsequent expected credit losses have been recognised.

On October 4, 2024, the Company has guaranteed contractual payments totalling \$20,094 million at December 31, 2025 (December 31, 2024: \$11,443 million), and related interest, in respect of listed debt issued by Shell Finance US inc. This entity is a subsidiary of the Company. The fair value of this guarantee was considered to be immaterial at initial recognition and since the likelihood of default is considered remote no subsequent expected credit losses have been recognised.

17. Auditor's remuneration

See Note 35 to the Consolidated Financial Statements (see page 306).

18. Post-balance sheet events

On February 5, 2026, Shell announced the commencement of a \$3.5 billion share buyback programme covering an aggregate contract term of approximately three months (the "programme"). The purpose of the programme is to reduce the issued share capital of the Company. All shares repurchased as part of the programme will be cancelled. It is intended that, subject to market conditions, the programme will be completed prior to the Company's first quarter 2026 results announcement, scheduled for May 7, 2026. The Company has entered into an arrangement with a single broker consisting of two irrevocable, non-discretionary contracts, to enable the purchase of ordinary shares.

Sustainability Statements

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General disclosures (ESRS 2)

General basis for preparation of Sustainability Statements (BP-1)

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 Sustainability Statements have been prepared in accordance with the requirements of the CSRD and the European Sustainability Reporting Standards (ESRS) and form 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.

Owing to differences in the timing and nature of the transposition of the CSRD into national law across European Economic Area (EEA) members, there is an absence of uniform practice upon which regulators, professional bodies, preparers and auditors can draw. Differences in the timing of transposition by different jurisdictions, coupled with the lack of a standardised approach to evaluating the Sustainability Statements, may impact comparability between entities.

Section headers in the Sustainability Statements follow the structure of the ESRS. Terms and definitions used in the text are defined by Shell unless explicitly stated otherwise.

The Sustainability Statements are prepared on a consolidated basis. The scope of assets subject to consolidation is consistent with that of the "Consolidated Financial Statements" on pages 229-306. The basis of consolidation specified by the ESRS varies per topic and is not consistent with Shell's historical reporting, which is informed by industry standards and the Greenhouse Gas Protocol (GHG) Corporate Accounting and Reporting Standard.

In line with industry practice, Shell has historically reported sustainability data using the operational control boundary, whereby data are reported on a 100% basis for assets under operational control. This approach reflects the prevalence of joint operations in the oil and gas sector and the common industry practice of designating an operating partner to create and apply operating policies and standards.

For individual environmental and social topics, the ESRS specify an applicable reporting boundary. This includes reporting on a financial control basis (for water and resource use and circular economy), reporting based on relationships (for own workforce, workers in the value chain and affected communities) and reporting based on a combination of operational and financial control in an "ESRS boundary" (for GHG emissions, pollution and biodiversity). Many of these boundaries differ from Shell's historical reporting.

The following table illustrates the key differences between reporting on an operational control or financial control basis and the "ESRS boundary" that applies to the environmental topics mentioned above.

Understanding differences in reporting boundaries [A]

Boundary	Accounting treatment	Operated venture	Non-operated venture
Operational control	Subsidiaries	100%	0%
	Joint operations	100%	0%
	JVs and associates	100%	0%
Financial control	Subsidiaries	100%	100%
	Joint operations	Shell share	Shell share
	JVs and associates	0%	0%
ESRS	Subsidiaries	100%	100%
	Joint operations	100%	Shell share
	JVs and associates	100%	0%

[A] Shell reports Scope 3 emissions using an equity boundary. Under this approach, we report the Shell share of emissions from energy products sold, including those sourced from third parties.

For the E1 Climate change standard, we report in 2025 against all required boundaries, as shown in the table "Scope of consolidation" on the following page. This includes the ESRS boundary applied to GHG emissions that differs from the financial statements, industry standards and the Greenhouse Gas Protocol. For the remaining environmental standards, we report data against an operational control boundary as well as the boundaries required by the ESRS, making use of estimates where actual data from non-operated ventures is unavailable. For social and governance topics we report data in line with the ESRS. Further details are provided below.

Greenhouse gas emissions

The GHG Protocol Corporate Accounting and Reporting Standard, published in 2004, provides global requirements and guidance on how to report emissions through standardised approaches and principles. ESRS E1 Climate change requires consideration of the GHG Protocol when preparing information for reporting GHG emissions. For Scope 1 and 2 emissions, the Greenhouse Gas Protocol recognises three reporting boundaries: operational control (reporting on a 100% basis for assets under operational control), financial control (reporting on a 100% basis for fully consolidated subsidiaries and percentage interest for joint operations) and equity share (reporting according to the ownership share).

The GHG Protocol recognises that in many industries, operational and financial control are the same with the "notable exception being the oil and gas industry". As a result, when oil and gas companies choose to report against a control boundary, the GHG Protocol requires that they make a choice between reporting on the basis of operational control or financial control. Shell has reported GHG emissions against an operational control boundary in prior periods, and again in 2025, because this best reflects our ability to directly control operations by applying our own policies and standards.

The ESRS E1 Climate change standard establishes a fourth boundary that combines the operational control and financial control boundaries. This "ESRS boundary" is intended to present a full span of control from both a financial and operational perspective. In doing so, however, it results in a divergence from the three consolidation methods provided by the GHG Protocol. The ESRS boundary also results in partial double counting of emissions across the industry, as the operator will report 100% of the emissions and partners may report their share of the same emissions.

For GHG emissions, Shell reports against an operational control, equity and ESRS boundary for operated and non-operated ventures.

Other environmental, social and governance data

To report environmental, social and governance data against a financial control or ESRs boundary requires access to data from non-operated ventures. More than half of the ventures in which Shell is a partner are non-operated, with partners comprising both state-owned and international companies. Shell has more than 50 non-operated assets, mainly joint operations not under operational control, that fall within the ESRs boundary. Of these, 85% operate outside the European Economic Area. These ventures are not subject to the CSRD, nor are they contractually obliged under the operator agreement to provide the volume and granularity of data required by the ESRs.

The feasibility of obtaining information from non-operated ventures is additionally impacted by the adoption periods given for ESRs implementation, which do not reflect the lead times necessary to establish reporting protocols and systems with partners. Uncertainty over the scope of future reporting requirements stemming from proposed revisions to the ESRs standards, which are likely to result in further changes to required metrics, definitions and reporting boundaries, compounds this challenge.

For environmental metrics other than GHG emissions contained in the E2–E5 standards, Shell tested data availability with significant non-operated ventures and observed gaps in availability, quality, completeness and timeliness. We have therefore, in accordance with the ESRs, estimated the data for non-operated ventures, covering approximately 60 metrics across more than 50 non-operated ventures. See "Supplementary data for pollution, water, biodiversity and waste, including estimates for non-operated assets" on pages 420–423 for a presentation of this information along with details of the estimation methodologies, limitations and uncertainties.

We continue to explore opportunities to enhance our estimation methodologies where appropriate. In 2025, we assessed different options for estimating data for non-operated ventures, including the use of asset archetypes and alternative estimation proxies. Having considered the advantages and disadvantages of these options, we determined they did not reduce the measurement uncertainty of the estimate. See "Supplementary data for pollution, water, biodiversity and waste, including estimates for non-operated assets" on pages 420–423 for more information.

Shell does not have operational control over how non-operated ventures embed sustainability in their operations. For information, see "Portfolio risks" on pages 126–128. The risk associated with non-operated ventures is managed by appointing Shell representatives whose responsibility is to manage performance, and create and protect value for Shell. These representatives seek to influence operators and other partners to adopt appropriate practices to drive value and to mitigate risk. This includes making regular assessments of how the non-operated venture's standards align with Shell's and seeking to influence closure of any identified gaps.

We continue to engage with peers, joint venture partners, standard setters and others on the topic of reporting boundaries. We advocate a common approach through global and interoperable reporting standards, combined with adequate multi-year transition timelines, to access non-operated venture data through industry-wide collaboration.

Boundaries applied in 2025

For the 2025 Sustainability Statements, Shell applies the consolidation scopes set out below. Further details of how these boundaries are applied and any exceptions for individual topics or subtopics are explained in the topical ESRs.

Scope of consolidation

ESRS	Topic	Boundary required by ESRs	Boundary applied by Shell
E1	Scope 1 and 2 emissions	ESRS boundary	ESRS boundary [A] Equity boundary [B] Operational control [C]
E1	Scope 3 emissions	Undertaking determines	Equity boundary [B]
E2	Pollution	ESRS boundary	Operational control [C] ESRS boundary [A] [D]
E3	Water and marine resources	Financial control	Operational control [C] Financial control [D]
E4	Biodiversity and ecosystems	ESRS boundary	Operational control [C] ESRS boundary [A] [D] [E]
E5	Resource use and circular economy	Financial control	Operational control [C] Financial control [D]
S1	Own workforce	Based on contractual relationships [F]	Based on contractual relationships [F]
S2	Workers in the value chain	Based on contractual relationships [F]	Based on contractual relationships [F]
S3	Affected communities	Based on relationships	Based on relationships
G1	Business conduct	Specified per topic	Specified per topic

[A] ESRs boundary that combines operational and financial control. Data are provided for the consolidated accounting group (the parent and subsidiaries) and jointly controlled operations, plus investees such as associates or joint ventures for which Shell has operational control.

[B] Data are provided in accordance with Shell's share of ownership in the asset or activity. [C] Data are provided on a 100% basis for companies and joint ventures where we are the operator unless otherwise stated, in line with historical reporting and industry practice.

[D] Data for non-operated ventures in scope of this boundary are estimated.

[E] Sites impacting biodiversity sensitive areas only.

[F] Based on the contractual relationship between Shell as the reporting entity and the workers within the scope of these standards.

Assets and activities that we acquired or divested during 2025 are included only for the period in which we operated or owned them, unless otherwise stated. A similar approach is taken for entities whose accounting treatment changes during the reporting period.

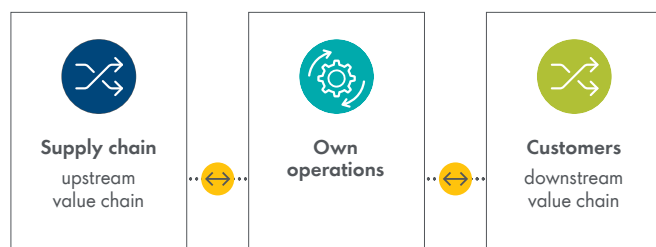
Some EU member states have not yet transposed the CSRD into national law. As of December 31, 2025, none of Shell's subsidiaries included in the scope of consolidation had an individual or consolidated reporting obligation in 2025 pursuant to Articles 19a(9) or 29a(8) of the EU Accounting Directive. Our assessment takes account of EU Directive 2025/794 (the "Stop the clock" directive), which postpones the entry into application of the CSRD for certain companies, including subsidiaries, that have not yet started reporting.

Value chain

For the purposes of our 2025 Sustainability Statements, a simplified version of Shell's value chain is shown below. This classification is used to guide our assessment of material topics and decisions about the content of our disclosures under the ESRs.

We follow the general classification of value chain provided in ESRs, which distinguishes between own operations, upstream value chain and downstream value chain.

Own operations and value chain



Shell's own operations comprise companies, joint operations, joint ventures and associates where we are the operator and exercise operational control and/or where the activities are reported under financial control. Our own operations span activities related to the production of hydrocarbons and power, processing, trading, sales and distribution. Our upstream value chain consists of direct and indirect suppliers of hydrocarbons, power, biomass, and other goods and services that we transform into energy and non-energy products that benefit our customers. Our downstream value chain consists of customers and their use of our sold products. References to "upstream value chain" and "downstream value chain" in the Sustainability Statements have the meaning given above and do not refer to our Upstream business segment or to our Downstream, Renewables and Energy Solutions business.

Actors in our value chain are individuals or entities in our upstream or downstream value chain. An actor is considered upstream from Shell when it provides goods or services used in the production of our own products or services. An actor is considered downstream from Shell when it receives products or services from us.

Actors in our upstream value chain include direct and indirect suppliers, strategic partners and non-operated ventures, among others. Actors in our downstream value chain include retail consumers, business customers, non-operated ventures and business partners who distribute or market our products.

We extend the scope of the Sustainability Statements on a topic-by-topic basis to cover material impacts in Shell's value chain where we have existing data, policies or actions.

The most significant value chain topic for Shell is Scope 3 emissions. More than 90% of the total emissions we include within our net carbon intensity (NCI) boundary are indirect emissions associated with third-party products and end-use emissions of energy products we sell.

Within the 15 categories of Scope 3 emissions, we assess four categories as significant: Category 1 Purchased goods and services, Category 3 Fuel and energy-related activities, Category 9 Downstream transport and distribution, and Category 11 Emissions from the use of sold products. These categories cover value chain emission impacts for the purchase, transport and use of energy products by the customer.

Our policies often have direct or indirect application for actors in our value chain, such as suppliers and non-operated ventures. Our qualitative disclosures indicate how our policies are applied in Shell companies and operated joint ventures, as well as our expectation that non-operated ventures adopt appropriate and acceptable policies to manage their risks. Our qualitative disclosures also cover policies that apply to actors in our upstream value chain, such as the Shell Supplier Principles, our standards for worker welfare and our approach to enhanced value chain due diligence.

In 2025, we made efforts to obtain value chain information for selected topics, such as seeking insight from suppliers into potential human rights impacts in our upstream value chain. We use provisions in the ESRS to phase in certain value chain related disclosures. We generally use this phase-in provision when we are still assessing the nature of potential value chain impacts and the associated data needed for reporting, where regulatory requirements are uncertain, or where it is not yet possible to obtain reliable information owing to contractual restrictions or other factors.

Use of other exemptions

We have not used the option to omit information corresponding to intellectual property, know-how or the results of innovation. We have not used the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of the EU Accounting Directive.

We have used the option provided by Delegated Regulation EU 2025/1416 (the "Quick fix amendment") to defer certain additional reporting requirements that companies in the first wave of reporting under the CSRD would otherwise have to meet for 2025. This principally includes requirements for additional reporting on the financial effects of environment-related risks and opportunities, as well as additional workforce-related disclosures under the S1 Own workforce standard.

Disclosures in relation to specific circumstances (BP-2) Time horizons

The time horizons prescribed by the ESRS for reporting on the short, medium and long term differ from those used in Shell for strategy, business planning and risk management purposes.

Because of the inherent uncertainty and pervasive risks across our strategy and business model, we monitor sustainability-related impacts, risks and opportunities across the following time horizons:

- Short term (up to three years): we develop a detailed Operating Plan to manage performance and expectations on a three-year cycle. The Operating Plan is updated every year and incorporates decarbonisation measures required to meet our short-term targets.
- Medium term (generally three to 10 years): we develop an outlook with our continued focus on the customer, the investments and portfolio shifts we believe are required in the medium term to shape Shell's portfolio.
- Long term (generally beyond 10 years): the level of uncertainty increases over longer time horizons. Our portfolio and product mix are expected to evolve over time with changing customer demand.

For the purposes of our disclosures in the Sustainability Statements, we adjust the time horizons described above to follow the ESRS definition of "short term" as referring to one year from the end of the current reporting period. Owing to the long-term nature of capital investment in our industry, we use the option afforded by the ESRS to specify different periods for the medium and long term. For the purposes of our disclosures in the Sustainability Statements, we therefore define "medium term" as generally between 2 and 10 years and "long term" as generally beyond 10 years. Many of our impacts, risks and opportunities are long term in nature, and therefore we consider the differences between the time horizons for reporting under the ESRS and those used internally for strategy, business planning and risk management to be of limited practical significance.

Value chain estimation

We may use estimates based on indirect sources for reporting certain quantitative metrics. Where applicable, further information is provided in the notes accompanying the presentation of metrics.

Sources of estimation and outcome uncertainty

Certain quantitative metrics disclosed in the Sustainability Statements may be subject to measurement uncertainty. Preparation of environmental, social and governance data requires us to apply judgement or make use of estimates. We make these judgements or estimates based on industry standards, applicable regulatory requirements, established operating practices, subject matter expertise and other information believed to be reasonable under the circumstances. Consequently, there is an inherent uncertainty in our calculations.

Estimates and underlying assumptions are reviewed on an ongoing basis to improve accuracy, with any revisions potentially impacting the reported amounts. Where applicable, information about estimates, judgements and assumptions is provided in the notes accompanying the presentation of metrics.

Topics involving a level of measurement uncertainty where we apply either key estimates or judgements are indicated below, together with the level of potential impact on the reported data.

Estimates and judgements

Page(s)	Key estimates and judgements	Estimate/ judgement	Uncertainty impact
91	Scope 3, Category 1: Purchased goods and services	Estimate	•••
380	Emissions to air	Estimate	•••
380	Discharges to water	Estimate	•••
383	Water consumption	Estimate	•••
394	Waste	Estimate	•••
420-423	Pollution, water, biodiversity and waste data for non-operated ventures	Estimate	•••

••• = Low impact •• = Medium impact • = High impact

Shell has established a risk management and internal control framework for sustainability reporting to minimise the risk of reporting errors, including in areas requiring the application of judgement or estimates. See "Risk management and internal controls over sustainability reporting (GOV-5)" on page 341 for information.

Adjustments related to prior reporting periods

When adjustments are identified for a prior reporting period, we provide revised information to the extent practicable, in accordance with ESRS requirements. Materiality is assessed considering both quantitative and qualitative factors. In 2025, we revised 2024 metrics for routine and non-routine flaring (a reclassification between the categories with no change to the total); added one permanent impairment; subtracted one Tier 2 process safety incident; and made a limited number of revisions to metrics for air emissions and water discharges. Revised data is indicated in the relevant table or text where comparative data is provided. Revisions to prior year metrics may occur for various reasons including errors, omissions, reclassifications or items under review being updated following investigation.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Shell is subject to sustainability disclosure requirements in multiple jurisdictions, including the European Union and the UK. In some cases, these requirements may overlap with one another, fully or in part. To avoid unnecessary duplication, our disclosures are designed to address these requirements in an integrated manner where possible.

Our disclosures in the Sustainability Statements do not include information stemming from other legislation that is additional to the requirements prescribed by the ESRS. Our disclosures incorporate, by reference, information from outside the Sustainability Statements that

addresses an ESRS requirement while also satisfying a similar requirement under the regulations of other jurisdictions.

Incorporation by reference

We have chosen to incorporate some of the disclosures required by the ESRS by reference to other parts of the Annual Report and Accounts. We generally do this to avoid duplication or when the required disclosure is best read in conjunction with these sections.

For details of information incorporated in the Sustainability Statements by reference to other parts of the Annual Report and Accounts, see "Disclosure requirements covered by the Sustainability Statements" on pages 350-354.

The role of the administrative, management and supervisory bodies (GOV-1)

Members of the administrative, management and supervisory bodies consist of the Board of Directors and the Executive Committee (EC) of Shell plc.

The Board consists of 12 members, including two executive members and 10 non-executive members (2024: 12 members, 2 executive members and 10 non-executive members). No members of the Board or EC are representatives of employees or other workers (2024: 0). See "The Board of Shell plc" on pages 143-147 and "Executive Committee" on page 149 for information about the skills and experience of members of the Board and EC.

The Board's gender diversity, calculated as an average ratio of female to male Board members as at December 31, 2025, is 0.7 (2024: 0.7). Women made up 42% of the Board as at December 31, 2025 (2024: 42%). See "Board diversity" on page 148 and "Executive Committee diversity" on page 150 for other aspects of diversity relevant to the Board and EC.

All non-executive Directors are considered by the Board to be independent in character and judgement. The percentage of independent Board members is 83% as at December 31, 2025 (2024: 83%).

Our governance framework is designed to effectively deliver our strategy, which is to deliver more value with less emissions, underpinned by our focus on safety, people and sustainability. 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 as appropriate by the Board or the relevant committee.

Three management-level committees with representatives from across Shell also play a critical role in driving sustainability-related elements of our strategy. These include the Strategy and Investment Committee (SIC), the Carbon Reporting Committee (CRC) and the Sustainability Management Committee (SMC).

See "Our approach to sustainability" on pages 104-109 for a description of governance bodies responsible for sustainability, the role of management, procedures for managing sustainability-related impacts, risks and opportunities, and reporting lines and controls.

At Group level, the potential impacts of the energy transition on our business model and strategy are discussed and assessed by the Board and the Executive Committee as part of the annual business planning cycle. This assessment allows us to challenge accepted ways of thinking, identify material risks and opportunities and identify key tensions and trade-offs.

See "Our approach to sustainability" on pages 104-109 for information about how the Board oversees the delivery of Shell's strategy and monitors performance against longer-term targets.

The NOMCO leads the process for appointments to the Board and Senior Management positions (defined as the EC and the Company Secretary), ensures plans are in place for orderly, well-planned succession, and oversees the development of a diverse succession pipeline of candidates. Consideration of skills and experience relevant to sustainability matters is integrated into this process. Members of the Board and EC have access to internal and external expertise on environmental, social and governance matters.

Leaders at all levels play an essential role with respect to safety, ethics and compliance, making it clear through their actions and expectations that all business plans and activities must be undertaken in a responsible, safe, ethical and compliant manner.

Accountability for ethics and compliance in Shell lies with the Chief Executive Officer and the Executive Committee. The Audit and Risk Committee assists the Board in fulfilling its responsibilities in relation to risk management and internal control, including with respect to ethics and compliance-related matters.

At Shell, we are committed to doing business in an ethical and transparent way. Our core values underpin our work with customers, investors, employees, suppliers, communities, civil society and governments. The Shell General Business Principles (SGBP), Code of Conduct, and Legal Group Requirements are designed to help everyone at Shell behave according to our values of honesty, integrity and respect for people. The Chief Ethics and Compliance Officer (CECO) heads Shell's Ethics and Compliance Office and reports to the Chief Legal Officer. The CECO also provides updates to the EC and the ARC.

See "The Board of Shell plc" on pages 143-148 and "Executive Committee" on pages 149-150 for information on the expertise of management and the Board.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)

The Board and EC are informed of and address sustainability matters throughout the year. Sustainability matters are reviewed and considered on an integrated basis alongside other business issues.

See "Board oversight of sustainability including climate-related impacts, risks and opportunities" on page 104 and "Processes by which management is informed about sustainability-related issues" on page 107 for information.

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. 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.

There is no fixed number of times that the Board may meet in one year. During 2025, the Board met ten times (2024: 9 meetings).

The Sustainability Committee (SUSCO) met four times in 2025, with sustainability-related matters discussed at each meeting (2024: 4 meetings). The Remuneration Committee (REMCO) met six times during 2025, with sustainability-related matters relevant to remuneration being regularly addressed (2024: 5 meetings). The ARC met seven times with sustainability-related matters regularly addressed (2024: 6 meetings). After each meeting, committee chairs provide updates to the Board.

The Board and EC consider sustainability matters on an integrated basis when overseeing strategy, decisions on major investments and risk management. Trade-offs and stakeholder interests are considered as part of this process.

See "Supporting governance committees" on page 105 and "Principal decisions and stakeholders" on pages 136-139 for examples of how sustainability matters are integrated into decision-making and risk management processes.

See "Board activities" on pages 153-155 for information about the nature of the sustainability matters addressed by the Board in 2025.

As part of the annual planning cycle, the Board and EC assess how climate change and GHG emissions may affect the pace of the energy transition, business emission reduction plans and the implications for Shell's portfolio.

Integration of sustainability-related performance in incentive schemes (GOV-3)

We have established remuneration structures to support us in reducing our operational emissions and to support customers in reducing their emissions. The majority of employees participate in the discretionary annual bonus arrangements, which are based on the Group scorecard. Our annual bonus scorecard and Performance Share Awards (PSA) include "Shell's journey in the energy transition" performance metrics, which are designed to align with Shell's Operating Plan and longer-term strategic ambitions.

PSA will be awarded to Executive Directors and around 3,000 other employees across the Group.

See "Directors' Remuneration Report" on pages 176-182 for information about remuneration structures linked to sustainability. This section includes details of the plans, including the sustainability-linked measures and targets and metrics used in the performance assessment, the proportion of variable remuneration dependent on sustainability-related performance and the role of the Remuneration Committee in approving and updating the Directors' Remuneration Policy.

See "Linking Shell's emissions targets to remuneration" on page 98 for information about how climate-related considerations are factored into remuneration for the Executive Directors.

Statement on due diligence (GOV-4)

Due diligence is the process by which companies identify, prevent, mitigate and account for how they address the actual and potential negative impacts on the environment and people connected with their business.

This process is described in the international instruments of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

For a mapping of the content of the Sustainability Statements to the main aspects and steps of the due diligence process, see the table "Mapping of the main aspects and steps of the due diligence process to the Sustainability Statements" below.

Mapping of the main aspects and steps of the due diligence process to the Sustainability Statements

Core elements of due diligence	Pages
a) Embedding due diligence in governance, strategy and business model	340, 340, 342, 343, 362, 377, 381, 387, 390, 395, 401, 406, 411, 413, 415
b) Engaging with affected stakeholders in all key steps of the due diligence	340, 343, 347, 397, 403, 407, 411
c) Identifying and assessing adverse impacts	344, 347, 360, 384, 395, 400, 405
d) Taking actions to address those adverse impacts	364, 378, 382, 388, 391, 397, 404, 408, 413, 414, 416
e) Tracking the effectiveness of these efforts and communicating	365, 379, 382, 389, 393, 398, 405, 410, 413, 414, 416

Risk management and internal controls over sustainability reporting (GOV-5)

Shell has established a risk management and internal control framework for sustainability reporting in line with the risk management processes set out in the Shell Performance Framework, which provides the overall framework we use to deliver our strategy and sets out how we manage risks in Shell. See "Risk management and risk factors" on pages 125-135 for more information.

The scope of these internal controls covers preparation of the Sustainability Statements as well as the underlying data gathering and reporting processes for our environmental, social and governance metrics.

The main risks identified and their mitigation strategy and controls are shown below.

Sustainability reporting risks, mitigation strategies and controls

Risk	Mitigation strategies and controls
Inaccurate or incomplete disclosure of quantitative metrics	Further development of a risk-based reporting control framework for sustainability data. Components include governance, process documentation, risk identification, and design and embedding of controls and assurance activities in reporting processes.
Inaccurate or incomplete disclosure of qualitative information	Multi-layered review and sign-off of qualitative disclosures by subject matter experts and accountable senior managers.
Non-compliance with regulatory requirements due to lack of clarity on regulatory interpretation and/or application of accounting and reporting policies	Establishment of a cross-functional team to interpret and apply sustainability accounting and reporting policies on a consistent basis, informed by external engagement with standard-setters and third parties.
Inconsistency with other disclosures	Use of incorporation by reference with other sections of the Annual Report and Accounts and development of a reporting control framework for disclosures on sustainability matters that occur outside the Annual Report and Accounts.

To ensure our risk management and internal control framework is integrated into relevant processes, management committees have been established with representatives of our Finance function and other functional process owners to oversee implementation of the reporting control framework. These include the Carbon Reporting Committee (CRC), which oversees the Carbon Reporting Control Framework, as well as a Sustainability Reporting Decision Review Board that oversees other aspects of sustainability reporting.

The Audit and Risk Committee (ARC) reviews and monitors the effectiveness of Shell's risk management and internal control framework. The ARC receives regular reports from management and the external auditor on sustainability reporting, accounting and reporting policies, use of judgements and estimates, and other reporting matters. Internal control practices related to sustainability reporting are being strengthened further. The "Plan-Do-Check-Adjust" approach set out in the Shell Performance Framework has been, and will continue to be, used as our reporting control framework develops.

Control incidents and audit findings, both internal and external, are subject to a monitoring and remediation process overseen by senior management and supported by functional experts as required.

The findings of sustainability reporting risk assessments and internal controls, including internal and external assurance reviews, are communicated to the ARC and members of the EC as required.

The External Reporting Control Committee assists the EC and the ARC in fulfilling their responsibilities in relation to internal control over external reporting as it pertains to financial reporting and environmental, social and governance reporting in the Annual Report and Accounts and quarterly results announcements.

External assurance of sustainability information

In addition to the statutory audit of the financial statements, limited assurance is performed for the Sustainability Statements by Shell's independent auditor. See "The Independent Auditor's Report related to the Sustainability Statements" on page 424.

Our sustainability performance data are not subject to additional validation at a Group level by an external body.

Strategy, business model and value chain (SBM-1)

Shell is a global group of energy and petrochemical companies. Our activities include oil and gas exploration and production, and the marketing of fuels, lubricants and chemical products. We also offer low-carbon energy products and solutions.

Our products and customers

Shell's product offerings comprise energy and non-energy products. Energy products include crude oil, natural gas, natural gas liquids, oil products, gas-to-liquids (GTL) products, biofuels and electricity. Non-energy products include chemicals, lubricants, bitumen, sulphur and convenience retail items. We serve commercial, industrial and retail customers.

Our business

Our businesses in 2025 comprised Integrated Gas and Upstream, and Downstream, Renewables and Energy Solutions. See "Our businesses in 2025" on page 8 for an overview of our businesses and reporting segments.

Employees and revenues

Shell employed around 85,000 people as of December 31, 2025, including portfolio companies. We have operations in more than 70 countries. See "Our people" on page 115 for a headcount of employees by geographical area.

Shell is active in the fossil fuel sector and in chemical production. We seek to comply with applicable laws and regulations governing our products and services offered, including products and services banned in certain markets, such as end-use restrictions on chemicals.

Revenues derived from these activities are shown below.

Revenue from fossil fuels and chemicals [A]

	\$ million	
	2025	2024
Revenue from fossil fuel activities	206,663	220,411
Oil-related activities [B]	150,371	170,179
Gas-related activities [C]	56,292	50,232
Chemical production [D]	6,922	8,529
Other	53,301	55,372
Total revenue	266,886	284,312

[A] Revenue is calculated based on operating revenue and represents total revenue from customer contracts and other sources.
[B] Revenue from oil-related activities comprises revenue from crude oil and oil products.
[C] Revenue from gas-related activities comprises revenue from natural gas, NGL and LNG.
[D] Revenue from chemical production comprises revenue from chemicals and plastics.

Our vision

Our purpose is to power 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. Our vision [A] is to become the world's leading integrated energy company – delivering impact at scale, connecting energy and people, matching supply to demand.

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

We are positioning our organisation to succeed through a multi-decade energy transition. Our purpose is to power progress together by working with each other, our customers and our partners to provide the energy products people need to power lives and businesses.

Our strategy

Shell's strategy is to deliver more value with less emissions. See "Our strategy" on pages 9-11 for information about our strategy, including our climate-related targets and ambition.

Sustainability and our strategy

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

We approach sustainability by taking into account impacts, risks and opportunities related to climate, environment, safety, ethics, people and communities. We discuss key challenges and how we are responding in the relevant topical ESRs.

- Less emissions: 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 net carbon intensity (NCI) of our energy products by 9% from our 2016 baseline. We had also achieved our target of eliminating routine flaring from our upstream operations by 2025 and continued to maintain methane emissions intensity for our operated oil and gas assets below 0.2%. Additionally, we have delivered an 18% reduction to date as part of our ambition to reduce customer emissions from the use of our oil products (Scope 3, Category 11) by 15-20% by 2030 compared with 2021. See "Climate change (E1)" on page 357.
- People: 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. See "Own workforce (S1)" on page 395, "Workers in the value chain (S2)" on page 400 and "Affected communities (S3)" on page 405.
- Environment: We seek to protect the environment, increase our reuse and recycling, make a positive contribution to biodiversity, and use water and other resources efficiently. See "Pollution (E2)" on page 377, "Water and marine resources (E3)" on page 381, "Biodiversity and ecosystems (E4)" on page 383 and "Resource use and circular economy (E5)" on page 390.

Our core values of honesty, integrity and respect for people, and our focus on safety, people and sustainability, form the foundations of Shell.

See "Business conduct (G1)" on page 411 and "Safety" on page 415 for more information.

How we create value

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. Shell provides energy, directly or indirectly, to around a billion people every year.

Our value creation process shows how we link our inputs to our strategic objectives. Our inputs include financial capital, operations, people, relationships, intellectual capital and natural resources. We gather, develop and secure these inputs through our business relationships with investors, strategic partners and suppliers, and governments.

Through our production, processing, trading, sales and distribution activities, we transform our inputs into energy and non-energy products that benefit our customers. These activities depend on employees, suppliers, value chain workers and communities, as well as other stakeholders.

Our upstream value chain consists of direct and indirect suppliers of goods and services which form an input to our products. Examples include suppliers of hydrocarbons, biofuels and biomass, power, non-fuel products sold in our retail sites and a wide variety of goods and services procured for use in our projects and operations, such as engineering, construction and maintenance services and materials.

Our downstream value chain consists of customers and their use of our sold products. Examples include retail customers who consume oil products, biofuels, non-fuel retail products or electric vehicle charging solutions. Other examples include business customers who consume natural gas, crude oil or oil products, as well as customers who consume non-energy products such as chemicals.

References to "upstream value chain" and "downstream value chain" in the Sustainability Statements have the meaning given above and do not refer to our Upstream business segment or to our Downstream, Renewables and Energy Solutions business.

See "How we create value" on pages 12-13 for information on our value creation model.

Interests and views of stakeholders (SBM-2)

Shell recognises the important role it has in many societies and is committed to public collaboration and stakeholder engagement. Working with stakeholders is crucial to drive the collaboration needed between governments, companies and consumers to advance the energy transition.

Shell's key stakeholders can be categorised into seven groups. Where appropriate, each group is considered to include both current and potential stakeholders. We seek to understand the needs and expectations of key stakeholder groups and take their views and interests into account in our decision-making.

Key stakeholder groups and how we engage with them

Stakeholder group	How we engage [A]	Why we engage	How outcomes are taken into account
Customers	- Direct engagement (B2B and B2C) - Sustainability criteria in tenders (B2B) - Customer loyalty programmes (B2C) - Customer feedback procedures (B2C) - Partnerships for collective action (B2B)	- Understand customer needs and priorities - Identify new customer value propositions - Maintain our competitive advantages and customer reach - Help customers decarbonise and accelerate the energy transition	- Considered in business strategy - Improving products and services
Investor community	- Annual General Meeting - Capital markets days - Investor Relations calls and questions - Investor roadshows - ESG ratings	- Understand investor views on strategy and performance, including the energy transition - Generate value for shareholders and provide an attractive investment case	- Strategic decisions and direction-setting - Considered in management decision-making
Employees, contractors and pensioners	- Direct engagement - Representative bodies - Employee forums and resource groups - Shell People Survey - Shell Global Helpline - Grievance mechanisms	- Understand expectations and experiences - Maintain a culture aligned to our strategy - Attract and retain talent - Enhance safety and productivity - Receive and address concerns	- People and culture strategy - Considered in management decision-making - People development - Improvement and action plans
Strategic partners and suppliers	- Direct engagement - Contractor leadership forums - Supplier due diligence processes - Supplier contract management reviews - Partnerships for collective action - Shell Global Helpline - Grievance mechanisms	- Build mutually beneficial relationships - Develop new technologies and innovations - Align with Shell Supplier Principles - Promote safe and efficient operations	- Considered in business strategy - Supplier selection - Improvement and action plans
Communities	- Direct engagement - Public meetings and consultations - Community liaison teams - Community forums - Community feedback mechanisms - Shell Global Helpline	- Identify and manage environmental and social impacts - Minimise negative impacts and enhance benefits - Address questions, concerns and feedback	- Considered in impact assessment, project design and operating practices - Improvement and action plans
Non-governmental organisations, civil society, academia and think tanks	- Direct engagement - Strategic partnerships - Joint research projects - Partnerships for collective action	- Understand societal expectations and strategic trends affecting Shell - Promote public policies that encourage the energy transition - Encourage research and innovation - Learn and share best practices	- Considered in business strategy - Considered in public policy positions - Considered in advocacy approaches
Regulators and governments	- Direct engagement - Public consultations - Regulated reports and submissions - Industry groups and other partnerships	- Understand policy needs and priorities - Understand resource-holder perspectives - Ensure compliant operations - Advocate policy positions, including with respect to the energy transition	- Considered in business strategy - Regulatory compliance - Value creation opportunities

[A] Business to business (B2B), Business to consumer (B2C).

Stakeholder engagement is governed by the Shell General Business Principles (SGBP), which set out how we recognise our responsibilities to stakeholders. They set the standard for how we engage, guided by the principles of listening, respect and honesty.

Stakeholder engagement is a continuous process of dialogue. Our business engages with key stakeholder groups on a regular basis at multiple levels. We may undertake more frequent or structured engagement during projects, activities, acquisitions, divestments and other significant decisions. Stakeholder engagement is fundamental to how we identify, assess and manage actual and potential impacts associated with our business. It is also an integral part of how we respect human rights and provide access to remedy.

Shell's strategy and business model are informed by the views, interests and rights of key stakeholder groups, including customers, investors, employees, strategic partners and suppliers, affected communities, civil society and governments. Value chain workers are a key stakeholder group for our strategic partners and suppliers. Our success in the energy transition depends on our people, our contractors and suppliers, and the communities in which we operate.

We recognise there are differing societal views about our operations and the intricacies associated with the evolving energy transition. These differences are also reflected in our key stakeholder groups. Management weighs up all relevant factors and considers 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. It is not always possible to balance the Company's interests with those of other stakeholders.

See "Principal decisions and stakeholders" on pages 136-139 for information on how the interests of stakeholders are taken into account in the Board's decision-making process. See "Our approach to sustainability" on pages 104-109, "Understanding and engaging with our stakeholders" on pages 156-157 and "Workforce engagement" on pages 158-159 for information about how the Board and EC are informed about the views and interests of affected stakeholders with regard to sustainability-related impacts.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Shell has conducted an assessment of its material sustainability-related impacts, risks and opportunities as the basis for determining its disclosures in the Sustainability Statements in 2025.

Within the Sustainability Statements, the term "impacts" refers to actual and potential sustainability-related impacts on people and the environment connected with our business. Such impacts can be positive or negative. "Risks and opportunities" refers to sustainability-related financial risks and opportunities, including those derived from dependencies on natural, human and social resources.

When the terms impact, risk and opportunity are used within the Sustainability Statements, they generally have the meaning given to them by the ESRS unless the context indicates otherwise.

Our assessment of impacts, risks and opportunities is based on the double materiality principle. This requires us to consider sustainability matters from the perspective of Shell's actual or potential impact on the environment and society, as well as whether such matters trigger or could reasonably be expected to trigger material financial effects for Shell. These perspectives are sometimes referred to as "impact materiality" and "financial materiality". A matter is material for reporting purposes if it meets the criteria for impact materiality, financial materiality or both.

Impacts

We consider actual and potential impacts over the short, medium and long term. Impacts include those connected with our own operations, our value chain and business relationships. We have the ability to control Shell companies and joint ventures in which Shell is the operator by applying our own policies and standards. Shell does not control non-operated joint ventures.

Our influence over value chain and business relationships is indirect, depending on factors such as our line of sight into potential impacts and the nature of our contractual rights and obligations, if any.

Risks and opportunities

We consider risks or opportunities that could have a material effect on Shell's earnings, cash flows and financial condition over the short, medium or long term.

Outcome

Our double materiality assessment has identified 23 material impacts: 16 were assessed as negative and 7 as positive. One of the negative impacts, GHG emissions, corresponds to both a risk and an opportunity (see "Climate change and the energy transition" on pages 129-130 and "Climate related opportunities" on page 79 respectively). The remaining impacts do not constitute a risk or opportunity in their own right, although many are considered an element of a larger principal risk factor.

Our impacts, risks and opportunities are summarised in the table "Material sustainability topics" on pages 345-346. We indicate the reasonably expected time horizon in which effects could materialise. We also indicate whether impacts, risks or opportunities concentrate in our own operations or value chain.

Information about our approach to managing individual impacts, risks and opportunities through policies, actions, metrics and targets can be found in the topical sections.

For further topic-specific information, see "Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)" on page 360 for climate change, page 395 for own workforce, page 400 for workers in the value chain and page 405 for affected communities.

The double materiality assessment process uses qualitative and/or quantitative thresholds to determine which impacts, risks and opportunities are identified and addressed by Shell as material and to determine which sustainability matters are material for reporting purposes. Therefore, the Sustainability Statements may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual key stakeholder group may consider important in its own particular assessment.

Material sustainability topics

Topic	Subtopic	Impact description	Risk/ opportunity	Value chain (VC)			Timeframe			Pages	ESRS/entity-specific
				Upstream VC	Own operations	Downstream VC	Short term	Medium term	Long term		
Climate change	Greenhouse gas emissions	Our activities result in direct and indirect emissions of GHGs to the atmosphere (Scope 1 and 2). Consumption of products by our customers results in emissions of GHGs to the atmosphere (Scope 3).	Risk: (2) (CR1) (CR2) (CR3) (CR4) Opportunity: (CO1)	•	•	•	•	•	•	357-369	E1
Pollution	Emissions to air	Our activities emit pollutants to air, subject to limits established by local regulations or Shell standards, whichever are most stringent. Unplanned events can result in temporary exceedance of emission limits.	Element of risk factor (5)	•	•		•	•	•	377-381	E2
	Discharges to water	Our activities discharge pollutants to water, subject to limits established by local regulations or Shell standards, whichever are most stringent. Unplanned events can result in temporary exceedance of discharge limits.	Element of risk factor (5)	•	•		•	•	•	377-381	E2
	Soil and groundwater	Our activities are designed to prevent emission of pollutants to soil and groundwater. Losses of containment resulting in adverse impacts to soil or groundwater can occur due to asset integrity failures, unplanned events or sabotage.	Element of risk factor (5)	•	•		•	•	•	377-381	E2
	Nigeria spills [A]	Our activities in Nigeria are designed to avoid the emission of pollutants to soil and groundwater. Spills caused by operational incidents, sabotage or crude oil theft can result in adverse impacts to the environment and communities.	Element of risk factor (5)		•		•	•	•	377-381, 419	E2, Entity-specific
	Hazardous substances	Our activities and products involve substances that are hazardous to human health and the environment. We implement systems of product stewardship to manage actual and potential impacts.	Element of risk factor (5)	•	•	•	•	•	•	377-381	E2
Water	Water consumption	Our activities are designed to use water as efficiently as possible. Our use of fresh water, particularly in areas of high water stress, can result in adverse impacts on the environment and other water users, including communities.	Element of risk factor (5)	•	•		•	•	•	381-383	E3
Biodiversity	Biodiversity loss	Our activities are designed to minimise our impact on nature. Residual impacts have the potential to contribute directly or indirectly to drivers of biodiversity loss such as climate change, pollution, land use change, sea use change and fresh-water use change.	Element of risk factor (5)	•	•		•	•	•	383-390	E4
	Sensitive areas and species	Our activities are designed to minimise our impact on nature. Residual impacts have the potential to adversely impact protected areas, critical habitats and biodiversity sensitive areas.	Element of risk factor (5)	•	•		•	•	•	383-390	E4
	Ecosystem services	Our activities are designed to minimise our impact on nature. Residual impacts have the potential to contribute directly or indirectly to changes from natural to modified habitats, which can affect the quality or availability of ecosystem services used by local communities.	Element of risk factor (5)	•	•		•	•	•	383-390	E4
Circularity	Waste management	Our activities are designed to use resources as efficiently as possible. We generate hazardous and non-hazardous waste, which is disposed of in accordance with regulations and our standards. If not properly managed, waste has the potential to cause adverse impacts to people and the environment.	Element of risk factor (5)	•	•		•	•	•	390-394	E5
Own workforce	Working conditions [P]	Shell's labour practices contribute to employee engagement, attraction and retention and safe and fair working conditions.	Element of risk factor (9)	•	•		•	•	•	395-400	S1
	Equal treatment and opportunities [P]	We aim to provide equal opportunities irrespective of race, colour, religion, age, gender, sexual orientation, gender identity, marital status, disability, ethnic origin or nationality.	Element of risk factor (9)	•	•		•	•	•	395-400	S1
Workers in the value chain	Welfare of value chain workers	Our activities are designed to respect the human rights of our employees and supplier staff. If not properly managed, there is potential for these rights to be affected. Improper arrangements for access to remedy have the potential to result in people being unable to seek redress.	Element of risk factor (8)	•	•		•	•	•	400-405	S2

Topic	Subtopic	Impact description	Risk/ opportunity	Value chain (VC)			Timeframe			Pages	ESRS/ entity-specific
				Upstream VC	Own operations	Downstream VC	Short term	Medium term	Long term		
Affected communities	Social impacts	Our activities are designed to minimise negative impacts on communities. Residual impacts involving Indigenous Peoples, involuntary resettlement, cultural heritage or other social or environmental impacts have the potential to result in adverse impacts to people or affect their human rights.	Element of risk factor (5) (8)	●	●		●	●	●	405-410	S3
	Community engagement	We engage with communities impacted by our activities and provide channels for them to seek access to remedy. If stakeholder engagement is not managed properly, it has the potential to result in ineffective management of socio-economic impacts or access to remedy, affecting people and their human rights.	Element of risk factor (5) (8)	●	●		●	●	●	405-410	S3
	Security and human rights	Our activities are designed to protect people and assets from security threats and prevent impacts on human rights. Improper use of force by public or private security has the potential to result in harm to people or affect their human rights.	Element of risk factor (5) (8)	●	●		●	●	●	405-410	S3
	Social investment and benefits [P]	Our activities deliver socio-economic benefits to communities through employment, local content (including local procurement and supplier development) and social investment programmes.		●	●		●	●	●	405-410	S3
	Energy provision [P]	Our activities produce energy and non-energy products that benefit our customers and contribute to improved standards of living in the societies in which we operate.				●	●	●	●	405-410	
Governance	Tax and other payments to governments [P]	Our activities generate taxes and payments to governments that fund public services and other expenses. Our participation in relevant initiatives contributes to greater transparency.			●		●	●	●	413-414	Entity-specific
	Core value of integrity [P]	Our policies are designed to encourage people to raise concerns without fear of repercussions and to ensure appropriate action is taken. This contributes to a safe and healthy organisational culture.	Element of risk factor (7) (9)	●	●		●	●	●	411-413	G1
	Responsible sourcing [P]	Our activities are designed to ensure that procurement of goods and services complies with applicable laws while meeting social, environmental and human rights standards. This has the potential to drive higher standards in our supply chain.	Element of risk factor (1) (5) (7) (8)	●	●		●	●	●	411-413	G1
	Safety	Our activities are designed to prevent personal and process safety incidents. Should such incidents occur, they can have an adverse impact on people or the environment.	Element of risk factor (5)	●	●	●	●	●	●	415-419	S1 and entity-specific

[A] Covers the period from January 1, 2025 to the completion of the sale of Shell Petroleum Development Company (SPDC) to Renaissance on March 13, 2025.

[P] Positive impact.

Risk factors

- (1) Portfolio risks (see pages 126-128).
- (2) Climate change and the energy transition (see pages 129-130).
- (5) Health, safety, security and the environment (see page 132).
- (7) Litigation and regulatory compliance (see pages 133-134).
- (8) Reputation and risks to our licence to operate (see pages 134-135).
- (9) Our people and culture (see page 135).

Climate-related risks and opportunities

- (CR1) Climate-related commercial risks
- (CR2) Climate-related societal risks (including litigation)
- (CR3) Climate-related regulatory risks
- (CR4) Climate-related physical risks
- (CO1) Climate-related opportunities

We assessed seven of the eight topical standards of the ESRs as material for Shell in 2025, with some individual subtopics, sub-subtopics or data points assessed as non-material. The eighth standard, "S4 Consumers and end-users", was assessed as non-material. The topics of most relevance to customers, Scope 3 GHG emissions and product stewardship, are covered in "Climate change (E1)" on pages 357-369 and "Pollution (E2)" on pages 377-381, respectively.

Current and anticipated effects on business model, value chain, strategy and decision-making

The "Risk factors" section on pages 126-135 provides an overview of Shell's principal risks, their potential effects and how they are managed.

Our double materiality assessment has identified GHG emissions as a material impact and climate change and energy transition as a sustainability-related risk. The current and anticipated effects of this risk on our business model, value chain, strategy and decision-making are described in "Our strategy" on pages 9-11, "Risk factors" on pages 126-135 and "Less emissions" on pages 72-102.

The remaining impacts are not a material risk or opportunity for Shell in their own right. However, many are considered elements of one or more risk factors. The current and anticipated effects of these impacts on our business model, value chain, strategy and decision-making are described in "Our strategy" on pages 9-11, "Risk factors" on pages 126-135, and alongside the disclosures provided under the corresponding topical ESRs.

Current and anticipated financial effects

A number of potential financial effects related to climate change and the energy transition are set out in Note 4 to the "Consolidated Financial Statements" on page 244. This note includes an overview of key assumptions used for financial planning related to climate change and the energy transition. It also provides an analysis of the sensitivity of carrying values to commodity prices, carbon emission costs, chemical and refining margins, and discount rates, if different assumptions were applied.

Resilience of strategy and business model

See "Resilience of Shell's strategy to different climate-related scenarios" on pages 81-85 for information about the resilience of our strategy and business model in the context of climate change and the energy transition.

The resilience of our strategy and business model in the context of material impacts that are elements of one or more risk factors is described in "Our strategy" on pages 9-11, "Risk factors" on pages 126-135, and alongside the disclosures provided under the corresponding topical ESRs.

Changes compared to previous periods

There have been no changes in the impacts, risks and opportunities identified as material for reporting compared to 2024. We have made various updates to the description of our climate-related risks and opportunities and our risk factors, which are cross-referenced in the table "Material sustainability topics" on pages 345-346.

Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

Shell has developed a process to identify and assess material sustainability-related impacts, risks and opportunities as the basis for determining our disclosures in the Sustainability Statements.

Our double materiality process follows five steps. We start by establishing our business context, activities, value chain and stakeholders. Next, we consider potential sustainability matters and identify actual and potential impacts, risks and opportunities.

We then assess impacts for actual and potential severity, and risks and opportunities for potential financial effects. Finally, we determine material matters for reporting. Each step is discussed below.

1. Establish the business context

We begin by establishing the scope of the assessment. To provide a common framework for analysis, we review our principal activities, business relationships and key stakeholder groups. We consider Shell's dependence on key resources including financial capital, operations, human capital, relationships, intellectual capital and natural resources. We also adopt guidelines for assessing our own operations and our upstream and downstream value chain.

2. Identify impacts, risks and opportunities

Next, we review the list of sustainability-related topics, subtopics and sub-subtopics provided by the ESRs and industry-specific lists developed by Ipieca and the Global Reporting Initiative (GRI). Where relevant, we also consider Shell-specific topics.

Based on this review, internal experts prepare an inventory of impacts, risks and opportunities. When performing this exercise for our own operations, we are informed by various sources of information, such as operating data, internal and external studies, and stakeholder views. For our upstream and downstream value chain, we focus on areas where there is sufficient information to allow us to make an informed assessment. This may include our own operating data or information provided by suppliers, business partners or other third parties.

We focus our assessment on aspects of our own operations with the most potential for negative impacts on people or the environment based on industry experience. We also focus on business relationships with high potential for negative impacts, such as non-operated ventures, governments and suppliers.

We consider actual and potential impacts, both positive and negative. For risks and opportunities, we consider uncertain environmental, social or governance events or conditions that, if they occurred, could have material financial effects on Shell. Impacts, risks and opportunities are considered over the short, medium and long term.

3. Assess actual and potential impacts

We adopt criteria to assess the likelihood and magnitude of impacts. These criteria are based on Shell's existing risk assessment tools for health, safety, security, environment and social performance (HSSE & SP), modified where necessary to meet the requirements of the ESRs.

Our assessment matrix is based on a five-point scale for likelihood. Magnitude is also based on a five-point scale, taking into account the scale, scope and remediability of the impact.

For actual impacts, we treat the effect as already occurring and do not assign a rating for likelihood. We assign a rating for magnitude based on actual impacts after implementation of standard control measures. We exclude from this analysis measures that compensate for residual impacts, such as the use of carbon credits or biodiversity offsets.

For potential impacts, we assign a rating for likelihood and magnitude. In line with ESRs requirements, we assess potential magnitude on a gross basis, assuming no mitigation in consequences due to control measures. For potential human rights impacts, magnitude takes precedence over likelihood.

4. Assess risks and opportunities

We adopt criteria to assess the likelihood and magnitude of potential financial effects. These are based on our existing enterprise risk management framework, modified where necessary to ensure consistency with our approach to assessing impacts. Our assessment

matrix is based on a five-point scale for likelihood. Magnitude is also based on a five-point scale, taking into account the potential ways in which financial effects could materialise, including through Shell's dependence on natural, human and social resources.

To ensure connectivity with existing disclosures, we consider whether potential risks have been identified previously as a principal risk factor or as an element of a principal risk factor. Where applicable, these linkages are highlighted in our disclosure. See "Risk management and risk factors" on pages 125-135 for information about how sustainability matters are integrated with our risk factors.

5. Determine material disclosures

In the final step of the process, we apply the outcome of the double materiality assessment to determine our material disclosures for the Sustainability Statements. A consolidated list of impacts, risks and opportunities is reviewed with internal experts and managers. Reporting thresholds for actual impacts are based on magnitude. For potential impacts, reporting thresholds are based on a combination of likelihood and magnitude. For risks that are material on a stand-alone basis, reporting thresholds follow existing definitions of financial materiality. Opportunities are assessed based on qualitative thresholds. The final results of the assessment are reviewed and endorsed by an internal management committee consisting of senior business and functional managers. See "Risk management and internal controls over sustainability reporting (GOV-5)" on page 341 for information about control procedures for sustainability reporting.

We map our material impacts, risks and opportunities to ESRs disclosure requirements. Disclosure requirements with at least one corresponding impact, risk or opportunity are deemed to be material. The remainder are deemed to be non-material. We omit individual data points deemed to be non-material based on the process for determining data point materiality laid out in the ESRs. This process takes into consideration the significance of the information in relation to the matter it purports to explain or depict and the relevance of the data point to meeting the decision-making needs of users.

How our management systems inform the assessment

Sustainability is integrated into our existing risk management processes, as set out in the Shell Performance Framework. Our double materiality assessment, undertaken for the purpose of determining our disclosures in the Sustainability Statements, is informed by these processes but does not replace them.

Details of how existing risk management processes inform our assessment of specific topics are set out below. See "How we manage risks" on page 125 and "Policies and standards" on page 107 for information about how sustainability is integrated into Shell's overall approach to risk management.

HSSE & SP and Asset Management

Our standards require a systematic approach to managing health, safety, security, environment and social performance (HSSE & SP). The foundation of this approach is our management system.

Our approach to identifying and assessing impacts, risks and opportunities related to emissions, pollution, water, biodiversity, circularity and waste and affected communities is governed by our internal risk management process and our SEAM Standards. We expect non-operated joint ventures to adopt appropriate and acceptable policies to manage their risks.

We use various processes to identify, assess and manage health, safety, environmental and social impacts, risks and opportunities. Two of the most important are impact assessment and the hazards and effects management process.

Impact assessment

Our standards require projects, assets or businesses to identify the need for an impact assessment process in the early stages of a project with the potential for new or changed impacts on the environment, communities and community health. Impact assessment is a methodology to identify and assess the environmental, social and health impacts of a proposed project. It involves evaluating alternatives and identifying measures to mitigate negative impacts or enhance positive impacts, as well as management and monitoring arrangements. Our standards require the impact assessment to be performed in alignment with international standards, which are generally defined as local legal requirements in high-income OECD countries at a minimum and the International Finance Corporation's Performance Standards elsewhere.

Hazards and effects management

Our standards require assets, projects and activities to establish and maintain systematic risk identification and management processes such as the hazards and effects management process (HEMP). This approach starts by identifying potential hazards and evaluating their likelihood and potential impact. We then implement controls to reduce the risks to as low as reasonably practicable (ALARP), which is the point at which the cost in time, money and effort of further risk reduction is grossly disproportionate to the reduction achieved. In doing so, we apply a hierarchy of controls, which prioritises the elimination, substitution and isolation of hazards, before implementing engineered safeguards or other solutions. We monitor the effectiveness of these controls via regular assurance activities.

Community engagement

We engage with affected communities on a range of topics related to our operations, including issues related to pollution, water, biodiversity and waste. In some locations, permitting processes may also require statutory public consultations or hearings. See "Affected Communities (S3)" on page 405 and "Interests and views of stakeholders (SBM-2)" on page 343 for information.

How our approach to individual topics informs the assessment

The application of our management systems with respect to individual environmental, social and governance topics is explained below.

Our approach to identifying and assessing climate-related impacts, risks and opportunities is integrated into the risk management, performance management, learning and improvement cycle that sits at the heart of the Shell Performance Framework.

Climate-related matters are considered from a strategic, operational, conduct and culture perspective to help us maintain a comprehensive view of our impacts, risks and opportunities and the time horizons in which they could materialise.

GHG emissions

We identify, assess and manage actual and potential GHG emissions from activities under our operational control as part of our SEAM Standards. We expect non-operated joint ventures to adopt appropriate and acceptable policies to manage their risks.

We identify sources of Scope 1, 2 and 3 GHG emissions based on operating data, design and engineering practices, and analysis of products manufactured and sold. We assess the actual and potential GHG emissions inventory from these sources in line with internationally recognised standards and industry-specific guidelines [A].

[A] Assessments of GHG emissions associated with our business activities are prepared in accordance with ISO 14064-1:2018 Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals and the GHG Protocol Corporate Accounting and Reporting Standard (2004). Industry-specific guidance is also applied, including the API Compendium of Greenhouse Gas Emissions Methodologies for the Natural Gas and Oil Industry (November 2021), Ipieca Sustainability Reporting Guidance for the Oil and Gas Industry (4th edition, 2020) and other standards and guidance.

Our standards require assets and projects to forecast their future emission levels and prepare an annual plan which demonstrates planned delivery of their allotment of business-level carbon targets. The aim of this requirement is to ensure that assets or projects with material GHG emissions have plans to contribute emission reductions in line with Shell's GHG reduction targets and ambition.

Each business and function regularly reviews its risk profile, risk responses and assurance activities throughout the year to ensure climate-related risks are managed effectively. These insights are used to provide management with updates on the operational management of GHG emissions and climate-related risks and opportunities.

During these updates, management reviews whether our risk responses are effective in addressing the components of climate-related risks and opportunities. These reviews help us to update Shell's plans and guide our day-to-day operational decisions such as maintenance schedules and our risk response plans. See "Material impacts, risks and opportunities and their interaction with strategy and business model (ESR 2 SBM-3)" on page 344.

The management teams are supported by a combination of carbon-management-related standards and frameworks, forums at various levels of the organisation and capability development programmes. We use risk management processes to identify and respond to emerging risks to the safe, compliant and efficient operation of our assets, including climate-related risk.

Our risk management processes are carried out at the Group, business, function and asset level, which includes projects.

Climate-related physical risks

See "Physical risks" on page 78 for information on Shell's approach to identifying and assessing climate-related physical hazards in our operations and value chain, our use of high-emission climate scenarios, and our exposure to climate-related physical risk.

Climate-related transition risks and opportunities

We monitor climate-related transition risks across four components: commercial, societal (including litigation), regulatory and physical, as well as monitoring climate-related opportunities. We are continually enhancing our approach to identifying, assessing and managing risks and opportunities resulting from climate change. This includes considering different time horizons in which risks and opportunities could materialise and their relevance for business planning.

Shell has identified climate change and the energy transition as a material risk. The risk could potentially result in changes to the demand for our products, supply chains and markets; further changes to the regulatory environment in which we operate; and increased litigation. See Note 32 to the Consolidated Financial Statements "Legal proceedings and other contingencies" on page 303.

In assessing this risk, we have considered a range of climate scenarios including those in which the rise in global average temperature this century is limited to 1.5°C above pre-industrial levels.

We actively monitor societal developments such as regulation-driven carbon pricing and customer-driven product preferences. Where relevant, we incorporate these developments into potential scenarios which provide insights into how the energy transition may unfold in the medium and long term. These insights, along with those provided by external scenarios such as those prepared for the IPCC's Sixth Assessment Report, guide how we set our strategic direction, capital allocation and climate-related targets and ambition.

The transformation of the energy system to net-zero emissions will require simultaneous action in three areas: an unprecedented improvement in the efficiency with which energy is used; a sharp reduction in the carbon intensity of the energy mix; and the mitigation of residual emissions through the use of technology and natural sinks. While it is difficult to predict the exact combination of actions that will deliver the net-zero goal, scenarios help us to consider the variables and the potential direction and pace of the transition needed. Scenarios are not intended to be predictions of likely future events or outcomes and, therefore, are not the basis for Shell's operating plans, outlook and financial statements.

Key aspects of Shell's financial resilience in the context of climate-related impacts are assessed and described in more detail in Note 4 to the "Consolidated Financial Statements" on pages 244-255. This describes how Shell has considered climate-related impacts in key areas of the financial statements and how this translates into the valuation of assets and measurement of liabilities. Shell's financial statements are based on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that may exist in the foreseeable future.

As there is no single scenario that underpins our plans, sensitivity analysis has been conducted using a range of key assumptions to test the resilience of our asset base.

Oil and gas prices are one of the key assumptions that underpin Shell's financial statements, with the mid-price outlook informed by Shell's scenario planning representing management's best estimate. Price outlooks reflect a broad range of factors, including, but not limited to, future supply and demand, and the pace of growth of low-carbon solutions. The scenarios have been selected to illustrate the resilience of the asset base under a range of possible outcomes, including the price implications arising from the ambitious International Energy Agency's Net Zero Emissions by 2050 Scenario (NZE50) which provides a potential path for the global energy system to net-zero emissions by 2050. Sensitivities of asset-carrying amounts to prices are under the assumption that all other factors in the models used to calculate impacts remain unchanged.

Sensitivity analysis has been performed using price outlooks from:

1. Average prices from three 1.5–2°C external climate change scenarios.
2. Hybrid Shell Plan and IEA NZE50: for this, Shell's mid-price outlook is applied for the next 10 years. Because of greater uncertainty, the IEA normative Net Zero Emissions scenario is applied for the period after 10 years. This gives less weight to the price-risk uncertainty in the first 10 years reflected in the business plan period and applies more risk to the more uncertain subsequent periods.
3. A 1.5°C scenario, derived from IEA NZE50: this applies the IEA normative Net Zero Emissions scenario over the whole period under review and reflects the sensitivity to a pure net-zero emissions scenario from the IEA.

Pollution

We maintain an overview of sites and activities under our operational control for pollution-related impacts, risks and opportunities. Our assessment is based on operating data, technical studies, expert analysis and internal risk management processes. We are limited in our ability to analyse pollution-related impacts in our upstream and downstream value chain owing to limited availability of data.

Water and marine resources

We maintain an overview of sites and activities under our operational control for water-related impacts, risks and opportunities. Our assessment is based on operating data, technical studies, expert analysis and internal risk management processes. We also use tools such as the World Resources Institute's Aqueduct Water Risk Atlas. We are limited in our ability to analyse water-related impacts in our upstream and downstream value chain owing to the limited availability of data.

Biodiversity and ecosystems

In addition to our requirements for impact assessment, where the significance of potential impacts is assessed using criteria tailored to local environmental and socio-economic circumstances, our standards also require us to avoid adverse impacts on biodiversity and ecosystem services and, where avoidance cannot be achieved, to mitigate adverse impacts via the mitigation hierarchy.

We use a variety of internationally recognised assessment tools, such as the Integrated Biodiversity Assessment Tool (IBAT), to guide our approach to identifying impacts, risks and opportunities, in combination with analysis of site-level data.

Where we have sites located in or near biodiversity sensitive areas, we implement measures to avoid, minimise, restore or, if necessary, compensate for negative impacts on natural habitats or the habitats of species for which a protected area has been designated. If a site is located in critical habitat, our standards require us to implement the mitigation hierarchy and achieve net positive impact on biodiversity. We follow national or international standards to assess biodiversity impacts and define mitigation measures.

We consult with local communities and other affected stakeholders throughout the project life cycle on potential impacts of our activities on the biological resources, ecosystems and ecosystem services used by them and ways to avoid or minimise such impacts.

We have further work to do to develop a consolidated view of site-specific dependencies on ecosystem services. We aim to undertake further work to mature our understanding. We are limited in our ability to analyse biodiversity-related impacts in our upstream and downstream value chain owing to the limited availability of data.

Resource use and circular economy

We maintain an overview of sites and activities under our operational control for circularity-related impacts, risks and opportunities. Our assessment is based on operating data, technical studies, expert analysis and internal risk management processes. We are limited in our ability to analyse circularity-related impacts in our upstream and downstream value chain owing to the limited availability of data.

Own workforce

We identify actual or potential impacts on our workforce through a variety of means. These include feedback from Human Resources teams and line managers, feedback from engagement and the Shell People Survey, learning from Shell Global Helpline cases and other mechanisms. We identify, assess and manage safety-related risks for activities under our operational control as part of our SEAM Standards.

Workers in the value chain

We identify, assess and manage worker welfare-related impacts for activities under our operational control as part of our SEAM Standards. We identify, assess and manage impacts for people who work in our supply chain for non-hydrocarbon goods and services as part of our enhanced value chain due diligence process.

Affected communities

We identify, assess and manage community-related impacts for activities under our operational control as part of our SEAM Standards. For countries where we have a large community footprint, we conduct a periodic review of the effectiveness of local management of social performance.

Ethics and compliance

Shell's Ethics and Compliance Office (SECO) establishes requirements for Shell's businesses and functions, and supports them to identify and assess ethics and compliance risks. SECO designs, supports and monitors Shell's ethics and compliance programmes. These are supported by legal counsel who monitor external legal and regulatory developments. Shell's businesses and functions are responsible for implementing the necessary policies, standards and procedures. Ethics and compliance representatives provide advice and monitor the effectiveness of the programme.

Our ethics and compliance policies require Shell's businesses and functions to review the risks associated with anti-bribery and corruption, anti-money laundering, fraud, facilitation of tax evasion, data privacy and trade compliance, periodically and when there is a significant change in business conditions. Many factors influence our exposure to business conduct risks. Shell reviews the exposure of its businesses and functions based on a variety of factors including the location, the nature of the activity and the degree of involvement with government officials.

Other methodological notes

We engage with stakeholders on a regular basis concerning our potential business impacts. We have not engaged with stakeholders directly on the double materiality assessment, but use feedback from existing communication channels to inform our assessment.

Shell's sustainability reporting prior to 2024 was informed by the double materiality principle as set out in the GRI Standard and guided by topics set out in the GRI and Ipieca standards. This is the second year in which we have applied the process prescribed by the ESRs. Having carried out extensive work to prepare an ESRs-aligned double materiality assessment last year, our focus in 2025 was on improving the efficiency of the assessment process. We expect to review our double materiality assessment on an annual basis.

Disclosure requirements in ESRs covered by the undertaking's sustainability statement (IRO-2)

The following table lists the disclosure requirements covered by the Sustainability Statements and the page numbers where the related disclosures can be found. This table excludes disclosure requirements and data points that have been assessed as non-material or that are not required for reporting in 2025 under the phase-in provisions of the ESRs, as modified and extended by the "Quick fix amendment".

For data points incorporated by reference, we provide the paragraph in the relevant ESRs standard that identifies the data point, a brief description of the data point, and the page number in this report where the information can be found.

Disclosure requirements covered by the Sustainability Statements

ESRS standard	Disclosure requirement	Title	Page	Disclosure requirements or data points incorporated by reference
General disclosures (ESRS 2)	BP-1	General basis for preparation of sustainability statements	336	
	BP-2	Disclosures in relation to specific circumstances	338	
	GOV-1	The role of the administrative, management and supervisory bodies	339	§21(c): Experience of Board (pages 143-147) and Executive Committee (page 149). §21(d): Aspects of diversity relevant to the Board (page 148) and EC (page 150). §22(a)-(b): Description of governance bodies responsible for sustainability and how these are reflected in terms of reference, mandates and other policies (pages 104-109). §22(c): Management's role in governance processes, controls and procedures (pages 104-109). §22(d): How the Board and EC oversee the setting of targets related to sustainability and monitor progress (page 104).
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	340	§26(a): How management is informed about sustainability (page 107). §26(b): How the Board and EC consider impacts, risks and opportunities when overseeing strategy, decisions on major transactions and risk management (pages 105 and 136-139). §26(c): Impacts, risks and opportunities addressed by the Board in 2025 (pages 153-155).
	GOV-3	Integration of sustainability-related performance in incentive schemes	340	§29(a)-(e): Incentive schemes and remuneration policies linked to sustainability (pages 176-182).
	GOV-4	Statement on due diligence	340	
	GOV-5	Risk management and internal controls over sustainability reporting	341	
	SBM-1	Strategy, business model and value chain	342	§40(a)(iii): Headcount of employees by geographical area (page 115); §40(e): Sustainability-related goals (pages 9-11); §40(f): Assessment of products, markets and customer groups (pages 9-11).
	SBM-2	Interests and views of stakeholders	343	§45(c): How the interests of stakeholders are taken into account in the Board's decision-making process (pages 136-139). §45(d): How the Board and EC are informed about the views and interests of affected stakeholders with regard to sustainability-related impacts (pages 104-109, 156-157 and 158-159).
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	344	§48(b): Current and anticipated effects of impacts, risks and opportunities on business model, value chain, strategy and decision-making (pages 9-11, 72-102 and 126-135). §48(d): Current financial effects of risks and opportunities (pages 244-255). §48(e): Anticipated financial effects of risks and opportunities (pages 244-255). §48(f): Resilience of strategy and business model (pages 9-11, 81-85 and 126-135).
	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	347	§53(c)(iii): How sustainability-related risks are prioritised relative to other risks (pages 126-135). §53(e)-(f): Extent to which the process to identify and manage impacts, risks and opportunities is integrated into risk management and overall management processes (pages 125 and 107).
	IRO-2	Disclosure requirements in the ESRs covered by the undertaking's sustainability statement	350	
Climate change (E1)	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	360	§13: How climate-related considerations are factored into remuneration (page 98).
	E1-1	Transition plan for climate change mitigation	357	§16(a): Targets in support of the Paris Agreement (pages 73, 88 and 96). §16(b): Climate change mitigation actions and decarbonisation levers (pages 96-97). §16(c): Investments and funding to support the transition plan (pages 81-83). §16(f): Capex related to coal, oil and gas (pages 81-83). §16(h): Transition planning, business strategy and financial planning (pages 9-11, 73-87). §16(i): Progress in implementing the transition plan (page 88).

ESRS standard	Disclosure requirement	Title	Page	Disclosure requirements or data points incorporated by reference
Climate change (E1), continued	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	360	§18: Climate-related impacts and risks and climate-related opportunities (pages 75-79 and 88-95). §19 (a)-(c): Resilience of Shell's strategy and business model to different climate-related scenarios (pages 81-85). §19 (a)-(c): Climate-related risks and opportunities identified by Shell over the short, medium and long term (pages 75-79) and Impact of climate-related risks and opportunities on Shell's businesses, strategy and financial planning (pages 80-81).
	ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	360	§20(a)-(c), §21: Climate-related risks and opportunities identified by Shell over the short, medium and long term (pages 75-79).
	E1-2	Policies related to climate change mitigation and adaptation	362	§24-25: Additional information on policies related to climate change mitigation and adaptation (pages 80 and 107).
	E1-3	Actions and resources in relation to climate change policies	364	§29(a)-(b): Actions and resources in relation to climate change policies (pages 86, 88-90 and 96-97). §29(c): Current and future financial and other resources allocated to the action plan (pages 81-83).
	E1-4	Targets related to climate change mitigation and adaptation	365	§34(a)-(e): Climate-related targets (pages 75 and 87-98). §34(f): Decarbonisation levers (pages 96-97).
	E1-5	Energy consumption and mix	365	
	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	366	AR46(i): Basis of preparation – Scope 3 emissions (page 94).
	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	368	
	E1-8	Internal carbon pricing	369	§63(a)-(d): Internal carbon pricing (pages 84 and 244-255).
Pollution (E2)	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	369	§64(a)-(c): Anticipated financial effects from material climate-related physical and transition risks and potential opportunities (pages 244-255).
	ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	377	
	E2-1	Policies related to pollution	377	
	E2-2	Actions and resources related to pollution	378	
	E2-3	Targets related to pollution	379	
Water and marine resources (E3)	E2-4	Pollution of air, water and soil	379	
	ESRS 2 IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	381	
	E3-1	Policies related to water and marine resources	381	
	E3-2	Actions and resources related to water and marine resources	382	
	E3-3	Targets related to water and marine resources	382	
	E3-4	Water consumption	383	

ESRS standard	Disclosure requirement	Title	Page	Disclosure requirements or data points incorporated by reference
Biodiversity and ecosystems (E4)	E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	383	
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	384	
	ESRS 2 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	383	
	E4-2	Policies related to biodiversity and ecosystems	387	
	E4-3	Actions and resources related to biodiversity and ecosystems	388	
	E4-4	Targets related to biodiversity and ecosystems	389	
	E4-5	Impact metrics related to biodiversity and ecosystems change	390	
Resource use and circular economy (E5)	ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	390	
	E5-1	Policies related to resource use and circular economy	390	
	E5-2	Actions and resources related to resource use and circular economy	391	
	E5-3	Targets related to resource use and circular economy	393	
	E5-5	Resource outflows	393	
Own workforce (S1)	ESRS 2 SBM-2	Interests and views of stakeholders	343	
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	395	
	S1-1	Policies related to own workforce	395	
	S1-2	Processes for engaging with own workforce and workers' representatives about impacts	397	
	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	397	
	S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	397	
	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	398	
	S1-6	Characteristics of the undertaking's employees	398	§50(b): Employees by contract type and gender (page 115). §50(e): Contextual information on changes in headcount (page 115). §50(f): Reference to employee headcount in financial statements (page 305).
	S1-8	Collective bargaining coverage and social dialogue	399	
	S1-9	Diversity metrics	399	§66(b): Distribution of employees by age group (page 115).
	S1-10	Adequate wages	399	
	S1-14	Health and safety metrics	399	
	S1-16	Remuneration metrics (pay gap and total remuneration)	400	
	S1-17	Incidents, complaints and severe human rights impacts	400	

ESRS standard	Disclosure requirement	Title	Page	Disclosure requirements or data points incorporated by reference
Workers in the value chain (S2)	ESRS 2 SBM-2	Interests and views of stakeholders	343	
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	400	
	S2-1	Policies related to value chain workers	401	
	S2-2	Processes for engaging with value chain workers about impacts	403	
	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	403	
	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	404	
	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	405	
Affected communities (S3)	ESRS 2 SBM-2	Interests and views of stakeholders	343	
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	405	
	S3-1	Policies related to affected communities	406	
	S3-2	Processes for engaging with affected communities about impacts	407	
	S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	408	
	S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	408	
	S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	410	
Business conduct (G1)	ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	339	§5(a)-(b): Role and expertise of the Board (pages 143-148) and EC (pages 149-150) with respect to conduct and culture.
	ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	411	
	G1-1	Business conduct policies and corporate culture	411	§9: How Shell seeks to establish, develop, promote and evaluate its corporate culture (pages 126-135).
	G1-2	Management of relationships with suppliers	411	
	G1-3	Prevention and detection of corruption and bribery	412	
	G1-4	Incidents of corruption or bribery	413	
	Entity-specific	Tax and other payments to governments	413	
	Entity-specific	Safety	415	

The table below shows data points that derive from other EU legislation as listed in ESRS 2, Appendix B, indicating where the information can be found in our report and which ones are assessed as not material or applicable.

Data points that derive from other EU legislation

Disclosure requirement	Related data point	Title	Page
ESRS 2 GOV-1	21 (d)	Board's gender diversity ratio	339
ESRS 2 GOV-1	21 (e)	Percentage of independent board members	339
ESRS 2 GOV-4	30	Statement on due diligence	340
ESRS 2 SBM-1	40 (d) (i)	Involvement in activities related to fossil fuels	342
ESRS 2 SBM-1	40 (d) (ii)	Involvement in activities related to chemical production	342
ESRS 2 SBM-1	40 (d) (iii)	Involvement in activities related to controversial weapons	Not material
ESRS 2 SBM-1	40 (d) (iv)	Involvement in activities related to cultivation and production of tobacco	Not material
E1-1	14	Transition plan to reach climate neutrality by 2050	357
E1-1	16 (g)	Undertakings excluded from Paris-aligned benchmarks	359
E1-4	34	GHG emission reduction targets	365
E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	366
E1-5	37	Energy consumption and mix	366
E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	366
E1-6	44	Gross Scope 1, 2, 3 and total GHG emissions	366
E1-6	53-55	Gross GHG emissions intensity	368
E1-7	56	GHG removals and carbon credits	368
E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks	369
E1-9	66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk	369
E1-9	66 (c)	Location of significant assets at material physical risk	369
E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	Not material
E1-9	69	Degree of exposure of the portfolio to climate-related opportunities	369
E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil	380
E3-1	9	Policies related to water and marine resources	381
E3-1	13	Sites in areas of high water stress not covered by a policy	381
E3-1	14	Policies related to sustainable oceans and seas	382
E3-4	28 (c)	Total water recycled and reused	383
E3-4	29	Total water consumption in cubic metres per net revenue on own operations	Not material
E4 SBM-3	16 (a) (i)	Activities negatively affecting sites in own operations located in or near biodiversity-sensitive areas	384
E4 SBM-3	16 (b)	Sites in own operations where land degradation, desertification or soil sealing are identified	Not material
E4 SBM-3	16 (c)	Sites in own operations that affect threatened species	384
E4-2	24 (b)	Policies or practices related to sustainable land and/or agriculture	388
E4-2	24 (c)	Policies or practices related to sustainable oceans and/or seas	388
E4-2	24 (d)	Policies to address deforestation	388
E5-5	37 (d)	Non-recycled waste	394
E5-5	39	Hazardous waste and radioactive waste	394
S1 SBM-3	14 (f)	Risk of incidents of forced labour	395
S1 SBM-3	14 (g)	Risk of incidents of child labour	395
S1-1	20	Human rights policy commitments relevant to own workforce	396
S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	396
S1-1	22	Processes and measures for preventing trafficking in human beings	396
S1-1	23	Workplace accident prevention policy or management system	396
S1-3	32 (c)	Grievance/complaints handling mechanism	397
S1-14	88 (b)	Number of fatalities	400
S1-14	88 (c)	Number and rate of recordable work-related accidents	400
S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	400
S1-16	97 (a)	Unadjusted gender pay gap	400
S1-16	97 (b)	Annual total remuneration ratio	400

Disclosure requirement	Related data point	Title	Page
S1-17	103 (a)	Incidents of discrimination	400
S1-17	104 (a)	Cases of non-respect of UN Guiding Principles on Business and Human Rights, ILO Declaration or OECD Guidelines	400
S2 SBM-3	11 (b)	Significant risk of child labour or forced labour in the value chain	401
S2-1	17	Human rights policy commitments relevant to value chain workers	401
S2-1	18	Policies related to value chain workers	401
S2-1	19	Cases of non-respect of UN Guiding Principles on Business and Human Rights, ILO Declaration or OECD Guidelines	401
S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	401
S2-4	36	Human rights issues and incidents connected to upstream and downstream value chain	405
S3-1	16	Human rights policy commitments relevant to affected communities	407
S3-1	17	Cases of non-respect of UN Guiding Principles on Business and Human Rights, ILO Declaration or OECD Guidelines	407
S3-4	36	Human rights issues and incidents connected to affected communities	410
S4-1	16	Policies related to consumers and end users	Not material
S4-1	17	Cases of non-respect of UN Guiding Principles on Business and Human Rights, ILO Declaration or OECD Guidelines	Not material
S4-4	35	Human rights issues and incidents connected to consumers and end users	Not material
G1-1	10 (b)	Policies on anti-bribery and anti-corruption consistent with the United Nations Convention against Corruption	411
G1-1	10 (d)	Policies on the protection of whistle blowers	411
G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	413
G1-4	24 (b)	Actions to address breaches in procedures and standards for anti-corruption and anti-bribery	413

For information about how we have determined the information to be disclosed in relation to material impacts, risks and opportunities, see "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347.

Environment | Climate change (E1)

We are committed to playing our part in helping to decarbonise the global energy system. We have a target to become a net-zero emissions energy business by 2050.

Our double materiality assessment has identified greenhouse gas (GHG) emissions as a material topic. See "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)" on page 344 and "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347 for more information.

Why it matters

The world needs a balanced energy transition, one that maintains secure energy supplies, while accelerating the transition to affordable low-carbon solutions. We believe our strategy supports a balanced transition by providing the oil and gas people need today, while helping to build the energy system of the future.

Transition plan for climate change mitigation (E1-1)

Our strategy to deliver more value with less emissions includes climate change transition plans, mitigation actions and decarbonisation levers – supported by a suite of processes and greenhouse gas emission reduction targets, and by an ambition, which cover all of our businesses.

Targets in support of the Paris Agreement [A]

Shell supports the more ambitious goal of the Paris Agreement, which is to limit the rise in global average temperature this century to 1.5°C above pre-industrial levels. Our target is to become a net-zero emissions energy business by 2050. We have set targets to reduce our Scope 1 and 2 emissions and our net carbon intensity (NCI) [B], as well as an ambition to reduce customer emissions from the use of our oil products (Scope 3, Category 11).

Most of Shell's GHG emissions reduction targets predate the CSRD and differ from the ESRS boundary and definitions (see "Targets related to climate change mitigation and adaptation (E1-4)" on page 365 for more information). They support the objective of becoming a net-zero emissions energy business by 2050 and are an integral part of our transition plans.

Our oil products ambition to reduce customer emissions from the use of our oil products by 15%–20% by 2030, Scope 3 Category 11 (2021 baseline) [C], is set on a gross basis. For the different levers of our Scope 1 and 2 GHG emissions reduction target, see "Climate change mitigation actions and decarbonisation levers" on page 358, "Drivers of absolute Scope 1 and 2 emissions change" on page 88 and "Progress towards our Scope 1 and 2 target" on page 96.

In 2025, our combined Scope 1 and 2 emissions reflected a 9% reduction compared to 2024, and a 36% reduction compared to the 2016 baseline, on a net basis, without the use of GHG removals or avoided emissions.

[A] Acknowledging uncertainty in the pace of change in the energy transition, we have chosen to set interim targets only to 2030.

[B] Shell's NCI is the average intensity, weighted by sales volume, of the energy products sold by Shell.

[C] In 2024, we set an ambition to reduce absolute emissions related to the use of our oil products by 15–20% by 2030, compared with 2021 (Scope 3 Category 11). Customer emissions from the use of our oil products (Scope 3, Category 11) were 517 million tonnes carbon dioxide equivalent (CO₂e) in 2023 and 569 million tonnes CO₂e in 2021.

Shell's climate-related targets and ambition are set out in the table "Climate-related targets and ambition" on page 358. Our targets and ambition are forward-looking based on management's current expectations and certain material assumptions and, accordingly, involve risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied herein.

We believe our NCI targets are aligned with the more ambitious goal of the Paris Agreement, which is to limit the rise in global average temperature this century to 1.5°C above pre-industrial levels.

As there is no established standard for aligning an energy supplier's decarbonisation targets within the 1.5°C temperature goal of the Paris Agreement, we have derived our NCI targets from scenarios developed for the Sixth Assessment Report of the Intergovernmental Panel on Climate Change.

We start with the complete set of 1.5°C scenarios and then exclude scenarios which are too reliant on carbon removals or the use of bioenergy before removing outliers. We then calculate an emissions intensity for each scenario which is comparable to our own NCI. Finally, we produce a 1.5°C pathway based on the reductions in emissions intensity over time. We have chosen to use a range instead of any individual scenario to better reflect the uncertainty of the energy transition. We believe that using this pathway to set our targets demonstrates that they are aligned with the more ambitious 1.5°C goal of the Paris Agreement.

For our oil products ambition to reduce customer emissions from the use of our oil products by 15–20% by 2030 compared with 2021 (Scope 3 Category 11), using the same set of 1.5°C scenarios developed for the Sixth Assessment Report, we determined the changes in oil volumes in the energy system. Our reduction percentage is more ambitious than the median value of this range and among the more ambitious scenarios. We therefore believe it is compatible with limiting global warming to 1.5°C in line with the Paris Agreement.

We have set absolute and intensity reduction targets and an ambition for the GHG emissions from our own operations and from the products we sell over the short, medium and long term to track our performance.

The NCI metric tracks progress in reducing the overall carbon intensity of the energy products sold by Shell. The NCI measures emissions associated with each unit of energy we sell, compared to a 2016 baseline. It reflects changes in sales of oil and gas products, and changes in sales of low- and zero-carbon products – such as biofuels and renewable electricity.

Unlike Scope 1 and 2 emissions, reducing the NCI of the products we sell requires action by both Shell and our customers, with the support of governments and policymakers, to create the right conditions for change.

Our performance against our disclosed targets and ambition is set out in "Metrics used by Shell to assess climate-related risks and opportunities in line with our strategy and risk management process" on page 88. It includes information on how the targets and ambition are monitored and reviewed, the metrics used, whether our progress is in line with what we initially planned and an analysis of trends or significant changes in our progress towards achieving the targets and ambition.

Climate-related targets and ambition

Strategic target/ ambition	Metric	Baseline value (baseline year)	2025 actual	2025	2030	2050
Emissions from our own operations (Scope 1 and 2, operational control)						
Target Halve Scope 1 and 2 emissions, on a net basis	% reduction	83 million tonnes CO ₂ e (2016)	-36%		-50%	
Target Eliminate routine flaring from upstream operations [A]	absolute volume of routinely flared gas (million tonnes)	n/a	eliminated	eliminated		
Target Maintain methane emissions intensity below 0.2% and achieve near-zero methane emissions intensity by 2030 [B]	methane intensity (%)	n/a	0.04% [1] 0.002% [2]	<0.2%	near-zero	Net-zero emissions by 2050 (Scope 1, 2 and 3)
Emissions from the products we sell (Scope 3, equity boundary)						
Target Reduce net carbon intensity (NCI) [C]	% reduction	78 gCO ₂ e/MJ (2016)	-9.0%	-9-13%	-15-20%	
Ambition Reduce customer emissions from the use of our oil products (Scope 3, Category 11)	% reduction	569 million tonnes CO ₂ e (2021)	-17.9%		-15-20%	

[A] This target was subject to the completion of the sale of The Shell Petroleum Development Company of Nigeria Limited (SPDC). We ceased routine flaring of associated gas in January 2025, achieving our target independent of the sale of SPDC to Renaissance which was completed on March 13, 2025.

[B] Methane intensity is measured and calculated separately for oil and gas assets with marketed gas [1] (gas, LNG and GTL available for sale) and assets without marketed gas [2] (oil and gas assets where gas is reinjected).

[C] 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.

[D] See "Our climate-related metrics, targets and ambition" on pages 87-98 for details of Shell's 2024 performance against our climate-related targets and ambition.

Climate change mitigation actions and decarbonisation levers

Shell's climate mitigation actions and identified decarbonisation levers are embedded in our energy transition plans to support the delivery of the absolute and intensity reduction targets and ambition that we have set for GHG emissions from our own operations (Scope 1 and 2) and from the products we sell (Scope 3). This covers all our businesses with the aim of reducing emissions from our operations and helping our customers transition to cost-competitive and low-carbon energy products and solutions. The actions we are taking include:

- 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.

We adapt our assets and activities as necessary to enhance our resilience to 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.

The climate change mitigation actions we will take and decarbonisation levers we will implement to achieve our targets and ambition will depend on the evolution of our asset portfolio and the continued development of technologies which reduce carbon emissions.

We expect that, on a net portfolio basis, reductions, predominantly from abatement projects including carbon capture and storage (CCS) and electrification, are expected to outweigh increases in our Scope 1 and 2 emissions from new investments between 2025 and 2030. Our investments in producing low-carbon energy such as biofuels will increase our Scope 1 and 2 emissions, while reducing the NCI of the products we sell. Subsequent reductions in our emissions are reflected in the decarbonisation levers set out below and reflect an expected path to meeting our target by 2030.

The decarbonisation levers and actions planned to achieve our Scope 1 and 2 GHG emissions reduction target include:

- using more renewable electricity to power our operations;
- developing CCS for some of our facilities;
- improving the energy efficiency of our operations; and
- making portfolio changes such as acquisitions and investments in low carbon intensity projects, decommissioning facilities, and divesting assets while sustaining our liquids production.

If required, we may choose to use carbon credits to offset any remaining emissions from our operations, in line with the carbon mitigation hierarchy of avoid, reduce and compensate.

The decarbonisation levers and actions planned to achieve our net carbon intensity target include:

- growing our power sales, including those of renewable power;
- increasing the proportion of gas and LNG in our hydrocarbon sales while reducing the proportion of sales of oil products;
- increasing sales of low-carbon fuels, such as biofuels, and developing hydrogen;
- developing abatement projects, including deploying more CCS; and
- using carbon credits to offset remaining carbon emissions.

In addition, achieving our ambition to reduce customer emissions from the use of our oil products (Scope 3, Category 11) by 15-20% by 2030 means reducing sales of oil products compared with our 2021 baseline, as we support customers to move to electric mobility and low-carbon fuels.

We will continue to reassess our decarbonisation levers over time as part of our Operating Plan process to support the achievement of our targets and ambition. For details of the climate mitigation actions taken and decarbonisation levers delivered in 2025, see "Actions and resources in relation to climate change policies (E1-3)" on page 364, "Progress towards our Scope 1 and 2 target" on pages 96 and "GHG removals and GHG mitigation projects financed through carbon credits (E1-7)" on page 368.

Investments and funding to support the transition plan

Shell's capital investment and business plans, covering a 10-year cycle, include funding to deliver our 2030 targets and ambition. See "Actions and resources in relation to climate change policies (E1-3)" on page 364 for more information on our investments and funding which support our energy transition plans. In addition, see "Capex Plan assessment" on page 373 for an explanation of the key performance indicators of EU taxonomy-aligned capital expenditure (capex) and capex plans, and "Investing in the energy transition" on pages 81-83 for details of our short-term capex plans in support of our energy transition plans.

Shell allocates capital through an integrated process that considers our aspired portfolio and product mix, hurdle rate (minimum acceptable rate of return), emissions impact and other factors, with the aim of taking decisions that balance short-, medium- and long-term business objectives.

Energy transition plan operating expenditure (opex) and capital expenditure is reported by the main investment categories, such as non-energy products and low-carbon energy solutions, as well as by segment. Shell monitors and continues to evolve cash capital and operational expenditure by segment and by product group to achieve its targets and ambition.

Potential locked-in GHG emissions

Shell has not identified potential locked-in GHG emissions to be a significant transition risk. We believe our decarbonisation plans will deliver our GHG emissions reduction targets by 2030.

Shell's business plans, including the impact of our identified decarbonisation levers, cover a 10-year forward-looking period. Decarbonisation targets are key to our business planning process.

Shell's Operating Plan process identifies opportunities for Scope 1 and 2 GHG emission reductions, from assets and activities under our operational control over the short and medium term, which support our target to reduce Scope 1 and 2 absolute emissions by 50% by 2030, compared with the 2016 baseline, on a net basis.

Additionally, Shell has identified Scope 3, Category 11 "Use of sold products" to be a significant category of Scope 3 emissions, along with categories 1, 3 and 9. See "Targets related to climate change mitigation and adaptation (E1-4)" on page 365 for details of Shell's climate-related targets and ambition up to 2030.

Alignment with the EU Taxonomy

Shell prepares its business and financial plans, including its energy transition plans, using a broader scope than the EU Taxonomy requires. See "The EU Taxonomy" on pages 370-376 for information about Shell's taxonomy-eligible and taxonomy-aligned activities.

Shell's reporting on capital expenditure aligns with its business segments, which do not correspond to the industry codes contained in the Statistical Classification of Economic Activities in the European Community (NACE). Under the European Commission's Delegated Regulation (EU) 2021/2178, oil and gas production are non-eligible activities. Electricity generation from fossil gaseous fuels is an eligible economic activity.

Capex related to coal, oil and gas

Shell is active in the fossil fuel sector and makes significant capital expenditure on oil- and gas-related activities.

Shell has assessed its cash capital expenditure measure to be the most relevant representation of its investment in the oil and gas sector.

See "Investing in the energy transition" on pages 81-83 for details of our investments in the oil and gas sector in 2025.

EU Paris-aligned benchmarks

As Shell derives more than 10% of its total revenues from the exploration, extraction, distribution and refining of oil fuels, we are excluded from the EU Paris-aligned benchmarks, in line with the European Commission's Delegated Regulation (EU) 2020/1818 (Climate Benchmark Regulation), Article 12.1(e).

Transition planning, business strategy and financial planning

Shell's energy transition plans are embedded in and aligned with our strategy and are supported by our financial planning processes.

At Group level, the potential impacts of the energy transition on our business model and strategy are discussed and assessed by the Board and the Executive Committee as part of the annual business planning cycle. This assessment allows us to challenge accepted ways of thinking, identify material risks and opportunities and identify key tensions and trade-offs.

Management consideration of different climate change outcomes informs a range of areas, including but not limited to the setting of the long-term strategy, business planning, and investment and divestment decisions. The outcomes considered by management vary in relation to the extent and pace of the energy transition.

We regularly update our business plans, commodity and carbon price outlooks, and assumptions as we work towards our climate-related targets and ambition.

Our strategy reflects our responses to the climate-related risks and opportunities identified and energy transition plans developed. Our responses can be summarised as:

- delivery through our integrated business model;
- decarbonisation of our operations and energy value chains; and
- a focus on demand-driven decarbonisation – recognising that we need to work with our customers to identify low-carbon energy solutions for their energy demands in the sectors where we have competitive advantages.

See "Our strategy" on pages 9-11 and "Shell and the energy transition" on pages 73-87 for more information. See "Targets related to climate change mitigation and adaptation (E1-4)" on page 365.

Approval of the transition plan

The Board of Directors has primary oversight of the approval and delivery of Shell's strategy, including its energy transition plans.

The Board is supported by the Sustainability Committee (SUSCO), the Remuneration Committee (REMCO), the Audit and Risk Committee (ARC) and the Nomination and Succession Committee (NOMCO). The importance of sustainability means that these committees are informed about sustainability, including climate-related matters, as appropriate throughout the year.

The Chief Executive Officer (CEO) has the delegated authority from the Board to manage Shell's actions in relation to the Company's strategy. The CEO is assisted on climate-related matters by members of the Executive Committee to review and implement Shell's energy transition plans and ensure that such matters are monitored appropriately.

See "Climate-related risks and opportunities identified by Shell over the short, medium and long term" on pages 75-79 and "Board oversight of sustainability including climate-related impacts, risks and opportunities" on pages 104-105.

Progress in implementing the transition plan

Shell's performance and progress in the energy transition is measured with respect to our climate-related targets and ambition, including those reflected in the remuneration of senior management and employees.

See "Integration of sustainability-related performance in incentive schemes (GOV-3)" on page 340 and "Metrics used by Shell to assess climate-related risks and opportunities in line with our strategy and risk management process" on page 88 for more details.

The targets we have set are used to manage climate-related risks and opportunities as well as our performance and are focused primarily on reducing our absolute GHG emissions and our NCI. See "Our climate-related metrics, targets and ambition" on page 87 for details of Shell's progress in 2025.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Shell has identified and assessed the GHG emissions associated with our activities to be material, and climate change and the energy transition to be a material risk factor. See "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)" on page 344 for more details.

We set out in "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347 our process to identify and assess material sustainability-related impacts, risks and opportunities. We have identified climate-related risks across four components: commercial, regulatory and societal (including litigation) transition risks, and physical risks. We have also identified climate-related opportunities as part of our risk assessment.

Climate-related impacts and risks

Type	Description	Time horizon
Impacts	- Scope 1 – direct GHG emissions from sources under Shell's operational control. - Scope 2 – indirect GHG emissions from the generation of purchased energy (electricity, steam, heating or cooling) consumed by assets under Shell's operational control. - Scope 3 – all other indirect GHG emissions occurring in Shell's upstream and downstream value chains, including emissions associated with the use of the energy products we sell.	Short, medium, long
Transition risks		
Commercial (CR1)	- The transition to a low-carbon economy may lead to lower sales volumes and/or margins due to a general reduction or elimination of demand for oil and gas products, possibly resulting in underutilised or stranded oil and gas assets, and a failure to secure new opportunities. - Changing preferences of investors and financial institutions could reduce access to and increase the cost of capital.	Medium, long
Societal (including litigation) (CR2)	Societal expectations around energy security and affordability, and mitigating climate change, continue to shift creating uncertainty, with a potential impact on Shell's licence to operate, reputation, brand and competitive position. This is likely to include litigation.	Short, medium, long
Regulatory (CR3)	The transition to a low-carbon economy continues to increase compliance costs for our assets and/or products, and may include restrictions on the use of hydrocarbons. The lack of net-zero-aligned global and national policies and frameworks, and a fluid regulatory environment, increases the uncertainty around this risk.	Short, medium, long
Physical risks		
Physical risks (CR4)	The potential physical effects of changing climatic conditions could adversely affect our assets, operations, supply chains, employees and markets.	Short, medium, long

Climate-related opportunities

Type	Description	Time horizon
Opportunities		
Opportunities (CO1)	The transition to a low-carbon economy also brings significant opportunities for us to benefit from changing customer demands, given our position as a leading global energy provider.	Short, medium, long

See "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347, "Climate-related risks and opportunities identified by Shell over the short, medium and long term" on pages 75-79 and "Metrics used by Shell to assess climate-related impacts, risks and opportunities in line with its strategy and risk management process" on pages 88-95.

Current and anticipated effects on business model, value chain, strategy and decision-making

In considering climate change, energy transition variables and the potential direction and pace of transition, we develop internal climate-related scenarios and evaluate them together with external scenarios. Consideration of different climate change scenarios informs management in a range of areas, including identifying and assessing material impacts, risks and opportunities; setting the long-term strategy; performing financial and business planning; and taking investment and divestment decisions.

See "Climate-related risks and opportunities identified by Shell over the short, medium and long term" on pages 75-79 and "Impact of climate-related risks and opportunities on Shell's businesses, strategy and financial planning" on pages 80-81 for more information on how Shell evaluates the impact of material impacts, risks and opportunities on our business model, value chain, strategy and decision-making.

Current and potential financial effects

A range of current and potential financial effects of climate change and the energy transition on Shell's financial statements are outlined in Note 4 to the "Consolidated Financial Statements" on pages 244-255.

Note 4 includes sensitivity analysis using various climate-related scenarios for oil and gas prices, chemical and refining margins, discount rates and carbon prices. Other financial impacts described in Note 4 include portfolio changes and asset useful life, product demand, decommissioning and restoration, deferred tax assets, onerous contracts, dividend resilience and physical risks.

Note 4 describes how Shell has considered climate change in key areas of the financial statements and how this translates into the valuation of assets and measurement of liabilities. Shell's financial statements are based on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that may exist in the foreseeable future.

The current financial effects on Shell's financial position, performance and cash flows of the material climate-related risks and opportunities identified include the likelihood of litigation and increased compliance costs. Shell does not consider the identified effects to pose a significant risk of material adjustment to the carrying value of assets and liabilities within the next annual reporting period.

Carbon costs in Shell's business plan

Shell's business plan includes capex and operating costs to support the achievement of our Scope 1 and 2 emission reduction targets (on a net basis). These include asset-level abatement project costs that drive efficiencies and reduce emissions, the expected costs of complying with evolving carbon regulations based on a forecast of Shell's equity share of emissions and the cost of offsets for any residual amounts. Methods for estimating costs vary, depending on the nature of the cost.

The 10-year business plan includes total capital expenditure for abatement projects, which include energy efficiency improvements, progressing material abatement projects at our chemicals manufacturing plants and refineries, CCS facilities, and electrification of our facilities, in excess of \$3 billion.

Total yearly costs in respect of carbon emissions in Shell's business plan gradually increase from \$1 billion in 2026 to \$4 billion in 2035, using our mid-price scenario for carbon costs. Costs for complying with evolving carbon regulations are based on a forecast of Shell's equity share of emissions and are included in the business plan at Shell's mid-price outlook on a country-by-country basis and represent management's best estimate.

There is significant uncertainty as to how carbon regulations and costs will develop over the next decades. These will depend on policies set by countries and the pace of the energy transition. In accordance with the International Financial Reporting Standards (IFRS), Shell's financial statements are based on reasonable and supportable assumptions that represent management's current best estimate of the economic conditions that may arise in the foreseeable future, which is policy-based up to 2030 and then based on the mid-price outlook beyond 2030.

See "Carbon price sensitivities" in Note 4 on page 250 for more information.

Anticipated financial effects from transition risks and potential climate-related opportunities

Shell's financial statements are based on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that may exist in the foreseeable future.

Overall, we mitigate climate-related risks through our strategy to deliver more value with less emissions. With our focus on performance, discipline and simplification, we believe that we are positioning ourselves to achieve our financial targets and climate-related targets and ambition. Shell will, through its business and financial planning processes, continue to refresh its assessment of the anticipated financial impact from the identified material transition and physical risks and potential climate-related opportunities.

A number of anticipated and potential effects are set out in Note 4 to the "Consolidated Financial Statements" on page 244. This note includes an overview of key assumptions used for financial planning related to climate change and the energy transition in addition to details of the sensitivity of carrying values to commodity prices, carbon emission costs, chemical and refining margins, discount rates and demand, if different assumptions were applied.

Resilience of our strategy and business model

See "Resilience of Shell's strategy to different climate-related scenarios" on pages 81-85 for information on the resilience of our strategy and business model to climate-change-related impacts, risks and opportunities. See Note 4 to the "Consolidated Financial Statements" on pages 244-255 for information about Shell's financial resilience.

Shell's financial strength and access to capital give us the ability to effectively manage climate-related impacts and risks, capture opportunities and reshape our portfolio as the energy system transforms. They also allow us to withstand volatility in oil and gas markets.

As we continue to implement our strategy to deliver more value with less emissions, we continue to optimise our capital allocation between our business segments. We regularly assess the sensitivity of our asset carrying values to carbon pricing, discount rates and commodity price assumptions as part of our efforts to track the resilience of Shell's strategy to climate-related risks and opportunities.

As there is no single scenario that underpins our plans, sensitivity analysis has been conducted using a range of key assumptions to test the resilience of our asset base.

The key areas of climate-change-related risks that have been subject to sensitivity analysis include:

- For Integrated Gas and Upstream, sensitivity to commodity prices and carbon prices has been tested covering the carrying value of goodwill, other intangible assets, property, plant and equipment, and joint ventures and associates.
- For Chemicals and Products, sensitivity to chemical margins, refining margins and carbon prices has been tested.
- Marketing and Renewables and Energy Solutions (R&ES) are expected to be resilient through the energy transition with limited exposure of stranded assets.
- Sensitivity to changes in the discount rate applied in impairment testing has also been tested.

See Note 4 to the "Consolidated Financial Statements" on pages 244-255.

We believe the areas of uncertainty in our resilience analysis are appropriately managed through our energy transition strategy and Operating Plan cycle, with relevant mitigating actions considered and portfolio changes enacted. In turn, we demonstrate the resilience of our business model and strategy as we adapt to changes in technology, policy, workforce reskilling requirements and customer preferences. The scope of our resilience analysis covers all business areas.

Mitigation of physical risks, whether or not related to climate change, is considered and embedded in the design, construction and operation of our projects and/or operation of our assets. In the long term, the level of unpredictability is such that the need for investment in climate adaptation measures is not immediate. Our forward planning means we are in a position to monitor our assets and determine whether there is any need for adaptation action.

Some investors and financial institutions have been aligning their portfolios to low-carbon opportunities, driven by both regulatory and broader stakeholder pressures. A failure to decarbonise 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. Shell has looked, and continues to look, at sustainable financing options while focusing on delivering the Group's energy transition strategy as a whole.

We consider the Group's financial framework to be an appropriate one for an oil and gas company navigating the energy transition. We believe our approach is increasingly recognised and understood by investors and financial institutions.

In preparing our sensitivity analysis, we have used research from our technology programmes, along with work carried out by the IEA, the IPCC and other external bodies. We have also drawn from the expertise in our own energy security scenarios. Our scenarios are quantified by our World Energy Models, which are supplemented with climate analysis done in conjunction with the Massachusetts Institute of Technology.

Scenarios are not intended to be predictions of likely future events or outcomes and, therefore, are not the basis for Shell's operating plans and financial statements.

See "Resilience of Shell's strategy to different climate-related scenarios" on pages 81-85 and Note 4 to the "Consolidated Financial Statements" on pages 244-255.

Policies related to climate change mitigation and adaptation (E1-2)

Policies in place to manage material impacts, risks and opportunities related to climate change mitigation and adaptation

Shell's policies for managing climate-related matters are based on the Shell Performance Framework (SPF). These policies include Shell's Safety, Environment and Asset Management (SEAM) Standards; our Carbon Management Framework; carbon pricing; our Greenhouse Gas and Energy Management process, policies and controls; and our Opportunity Realisation Standard.

We identify, assess and manage climate-related impacts for activities under our operational control as part of our SEAM Standards.

We expect non-operated joint ventures to adopt appropriate and acceptable policies to manage their risks. See "SEAM Standards" on page 107 and "Carbon Management Framework" on page 80 for information.

Policies on climate change mitigation

Business-level carbon plans

Our policies require our businesses to develop plans that demonstrate a decarbonisation trajectory aligned with carbon budgets allocated at a business level, as appropriate, under the Carbon Management Framework. This includes delivery of applicable targets related to routine flaring and methane. These requirements are designed to ensure that our commitments are translated into tangible targets and plans and to enable the identification of synergies and dilemmas between shareholder value and emissions reductions and inform portfolio choices.

Our policies require our businesses to determine the targets for carbon-significant and carbon-critical projects, assets and shipping fleets based on future CO₂ costs and anticipated GHG emissions, including those across value chains, and in a manner that cumulatively delivers GHG performance consistent with our climate-related targets and ambition and future aspired portfolio.

Our policies require businesses to integrate their targets and decarbonisation plans into their annual business plans.

Greenhouse Gas and Energy Management Plan

Our policies require assets and shipping fleets with total annual GHG emissions of more than 50,000 tonnes to annually update and assure a Greenhouse Gas and Energy Management Plan (GHG EMP) which demonstrates planned delivery of their allotment of the business-level carbon target. The GHG EMP includes a marginal GHG reduction cost curve, economically assessed using applicable CO₂ project screening values; a minimum 10-year forecast, or forecast to the end of field life for upstream assets, of anticipated future emission levels; plans demonstrating a trajectory to deliver targets related to flaring and methane emissions, where applicable; and a description of risks and opportunities in managing and delivering the forecast emissions, including energy efficiency levers and deployment of renewable energy. See "Internal carbon pricing (E1-8)" on page 369 for more details of project screening values.

Our policies require the outputs of the GHG EMP to be integrated in the annual business plan, operating plans and strategic asset management plans, as appropriate.

Our policies require the Global Process Council for Greenhouse Gas and Energy Management, led by the global process owner for GHG and including business and functional experts, to meet regularly to evaluate opportunities for the improvement of the processes, tools, communications and capabilities needed by the businesses to achieve our climate-related targets and ambition.

Tracking of delivery plans

Our policies require our shipping fleets and assets with total annual GHG emissions of more than 50,000 tonnes to track delivery of planned GHG reductions and to communicate any delay, alteration or termination of activities in delivering these reductions to the senior executive with single-point accountability for the business concerned.

Integration of GHGs in project evaluation

Our standards require projects to consider GHG emissions in their evaluation by including a forecast of annual Scope 1, 2 and 3 GHG emissions over the life of the project and by applying CO₂ project screening values in the base economics and net-zero emission abatement curve. The aim of this requirement is to ensure that projects provide a reasonably accurate outlook of their GHG implications to inform robust investment decisions in light of Shell's emission reduction commitments.

Carbon Critical and Carbon Significant Projects

Carbon Critical Projects are opportunities (projects and deals) which are expected to result in an increase or decrease of 200,000 tonnes or more of Scope 1 and 2 CO₂ equivalent emissions in their peak emissions year, or more than 10 terawatt-hours of power delivered in their peak generation year. These thresholds apply on a 100% basis for Shell-operated ventures or on an equity share basis for non-operated ventures. Our standards require Carbon Critical Projects to meet the GHG-related requirements of Shell's Opportunity Realisation Standard. The aim is to facilitate informed decision-making by identifying potential carbon-value trade-offs and carbon-value synergies and contextualising these projects in terms of those with the greatest potential to impact our ability to meet our GHG reduction commitments.

Carbon Significant Projects refers to projects, assets or modifications of existing assets which are expected to result in more than 50,000 tonnes of CO₂e total Scope 1 and 2 emissions in their peak emissions year or more than 1 terawatt-hour of power delivered in their peak generation year. These thresholds apply on a 100% basis for Shell-operated ventures or on an equity share basis for non-operated ventures.

Our standards require Carbon Critical and Carbon Significant Projects to maintain a Greenhouse Gas and Energy Management Plan with GHG intensity targets or energy performance targets, or both. The aim is to ensure that projects with significant GHG emissions have targets benchmarked beyond the minimum requirements in our performance standards and plans to bring down GHG emissions over time in line with business-level reduction targets.

For Carbon Critical and Carbon Significant Projects, our standards require the Greenhouse Gas and Energy Management Plan to be updated at each stage gate of the opportunity realisation process.

Our standards require the plan to include an abatement curve demonstrating the project's approach to achieving net-zero GHG emissions; the project's value chain GHG emissions intensity; and a description of how carbon competitiveness has been implemented in project development through an evaluation of the greenhouse gas performance of the concept(s) considered. The aim is to ensure that project teams consider carbon as early as possible and to ensure it is appropriately considered at each stage gate.

Our standards also require Carbon Critical and Carbon Significant Projects to meet the applicable performance standard(s) and implement all value-adding abatement options. The aim is to ensure that projects that significantly impact Shell's GHG commitments meet a minimum standard of GHG performance, and implement plans to further reduce their emissions by leveraging economically feasible GHG reduction opportunities.

Our standards require Carbon Critical Projects to receive documented endorsement from the senior executive with single-point accountability for the relevant business and the technical function head for Safety, Environment and Asset Management for the project's greenhouse gas and energy management performance target(s) and the project's value chain intensity. Our standards require this endorsement at each decision gate within the opportunity realisation process and for the project mandate proposal to commit to a project and final investment proposal.

Policies relevant to climate change adaptation

Mitigation of physical risks, whether or not related to climate change, is considered and embedded in the design and construction of our projects and the operation of our assets to help minimise the risk of adverse incidents to our employees and contractors, the environment and communities where we operate, and our equipment. Acute and chronic physical risks, regardless of cause, are a key consideration in our design and engineering practices and standards.

Resourcing our actions

The Executive Vice President for Safety, Environment and Asset Management is the most senior executive in Shell with accountability for the development, governance and oversight of the SEAM Standards. Leaders of assets, performance units, businesses or functions are accountable for assessing which SEAM Standards are relevant, based on their objectives, risk profile and activities, and for implementing those standards as appropriate.

Implementation of SEAM Standards relevant to climate change mitigation and adaptation is supported by members of Shell's SEAM function, which includes subject matter experts across a broad range of greenhouse gas and carbon technical specialisms and other disciplines. The requirements of our standards are communicated to people involved with implementation through various mechanisms, including internal communication channels, management systems and training, as appropriate.

Actions and resources in relation to climate change policies (E1-3)

The scope of the actions described in this section covers Shell companies and joint ventures in which Shell is the operator, unless otherwise stated. Many of our actions are of an ongoing nature. Horizons for the completion of time-bound actions are indicated where applicable.

Our actions are intended to help us achieve the desired outcome of our policies and standards by providing resources and expertise that support our businesses to implement them in fit-for-purpose ways.

For the key actions we have taken in 2025, designed to deliver our decarbonisation levers in support of our transition plans, see "Drivers of absolute Scope 1 and 2 emissions change" on page 88, "NCI performance" on page 90 for details of the drivers of change in 2025 and "Energy transition in action – selection of portfolio changes and actions in 2025" on page 86 for details of actions taken in 2025.

We are aiming to cut GHG emissions in our own operations by:

- lowering the GHG intensity of our operations through improved energy efficiency and reduced combustion, flaring and emissions venting;
- improving our monitoring of assets to reduce fugitive methane emission sources in our operations and by action such as signing the Oil and Gas Methane Partnership 2.0 reporting framework;
- reducing and, in our upstream operations, eliminating routine flaring, which we achieved in 2025;
- using more renewable electricity to power our operations;
- growing our LNG business with lower carbon intensity and continuing to invest in emissions abatement projects to reduce both CO₂ and methane emissions; and
- developing and deploying carbon capture and storage solutions.

Our Downstream and Renewables and Energy Solutions businesses are working to unlock value in power and low-carbon solutions, supporting our emissions reduction targets and positioning us for growth in hydrogen, carbon capture and storage (CCS) and low-carbon fuels. We are progressing significant abatement projects at our chemicals manufacturing plants and refineries; these key focused assets allow us to underpin our hydrocarbon energy sales and the sales of low-carbon energy products. Our energy transition plans for this decade across our Downstream, Renewables and Energy Solutions business are focused on: investing in biofuels, continuing to grow our integrated power business, growing our electric vehicle charging business where demand is strongest, and developing technologies related to CCS and carbon removals. These include:

- developing low-carbon fuels such as sustainable aviation fuel, renewable diesel and renewable natural gas to help our customers decarbonise without having to change their cars, trucks, aeroplanes or ships;
- investing in charging infrastructure to meet growing demand;
- making selective investments in renewable power generation, batteries and other grid-flexible technologies to decarbonise our own operations and provide low-carbon solutions to our commercial and industrial customers in our power business;
- continuing to invest in the production of hydrogen as a feedstock for synthetic fuels and as an energy carrier for transport and industry to expand the technology and reduce costs so that it becomes an available and affordable low-carbon option in the future; and
- working with governments, customers and partners to unlock the potential of carbon capture and storage and carbon removal to reduce emissions where there are few low-carbon alternatives.

Across our businesses, high-quality carbon credits have been and may continue to be used by Shell and its customers to compensate for

emissions in line with the carbon mitigation hierarchy of avoid, reduce and compensate.

We continue to invest in the research and development, demonstration and commercial deployment of new technologies and products that contribute to decarbonisation. We invest in the latest energy technologies through partnerships with start-ups, larger companies and leading academic institutions seeking to electrify energy systems, decarbonise transport, gain data-based insights and provide innovative customer solutions.

See "Energy Transition Strategy 2024" on page 73 for details of our ETS24 commitments, "Climate change mitigation actions and decarbonisation levers" on page 358 for more information about the decarbonisation levers we have identified to achieve our Scope 1 and 2 GHG emissions reduction target, our NCI target and Scope 3 Category 11 GHG emissions ambition; and "Progress towards our Scope 1 and 2 target" on pages 96-97 and "Progress towards our NCI target" on page 97 for details of how we expect our decarbonisation levers to progress towards our 2030 targets and ambition.

Engagement and advocacy, directly with governments and indirectly through industry associations and coalitions, is part of our strategy. Shell engages with governments, regulators and policymakers in different ways to advocate robust policy, legislation and regulation in areas where we can best reduce our own emissions and support the decarbonisation of our customers.

Our advocacy is focused on four key themes:

- achieving net-zero emissions – cross-sector policies that support the achievement of national net-zero commitments through comprehensive policy frameworks, carbon pricing and carbon accounting standards;
- supplying the secure energy the world needs – policies that support energy security, such as predictable regulatory frameworks that enable the production of hydrocarbons with lower emissions;
- driving changes in demand – policies that support changes in customer demand in transport and industry, such as vehicle standards, mandates for sustainable aviation fuel and a transition to low-carbon products; and
- growing low-carbon solutions – policies that encourage the development of low-carbon solutions, including incentives for biofuels, flexibility in feedstock choices and effective regulatory frameworks for hydrogen and CCS.

Current and future financial and other resources allocated to the action plan

As we continue to implement our strategy to deliver more value with less emissions, we continue to optimise our capital allocation and operational expenditure, balancing energy security and demand and energy transition opportunities. We recognise that to achieve our strategic targets and ambition of generating more value with less GHG emissions, and to effectively manage our risk profile including climate-related risks and opportunities, will require significant operational and capex allocated in our annual budgets and future business plans.

Shell's capital investment and business plans include funding in support of our short- and medium-term energy transition plans. See "Investing in the energy transition" on pages 81-83 for more information about Shell's investments and funding supporting the implementation of our energy transition plans.

Some financial institutions have been aligning their portfolios to low-carbon opportunities, driven by both regulatory and broader stakeholder pressures. Shell's financial strength and access to capital give us the ability to implement our climate change mitigation actions and adaptations.

See "Climate-related commercial risks" on page 76 for more information. Shell's capital investment and business plans, covering a 10-year cycle, include funding to deliver our 2030 targets and ambition.

See "Resilience of Shell's strategy to different climate-related scenarios" on pages 81-83 for more information on our investments and expenditure which support our energy transition plans.

See "The EU Taxonomy" on page 371 for information about Shell's taxonomy-eligible and taxonomy-aligned activities.

Targets related to climate change mitigation and adaptation (E1-4)

Information in this section reflects Shell's choice of boundary for its targets and ambition related to climate change mitigation and adaptation. See "General basis for preparation of sustainability statements (BP-1)" on pages 336-338 for more information.

Climate-related targets

As part of its energy transition plans, Shell has set several climate-related targets and an ambition, most of which predate the CSRD.

For detailed information on Shell's climate-related targets and ambition, see "Transition plan for climate change mitigation (E1-1)" on page 357 and "Our climate-related metrics, targets and ambition" on pages 87-98.

Shell has the following greenhouse gas emission reduction targets and ambition for Scope 1, 2 and 3:

- In March 2024, Shell set an oil products ambition to reduce customer emissions from the use of our oil products by 15–20% by 2030 (Scope 3 Category 11 (with 2021 the reference year)), in accordance with the CSRD and the ESRS definition of greenhouse gas emission reduction target. [A]
- In 2021, Shell set a target to halve the emissions from its operations (Scope 1) plus the energy it buys to run them (Scope 2) by 2030, compared to 2016 levels on a net basis. This target predates the CSRD and differs from the ESRS boundary and definitions. It is a net target and has been set on an operational control boundary in line with the GHG Protocol boundaries, and standard practice in the industry standards. The ESRS reporting boundary prescribed for Scope 1 and 2 deviates from the GHG Protocol (see "General basis for preparation of sustainability statements (BP-1)" on pages 336-338 for more information). In 2025, our combined Scope 1 and 2 emissions reflected a 9% reduction compared to 2024, and a 36% reduction compared to the 2016 baseline, on a net basis, without the use of GHG removals or avoided emissions.
- In 2021, Shell also set targets to reduce the net carbon intensity (NCI) of the products it sells (see "Targets used by Shell to manage climate-related risks and opportunities and performance against targets" on page 95 for more information). These targets also predate the CSRD and differ from the ESRS boundary and definitions. These net intensity targets are based on an equity boundary, which deviates from the ESRS boundary and definitions for total GHG emissions.

[A] Customer emissions from the use of our oil products (Scope 3, Category 11) were 517 million tonnes carbon dioxide equivalent (CO₂e) in 2023 and 569 million tonnes CO₂e in 2021.

Furthermore, in 2021, Shell set a target to become a net-zero emissions energy business by 2050 and is measuring progress towards this target using the other targets and ambition referenced in this section. For more information see "Transition plan for climate change mitigation (E1-1)" on page 357 and "Targets used by Shell to manage climate-related risks and opportunities and performance against targets" on page 95.

Shell's target covers the full Scope 1 and 2 emissions and Scope 3 emissions from the energy products we sell. This target also predates the CSRD and differs from the CSRD definition of net-zero target. The pace of change in the energy transition is uncertain and there are currently no justified sectoral variations in line with recognised external sectoral pathways available.

Shell's Operating Plan, outlook and business plans cover a 10-year forecast period and are updated every year. The business plan reflects our Scope 1, Scope 2 and NCI targets over the next 10 years. However, Shell's business plans cannot reflect our 2050 net-zero emissions target, as this target is currently outside our planning period. Shell's business plan reflects Shell's strategy. We will continue to update our business plan, price outlooks and assumptions as we move towards net-zero emissions by 2050.

In addition to the above, Shell also set two additional climate-related targets that predate the CSRD: eliminate routine flaring from upstream operations by 2025 [B], which was achieved in 2025; and maintain methane emissions intensity below 0.2% and achieve near-zero methane emissions intensity by 2030.

[B] This target was subject to the completion of the sale of The Shell Petroleum Development Company of Nigeria Limited (SPDC). We ceased routine flaring of associated gas in January 2025, achieving our target independent of the sale of SPDC to Renaissance which was completed on March 13, 2025.

The targets are forward-looking based on management's current expectations and certain material assumptions and, accordingly, involve risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in this report.

More detail on Shell's climate-related targets and ambition can be found in "Transition plan for climate change mitigation (E1-1)" on page 357. The framework and methodology used to determine our targets and ambition are set out in "Targets used by Shell to manage climate-related risks and opportunities and performance against targets" on page 95, recognising that most of Shell's climate-related targets predate the CSRD and differ from the ESRS boundary and definitions.

See "Climate-related risks and opportunities identified by Shell over the short, medium and long term" on page 75 for details of the climate-related risks our targets and ambition are designed to manage.

Decarbonisation levers

We set out our decarbonisation levers to achieve the absolute and intensity reduction targets and ambition we have set for GHG emissions from our own operations (Scope 1 and 2) together with the decarbonisation levers planned to achieve our net carbon intensity target and our Scope 3, Category 11 ambition in "Climate change mitigation actions and decarbonisation levers" on page 358.

See "Progress towards our Scope 1 and 2 target" on page 96 for a summary of the quantitative contributions of our decarbonisation levers to achieving our Scope 1 and 2 GHG emissions reduction target and "Progress towards our NCI target" on page 97 for a summary of the quantitative contributions of our decarbonisation levers to achieving our NCI reduction target.

Energy consumption and mix (E1-5)

Information in this section reflects the reporting boundary specified by ESRS except where explicitly stated. See "General basis for preparation of sustainability statements (BP-1)" on pages 336-338 for more information.

Energy consumption data in this section refer to primary (thermal) energy, such as the energy content of fuels used to generate electricity, steam, heat and mechanical energy. This includes energy from renewable and non-renewable sources.

The energy consumption data below reflect the energy generated and purchased by facilities within the scope of the ESRs reporting boundary. This boundary differs from the operational control boundary used by Shell to monitor and report energy consumption as reported in "GHG emissions and energy consumption data – information provided in accordance with UK regulations" on page 101.

Energy consumed by facilities under our operational control is calculated as follows:

- Energy generated from fuel and consumed is calculated by multiplying the volume of fuels consumed for energy purposes by their respective lower heating values.
- For purchased and consumed electricity from renewable sources, the energy is calculated using 100% generation efficiency.
- For purchased and consumed electricity from non-renewable sources, the energy is calculated using actual electricity purchased, multiplied by country-specific electricity generation efficiency factors from International Energy Agency statistics to determine the associated thermal energy expended at the source.
- Energy for purchased and consumed steam and heat is calculated from actual steam and heat purchased, multiplied by a supplier-specific conversion efficiency or by a generic efficiency factor where supplier-specific data are not available.

The detailed energy consumption data available from assets not operated by Shell vary. When available, the data are used. When not available, the data for material assets are estimated based on energy consumption to GHG ratios for similar types of operated assets.

Energy consumption and mix [A]

	million MWh	
	2025	2024
Energy consumption from facilities under Shell operational control	189	212
Energy consumption from fossil sources [C]	187	209
Coal and coal products	–	–
Crude oil and petroleum products	40	44
Natural gas	108	120
Other fossil sources	10	15
Purchased or acquired electricity, heat, steam and cooling from fossil sources	28	30
Energy consumption from nuclear sources	–	–
Energy consumption from renewable sources [C]	2.6	2.7
Fuels from renewable sources (biomass, biofuels, biogas, hydrogen from renewable sources)	0.03	0.2
Purchased or acquired electricity, heat, steam and cooling from renewable sources	2.4	2.5
Self-generated non-fuel renewable energy	0.1	–
Energy consumption from facilities not operated by Shell	80	77
Total energy consumption [B] [D]	269	289

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

[B] ESRs reporting boundary.

[C] Of total energy consumption under operational control in 2025, 99% came from fossil sources and 1% from renewable sources (2024: 99% and 1% respectively).

[D] Excludes energy generated and exported to a third party or to the power grid.

Energy consumption in 2025 decreased compared with 2024 mainly due to portfolio changes and GHG abatement and transformation projects.

Energy generated by facilities under Shell's operational control and exported to third parties, including to the power grid, is presented below.

Renewable and non-renewable energy production [A]

	million MWh	
	2025	2024
Renewable energy production	6.0	5.1
Non-renewable energy production	7.7	5.4
Total	13.7	10.5

[A] Operational control boundary. Renewable and non-renewable energy production available for sale (energy produced net of energy consumed through own use). Includes energy generated and exported to a third party or to the power grid.

Energy intensity based on net revenue

Total energy consumption, used as the numerator, is prepared using the ESRs reporting boundary. This includes a reasonable estimate of consumption for consolidated assets not under Shell's operational control where the information was not available.

Net revenue, used as the denominator, corresponds to Revenue as presented in Shell's Consolidated Statement of Income and is prepared using the financial control boundary (in line with IFRS), where 100% revenue is reported for fully consolidated subsidiaries plus the Shell share of revenue recognised from joint operations, irrespective of operational control considerations. The numerator therefore differs from the denominator due to the inclusion of Shell-operated equity-accounted assets in the ESRs reporting boundary.

The resulting metric is set out in the table below, recognising the misalignment of boundaries across total energy consumption and net revenue. As revenue is expected to fluctuate with oil and gas prices and other factors which are not correlated with energy consumption, in our view, the information so calculated does not provide a reliable measure of energy intensity, nor does it permit a realistic comparison between reporting entities and over time.

Energy intensity based on net revenue

	unit	2025	2024
Total energy consumption [A]	million MWh	269	289
Net revenue [B]	\$ million	266,886	284,312
Energy intensity per net revenue	MWh/\$	0.001	0.001

[A] ESRs reporting boundary.

[B] See "Consolidated Statement of Income" on page 230.

Gross Scopes 1, 2, 3 and total GHG emissions (E1-6)

We follow the GHG Protocol's Corporate Accounting and Reporting Standard, which defines three scopes of GHG emissions:

- Scope 1: direct GHG emissions;
- Scope 2: indirect GHG emissions from the generation of purchased energy; and
- Scope 3: other indirect GHG emissions, including emissions associated with the use of sold products.

Gross Scope 1, 2, 3 and total GHG emissions [A]

	million tonnes CO ₂ e	
	2025	2024
Scope 1 GHG emissions [B]		
Gross Scope 1 GHG emissions [C]	69	73
Consolidated accounting group [D]	62.1	65.3
Operated non-consolidated entities	6.9	8.1
Scope 2 GHG emissions [B]		
Gross location-based Scope 2 GHG emissions	8	9
Consolidated accounting group	6.8	7.5
Operated non-consolidated entities	1.4	1.6
Gross market-based Scope 2 GHG emissions	8	9
Consolidated accounting group	6.5	7.4
Operated non-consolidated entities	1.2	1.2
Significant Scope 3 GHG emissions [E] [F]		
Total gross Scope 3 GHG emissions	1,065	1,084
Category 1: Purchased goods and services	122	119
Category 3: Fuel and energy-related activities	103	117
Category 9: Downstream transport and distribution	4	3
Category 11: Use of sold products	836	845
Total GHG emissions		
Total GHG emissions (location based)	1,142	1,166
Total GHG emissions (market based)	1,142	1,166

[A] Figures disclosed are rounded. Rounding differences can occur between the total combined Scope 1, 2 and 3 absolute GHG emissions disclosed in this Report and the sum of components individually rounded to the nearest million tonnes.

[B] ESRs reporting boundary.

[C] The percentage of Scope 1 GHG emissions from assets falling under regulated emission trading schemes was 54% on an ESRs reporting boundary and prepared in line with GHG Protocol Corporate Accounting and Reporting Standard, with Scope 1 GHG emissions reported net of CO₂ transfers. The percentage remains 54% if CO₂ transfers from EU ETS assets are included in reported Scope 1 GHG emissions. In 2024, this percentage was 43%, reported on an operational control boundary.

[D] Figures are prepared in line with GHG Protocol Corporate Accounting and Reporting Standard and GHG emissions are reported net of CO₂ transfers. If CO₂ transfers from EU ETS assets were included, reported Scope 1 GHG emissions for 2025 would round to 62.4 million tonnes CO₂e.

[E] Equity reporting boundary.

[F] Categories 1, 3 and 11 are calculated using primary data, representing 99.6% of total significant Scope 3 emissions (2024: 99.7%).

Gross Scope 1 and Scope 2 emissions were lower in 2025 compared with 2024 due to portfolio changes and abatement projects. Key portfolio changes included the completion of the sale of The Shell Petroleum Development Company of Nigeria Limited (SPDC) in March 2025, the sale of Shell Energy and Chemicals Park Singapore in April 2025 and the acquisition of RISEC Holdings, LLC and its 609 MW two-unit combined-cycle gas turbine power plant in January 2025. Reductions from abatement projects mainly consisted of transformation projects at the Energy and Chemicals Park Rheinland in Germany, compressor electrification in Canada and catalyst improvements in Qatar.

Basis of preparation – Scope 1 and 2 emissions

In this section, Scope 1 and 2 emissions are presented in accordance with the ESRs boundary. See "General basis for preparation of sustainability statements (BP-1)" on pages 336-338 for more information.

Assets under our ESRs boundary include:

- assets wholly owned by Shell;
- joint operations operated by Shell (for which 100% of emissions are included), and those operated by others (for which the Shell share of emissions is included); and
- assets leased by Shell, such as maritime vessels.

Emissions from maritime vessels for which Shell only provides technical services are not included in our ESRs boundary

Our Scope 1 and 2 GHG emissions inventory was prepared in line with the requirements outlined in ISO 14064-1:2018 Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals and the GHG Protocol's Corporate Accounting and Reporting Standard.

In line with external standards, we aggregate our GHG emissions into tonnes of CO₂ equivalent by applying global warming potential (GWP) factors to non-CO₂ GHGs. Factors applied in 2024 and 2025 were taken from the IPCC's Fifth Assessment Report (AR5) over a 100-year time period, as stipulated by the UK Government GHG Conversion Factors for Company Reporting [A].

[A] We use GWP factors from AR5 to calculate our emissions, as stipulated by UK regulations which Shell is also subject to. Updates to GWP factors published in AR6, which ESRs requires us to use, are immaterial to Shell's GHG inventory.

GHG emissions comprise CO₂, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride and nitrogen trifluoride, with CO₂ and methane being the most significant contributors.

Scope 1 emissions

All significant sources were included in our Scope 1 inventory.

These sources comprise:

- combustion of carbon-containing fuels in stationary equipment (e.g. boilers, gas turbines) for energy generation;
- combustion of carbon-containing fuels in mobile equipment (e.g. trucks, vessels, mobile rigs);
- flares;
- venting and emissions from industrial processes (e.g. hydrogen plants, catalytic cracking units); and
- fugitive emissions, including piping and equipment leaks and non-routine events.

Our Scope 1 emissions are presented on a gross basis.

Scope 2 emissions

All significant sources were included in our Scope 2 inventory. Sources included comprise indirect emissions from purchased and consumed electricity, steam and heat. We did not identify any assets with imported cooling or compressed air used for energy purposes.

Scope 2 emissions are calculated using the market- and location-based methods separately as defined by the GHG Protocol Scope 2 Guidance. Scope 2 emissions are presented on a gross basis.

Basis of preparation – Scope 3 emissions

See "Basis of preparation – Scope 3 emissions" on page 94 for the basis of preparation of the Scope 3 emissions we report on an equity basis.

Contractual instruments used in relation to Scope 2 GHG emissions

We consider energy to be derived from renewable sources if the origin of the purchased energy is clearly defined in supplier contracts including renewable power purchasing agreements and market instruments such as Guarantee of Origin from renewable sources in Europe or Renewable Energy Certificates in the USA and Canada.

The contractual instruments we have used in relation to the purchase of energy, both bundled with energy generation attributes and unbundled with energy attribute claims (i.e. rights to claim renewable energy attributes separate from the power purchased), by assets under our operational control, are as follows. Information from assets not operated by Shell cannot reasonably be estimated.

Scope 2 GHG emissions: Share and types of contractual instruments [A] [B]

	Percentage	
	2025	2024
Contractual instruments used for the purchase of energy bundled with attributes about energy generation	14%	10%
Contractual instruments used for the purchase of unbundled energy attribute claims	86%	90%

[A] Operational control boundary.

[B] Share of total renewable energy purchased.

Biogenic emissions

CO₂ emissions from biogenic feedstocks are set out in the table below. These are not included in the GHG emissions inventory in line with the GHG Protocol and ISO 14064-1:2018 requirements. The biogenic emissions not included in Scope 1 and 2 emissions presented below are related to facilities under our operational control.

Biogenic emissions of CO₂ [A]

	unit	2025	2024
Direct biogenic emissions of CO ₂ not included in Scope 1 emissions [B]	thousand tonnes CO ₂	31.7	35.0
Indirect biogenic emissions of CO ₂ not included in Scope 2 emissions [B]	thousand tonnes CO ₂	0.2	45.5
Indirect biogenic emissions of CO ₂ not included in Scope 3 emissions [C]	million tonnes CO ₂	32	29

[A] The mass of CO₂ emissions from the burning of biologically sequestered carbon (e.g. CO₂ from burning biomass, biogas or biofuels for heat and/or power generation) as well as other processes (e.g. aerobic or anaerobic decomposition of biomass and soil organic matter).

[B] Operational control boundary.

[C] Equity boundary. Represents estimated emissions not included in Scope 3 Category 11 emissions. It is assumed that the presence of biogenic emissions associated with other Scope 3 categories is negligible.

GHG intensity per net revenue

Total GHG emissions, used as the numerator, is prepared as required by ESRS and reported in the table "Gross Scopes 1, 2, 3 and total GHG emissions" on page 367.

Net revenue, used as the denominator, corresponds to Revenue as presented in Shell's Consolidated Statement of Income and is prepared using the financial control boundary (in line with the International Financial Reporting Standards), where 100% revenue is reported for fully consolidated subsidiaries plus the Shell share of revenue

recognised from joint operations, irrespective of operational control considerations.

The numerator therefore differs from the denominator due to the inclusion of Shell-operated equity-accounted assets in the ESRS reporting boundary. Additionally, revenue is expected to fluctuate with oil and gas prices and other factors which are not correlated with GHG emissions. As such, in our view, the information so calculated does not provide a reliable measure of GHG intensity, nor does it permit a realistic comparison between reporting entities and over time. Nonetheless, we have prepared the GHG intensity per net revenue metric, recognising the misalignment of boundaries across total GHG emissions and revenue.

The resulting metric is set out in the table below on both a market-based and location-based basis.

GHG intensity based on net revenue

	unit	2025	2024
Total GHG emissions (location-based)	million tonnes CO ₂ e	1,142	1,166
Total GHG emissions (market-based)	million tonnes CO ₂ e	1,142	1,166
Net revenue	\$ million	266,886	284,312
Total GHG emissions per net revenue (location-based)	tonnes CO ₂ e / \$	0.004	0.004
Total GHG emissions per net revenue (market-based)	tonnes CO ₂ e / \$	0.004	0.004

GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

Removal of GHG refers to the withdrawal of GHG from the atmosphere as a result of deliberate human activities. There are two main types of removal mechanism: enhancement of natural processes that remove carbon from the atmosphere, for example through natural carbon sinks, or technical or chemical processes that capture CO₂ and sequester it underground. CCS is considered a removal mechanism only when it results in "negative emissions", for example when paired with technologies like direct air capture or Bioenergy with Carbon Capture and Storage (BECCS).

In 2025, we reported no GHG removals resulting from projects developed in our own operations or contributed to in our upstream and downstream value chain.

Our Nature Based Solutions business invests in entities and projects, and develops projects that conserve, enhance and restore ecosystems – such as forests, grasslands and wetlands – to prevent GHG emissions or reduce atmospheric CO₂ levels. As these entities and projects issue carbon credits, Shell may choose to participate in the offtake of these credits as part of its offsetting activities.

Carbon credits may be used as we work to become a net-zero emissions energy business by 2050. They may be used by Shell and its customers to compensate emissions in line with the carbon mitigation hierarchy of avoid, reduce and compensate.

We believe that the carbon credits we use need to have a robust carbon benefit and deliver a positive impact on ecosystems and communities. We work closely with local partners to ensure that the carbon credit projects we invest in are of high quality, and are developed and certified under credible and independent carbon credit standards. We also carefully source and screen the credits which we purchase from nature- and technology-based projects developed by others. We do this to ensure that the carbon credits are real and verifiable, and that issues such as permanence, additionality and leakage have been adequately considered.

As indicated in the table below, the certification standards we use include the Verra Verified Carbon Standard (VCS) Program, Gold Standard carbon offset certification and the ACR carbon crediting programme.

Carbon credits retirements [A]

	unit	2025	2024
Total amount of carbon credits outside the value chain that are verified against recognised quality standards and retired	million carbon credits	5.8	17.3
Verra	%	59%	74%
Gold Standard	%	22%	15%
ACR	%	10%	10%
Climate Action Reserve	%	9%	—%
Australian Carbon Credit Units	%	—%	1%
Share from removal projects	%	3%	3%
Share from reduction projects	%	97%	97%
Share from projects within the EU	%	—%	—%
Share of carbon credits that qualify as corresponding adjustments	%	—%	—%

[A] One carbon credit represents the avoidance or removal of one metric tonne of CO₂ equivalent.

In 2025, Shell accounted for the retirement of 5.8 million carbon credits (2024: 17.3 million), of which 5.5 million were related to our NCI (2024: 16.4 million), including 2.0 million linked to the sale of energy products (2024: 2.4 million).

The use of high-quality carbon credits, if required, is one of the decarbonisation levers available to Shell. We may choose to use carbon credits to offset any remaining emissions from our operations, in line with the carbon mitigation hierarchy of avoid, reduce and compensate.

Shell's business plan includes the option to retire a range of high-quality carbon credits in the future, as set out in the table below:

Range of voluntary carbon credits planned to be retired in the future

	unit	2026 to 2030 inclusive
Range of voluntary carbon credits outside the value chain planned to be retired in the future	million carbon credits	25-50

We review and update the planned range of voluntary carbon credits to be retired in the future as part of the annual Operating Plan process. We anticipate that the planned range will fluctuate over time, reflecting the uncertainty of the energy transition.

We have no quantitative plans for the use of carbon credits beyond the business plan period due to the uncertainties regarding the pace of the energy transition, customer demand and the related development of our business models in the decades leading up to 2050.

Internal carbon pricing (E1-8)

Shell uses shadow prices, called CO₂ project screening values (PSV), to assess the CO₂ resilience of all its business activities to potential future carbon costs, such as those arising from mandatory emission trading schemes or carbon taxes. PSVs do not consider costs that may be applicable to Scope 3 emissions.

We consider the potential costs associated with operational GHG emissions when preparing Greenhouse Gas and Energy Management Plans for projects and assets, and when evaluating capital projects before a final investment decision. For each region, we have developed short-, medium- and long-term estimates of the future costs of carbon. These are reviewed and updated annually. See Note 4 to the "Consolidated Financial Statements" on page 244 for further details on our regional cost of carbon estimates and "Policies related to climate change mitigation and adaptation (E1-2)" on page 362 for further details of our policies in respect of operational GHG emissions.

Up to 2030, our cost of carbon emission estimates are largely policy-driven through emission trading schemes or taxation levied by governments, which vary significantly from country to country. Beyond 2030, when policy predictions are more challenging, our estimates are based on the expected cost of the abatement technologies required to meet our 2050 target.

In line with 2024, the estimated cost is trending towards \$50 or \$230 per tonne (RT25 in 2025 and RT24 respectively), depending on the country, in 2050. See Note 4 to the "Consolidated Financial Statements" on page 251 for further details of our regional cost of carbon estimates and "Carbon pricing" on page 84.

Shell's cost of compliance with the emissions trading and related schemes was around \$398 million in 2025 (\$381 million in 2024), as stated in Shell's Consolidated Statement of Income for 2025.

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9)

We have used the option provided by Delegated Regulation EU 2025/1416 (the "Quick fix amendment") to defer certain additional reporting requirements that companies in the first wave of reporting under the CSRD would otherwise have to meet for 2025. This includes requirements for additional reporting on the financial effects of environment-related risks and opportunities.

However, a number of anticipated and potential effects are set out in Note 4 to the "Consolidated Financial Statements" on page 244. This note includes an overview of key assumptions used for financial planning related to climate change and the energy transition in addition to details of the sensitivity of carrying values to commodity prices, carbon emission costs, chemical and refining margins, discount rates and demand, if different assumptions were applied.

EU Taxonomy

Introduction

Regulation EU 2020/852 (the "Taxonomy Regulation" or the "taxonomy") is a classification system for determining when an economic activity can be considered environmentally sustainable according to European Union (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.

Non-financial companies calculate the share of revenue (turnover), capital expenditure (capex) and operating expenditure (opex) associated with eligible economic activities. When the cumulative total exceeds a 10% threshold for any of the key performance indicators (KPIs) the relevant activities are screened against the taxonomy's technical criteria for environmental sustainability and minimum safeguards. This allows the aligned share of each KPI to be calculated. The opex KPI may be omitted if not material for the company's business model.

We have reported against the taxonomy since 2021 because we recognise the importance of increasing transparency about how companies are progressing in the energy transition.

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. 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.

Reporting scope

The taxonomy's reporting scope covers Shell's global business, based on the financial consolidation boundary. Shell's eligible activities include elements of our chemicals, power generation and storage, hydrogen, biogas, electric vehicle charging, carbon capture and storage (CCS) and nature-based solutions (NBS) businesses. Our remaining businesses are non-eligible.

The taxonomy's reporting basis differs from that used in our financial statements, which are based on International Financial Reporting Standards (IFRS). For example, the taxonomy does not recognise our interests in equity-accounted joint ventures and associates, goodwill, feasibility expenses or integrated value chains.

These and other differences result in lower reported turnover, capex and opex under the taxonomy compared with our other disclosures.

Technical criteria

The taxonomy's technical criteria recognise stringent levels of environmental performance rather than transitional steps or alternative pathways. The complexity of the criteria and their reliance on EU standards can make the criteria difficult to interpret and apply, especially for activities outside the EU.

Eligible and aligned share of Shell's business

In 2025, Shell's eligible capex was \$3,262 million or 10.9% (2024: \$3,270 million or 10.6%). Our aligned capex was \$1,370 million or 4.6% (2024: \$1,849 million or 6.0%).

Our taxonomy-aligned capex is associated with activities including elements of our hydrogen, wind, solar, battery storage, biogas, and electric vehicle charging businesses, excluding individual assets that are not currently aligned with the technical screening criteria.

Cumulative turnover from our taxonomy-eligible economic activities is less than the taxonomy's de minimis threshold of 10%. In addition, the taxonomy's narrow definition of opex is not material for Shell's business model. As such, turnover and opex are considered to be non-material for taxonomy reporting purposes and their eligibility and alignment are not reported.

The taxonomy does not provide a complete picture of our low-carbon business. Nevertheless, we support efforts to improve the framework and advance climate-related disclosure more broadly. For more information, see "Less emissions" on pages 72-102.

Scope of taxonomy-eligible activities

1.4	Conservation forestry		Equity-accounted JVAs		Feasibility		Eligible projects		Non-eligible projects		Trading
3.14	Manufacture of chemicals		Equity-accounted JVAs		Feasibility		Manufacturing		Non-eligible products		Trading
3.17	Manufacture of plastics		Equity-accounted JVAs		Feasibility		Manufacturing		Trading		Feedstock (biofuels only)
3.10	Manufacture of hydrogen		Equity-accounted JVAs		Feasibility		Manufacturing		Trading		Decarbonisation of non-eligible activities
4.1	Electricity from solar		Equity-accounted JVAs		Feasibility		Power generation		Trading and B2B/B2C sales		Upstream, midstream, LNG, GTL
4.3	Electricity from wind		Equity-accounted JVAs		Feasibility		Power generation		Trading and B2B/B2C sales		Carbon capture
4.10	Storage of electricity		Equity-accounted JVAs		Feasibility		Power storage		Trading and B2B/B2C sales		Retail power and hydrogen sales
4.29	Electricity from fossil gas		Equity-accounted JVAs		Feasibility		Power generation		Trading and B2B/B2C sales		B2B/B2C solutions
5.11	Transport of CO ₂		Equity-accounted JVAs		Feasibility		Transport & storage		Carbon capture		
5.12	Storage of CO ₂		Equity-accounted JVAs		Feasibility		Transport & storage		Carbon capture		
6.15	Infrastructure enabling low-carbon road transport		Equity-accounted JVAs		Feasibility		Infrastructure		Retail power and hydrogen sales		B2B/B2C solutions
7.6	Installation of renewable energy technologies		Equity-accounted JVAs		Feasibility		B2C solutions				

Taxonomy-eligible
 Taxonomy non-eligible

B2B Business-to-Business B2C Business-to-Consumer JVA Joint Ventures & Associates LNG Liquefied Natural Gas GTL Gas-to-Liquids

The taxonomy framework

The taxonomy establishes technical criteria for environmental sustainability across more than 150 economic activities and six environmental objectives.

An activity is taxonomy-eligible if it is described in a delegated act adopted under the EU Taxonomy Regulation. Such an activity is eligible regardless of whether it complies with the technical screening criteria.

An activity is taxonomy-aligned if it contributes substantially to one or more environmental objectives, does no significant harm to any of the other objectives, is carried out in compliance with minimum human and labour rights safeguards, and complies with the relevant technical screening criteria.

The EU has stated that the taxonomy will develop over time. It notes that the fact that an activity does not contribute substantially to one of the EU's environmental objectives does not necessarily mean it is not sustainable. Not all activities with the potential to make a substantial contribution to the environmental objectives are yet included in the framework.

Our eligibility and alignment

Our eligible and aligned capex are presented in the table below. Eligible capex remained around 11% in 2025.

Capex for five economic activities was assessed as taxonomy-aligned, including the manufacture of hydrogen, electricity from wind, electricity from solar, storage of electricity and infrastructure enabling low-carbon road transport. For a sixth activity, the manufacture of biogas and biofuels, we assessed some elements of our activities as taxonomy-aligned and some as non-aligned.

Aligned capex decreased by \$479 million compared to 2024. This primarily reflects the decision to stop construction of the biofuels plant in Rotterdam, lower investment in low-carbon road transport, and the end of construction for certain wind and solar assets.

Turnover and opex are non-material for taxonomy reporting purposes, and therefore eligibility and alignment for these key performance indicators (KPIs) is not reported.

Basis of preparation

Shell seeks to prepare its disclosure in accordance with Delegated Regulation EU 2021/2178 (the "Disclosures Delegated Act") as well as several European Commission notices containing answers to

frequently asked questions about taxonomy reporting issued between 2021 and 2025. Our disclosures in 2025 have been updated in accordance with Delegated Regulation EU 2026/73, which amends the Disclosures Delegated Act by introducing de minimis thresholds for assessing taxonomy eligibility and alignment of the KPIs and by allowing the KPI for opex to be omitted if it is not material to the company's business model.

Shell has adopted a three-step process to prepare its taxonomy disclosure:

- we identify our eligible activities and map these to our assets and projects;
- we screen those activities for alignment with the technical criteria and the minimum safeguards; and
- we calculate the metrics for eligibility and alignment, based on the screening results.

Each step is discussed below.

Identification of eligible activities

Shell has assessed its business against the economic activities qualifying for the taxonomy's six environmental objectives. These include the activities listed in Delegated Regulation EU 2021/2139 (the "Climate Delegated Act"), the gas-related activities listed in Delegated Regulation EU 2022/1214 (the "Complementary Climate Delegated Act") and the activities listed in Delegated Regulation EU 2023/2486 (the "Environmental Delegated Act").

The taxonomy does not provide criteria for determining when an economic activity is in scope for reporting. According to EU guidance, an economic activity takes place when resources – such as capital, goods, labour, manufacturing techniques or intermediary products – are combined to produce specific goods or services. Based on this definition, Shell treats economic activities as in scope for reporting if they correspond to final goods or services offered for sale to customers, or if they are intended to be offered for sale in the future, based on current business plans. We do not report on factors of production or overheads, such as real estate or information technology, since these do not represent a final good or service. We also do not report on activities which are immaterial to our results and are not intended to operate as stand-alone businesses, such as sales of waste heat or electricity from refineries and chemical plants.

For 2025, we identified a total of 13 economic activities as taxonomy-eligible. Although we screen our activities against all applicable environmental objectives, the discussion of our performance against the technical screening criteria focuses on the climate mitigation objective.

EU taxonomy eligibility and alignment 2025

KPI	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities							Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities on previous financial year (2024)	Proportion of Taxonomy aligned activities in previous financial year (2025)
					Climate change Mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity						
Turnover	266,886											—	—	3.1%	698	0.2%
Capex	29,818	10.9%	1,370	4.6%	4.6%							0.9%	—	—	1,849	6.0%
Opex	4,971											—	—	—	114	2.4%

Alignment screening

Shell has developed an internal process to assess its eligible activities for alignment with the technical screening criteria and minimum safeguards. This is based on our understanding of the requirements of the Disclosures Delegated Act. We only screen economic activities for alignment when their cumulative value exceeds the 10% de minimis threshold for turnover or capex.

For each eligible activity, we begin by identifying the assets in scope for reporting. An asset is typically a discrete element of physical plant or equipment that contributes to an economic activity, such as a chemical plant or a wind farm, or a project in development that is intended to become an asset in the future.

Once the assets for each activity have been defined, we review the Substantial Contribution and Do No Significant Harm (DNSH) criteria and proceed to screen the assets. Screening is carried out by subject matter experts and subject to cross-checking at various levels.

The technical criteria are highly detailed, with extensive references to European standards and regulations, which are not widely used outside the region. Applying them poses several challenges including:

- where it is difficult to translate EU standards or regulations to a non-EU context;
- where Shell is materially aligned with a complex technical standard but varies in certain details; and
- where the criteria are expressed in qualitative terms that are open to interpretation or where the criteria are designed for a different range of applications than the one implied by the activity description.

These situations require us to apply judgement in determining whether the criteria are met.

Sometimes it is not possible to associate eligible turnover or capex with a specific asset. For example, this can happen when we incur expenses for an activity but the expenditure cannot be tied to a specific project for screening purposes. If alignment cannot be reasonably established according to our alignment screening process, the relevant amounts are classified as eligible but non-aligned.

Situations can arise where we may not be able to screen all assets in scope of an activity. This can occur when an activity contains a large number of early-stage projects and it is more efficient to focus on the most material projects and treat the remaining ones as eligible but non-aligned. This situation can also arise when assets are acquired late in the reporting cycle and there is insufficient time to conduct a technical screening, or when it has not been possible to obtain information about a non-operated asset from joint-venture partners. Such assets are treated as eligible but non-aligned by default.

Assets that do not have eligible turnover or capex to report are non-eligible and are not subject to technical screening. In practice, many early-stage projects are non-eligible because they have no turnover or capex to report, while feasibility expenditures incurred before a final investment decision are non-eligible under the taxonomy's narrow definition of opex. Technical screening outcomes described in this disclosure apply only to eligible assets that were screened in 2025.

Where some assets or products in scope of an economic activity are assessed as fully aligned with the technical screening criteria while others are not, an allocation method is applied so that only the aligned portion is included. For example, this can occur when some biogas production is assessed as taxonomy-aligned and some as non-aligned.

Where there is uncertainty with regard to how to interpret or apply the technical screening criteria in our alignment screening process, the relevant assets are assessed as non-aligned. In such cases, we intend to monitor future developments and update our approach as appropriate.

Substantial Contribution

The taxonomy's Substantial Contribution criteria are designed to ensure that an economic activity either has a substantial positive impact on one of the environmental objectives or substantially reduces negative impacts on the environment. The criteria vary from activity to activity.

Shell screened its eligible economic activities against all relevant environmental objectives. For five activities, assets in scope for screening were assessed as aligned with the Substantial Contribution criteria for climate mitigation, including solar, wind, hydrogen manufacturing, storage of electricity and infrastructure enabling low-carbon road transport. For a sixth activity, manufacture of biogas and biofuels, some elements were assessed as aligned and some as non-aligned.

Assets in scope for our remaining activities were assessed as non-aligned. For three activities, alignment could not be established due to uncertainty about how to interpret and apply the technical screening criteria. This was the case for carbon transport and storage, where there are questions as to whether local standards are equivalent to the international and EU standards referenced by the criteria, and for conservation forestry, where the technical criteria differ from internationally recognised carbon credit standards.

Do No Significant Harm

The taxonomy's DNSH criteria are designed to ensure that an economic activity does not impede other environmental objectives being reached. The combination of the Substantial Contribution and DNSH criteria is intended to ensure coherence between the taxonomy's objectives and to avoid progress towards one objective being made at the expense of another.

The DNSH criteria for activities contributing to climate change mitigation include detailed requirements for climate change adaptation, water, circular economy, pollution prevention and biodiversity. The criteria vary for each environmental objective and activity.

Shell screened its eligible economic activities against all relevant environmental objectives. For five activities, assets in scope for screening were assessed as aligned with the DNSH criteria for climate mitigation, including solar, wind, hydrogen manufacturing, storage of electricity and infrastructure enabling low-carbon road transport. For a sixth activity, manufacture of biogas and biofuels, some elements were assessed as aligned and some as non-aligned.

In 2025, we continued to assess physical climate risks for our eligible activities in line with the requirements of the Generic Criteria for Do No Significant Harm to Climate Change Adaptation (Appendix A). See "Climate-related physical risks" on page 130 for further information.

In assessing alignment with the DNSH criteria, we were required to apply judgement to our electric vehicle charging activities. Electric vehicle charging is referenced by multiple economic activities in the taxonomy, each of which has a different set of technical screening criteria. There is a lack of consensus in the market about which one to apply to different electric vehicle charging business models. Shell categorised all its electric vehicle charging businesses under the activity with the most stringent criteria, "6.15 Infrastructure Enabling Low-Carbon Road Transport and Public Transport".

For this activity, we assessed the DNSH criteria for waste management to be more applicable to medium- or large-scale infrastructure projects than to distributed, small-scale electric vehicle charging infrastructure with a small construction footprint. Our operating standards for electric vehicle charging include measures to limit waste generation and encourage reuse and recycling, which we assess as materially equivalent.

Our remaining eligible activities were assessed as non-aligned with one or more of the DNSH criteria. In several cases, we assessed ourselves as non-aligned due to uncertainty about how to interpret various aspects of the technical screening criteria.

Minimum safeguards

The taxonomy defines the minimum safeguards as procedures implemented by a company to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Respect for human rights is embedded in the Shell General Business Principles and the Shell Code of Conduct. We have an integrated approach to human rights that is embedded into our policies and processes, which are applicable to all employees and contractors. This approach is informed by the UN Guiding Principles on Business and Human Rights.

We assessed our taxonomy-eligible activities as compliant with the minimum safeguards [A]. See "Human Rights" on page 119 for more information.

Capex Plan assessment

As specified in the Disclosures Delegated Act, capex and opex can be treated as aligned when such expenditures form part of a Capex Plan aimed at expanding an aligned activity or upgrading an eligible activity to enable it to become aligned.

To qualify, a Capex Plan must be approved by management and disclosed at the economic activity aggregated level. The expansion or upgrade must take place within five years, unless a longer period is justified by the specific features of the activity and the upgrade concerned. This can be up to a maximum of 10 years. The justification for a longer transition period must feature in the Capex Plan and be included in the disclosure. If the Capex Plan fails to meet the conditions within the specified timeframe, previously published KPIs must be restated.

A lack of consensus exists in the market about how to interpret various aspects of the technical screening criteria. There is also uncertainty about how the criteria might apply to future performance conditions. Shell has therefore decided not to recognise any capex as aligned under the Capex Plan provision in 2025.

Enabling and transitional activities

The taxonomy designates a subset of aligned activities as "enabling" or "transitional".

Transitional activities are those for which low-carbon alternatives are not yet available and which:

- have greenhouse gas emission levels that correspond to the best performance in the sector or industry;
- do not hamper the development and deployment of low-carbon alternatives; and
- do not lead to a lock-in of carbon-intensive assets, considering the economic lifetime of those assets.

Enabling activities are those which directly enable others to make a substantial contribution to an environmental objective, provided they:

- do not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and
- have a substantial positive impact on the basis of life-cycle considerations.

An economic activity is only transitional or enabling if it complies with the technical screening criteria. In 2025, two of Shell's activities, storage of electricity and infrastructure enabling low-carbon road transport, qualified as enabling.

Calculating the key performance indicators

The taxonomy KPIs consist of separate measures for eligible and aligned turnover, capex and opex. Each measure is calculated as the amount associated with eligible or aligned economic activities (numerator) divided by the total (denominator).

Delegated Regulation EU 2026/73 amends the requirements for calculating the KPIs. Previously, companies were required to report eligibility and alignment for each KPI. Following the amendment, companies are required to report eligibility and alignment of a KPI when the cumulative share of eligible activities exceeds a de minimis threshold of 10% of the denominator of that KPI. The amendment also allows the opex KPI to be omitted if it is not material for a company's business model. Shell applied these amendments in preparing its taxonomy disclosure for 2025.

Comparative data for 2024 contained in this disclosure was prepared in accordance with the requirements that existed prior to the adoption of Delegated Regulation EU 2026/73. Other than the changes noted above, there have been no further changes to our methodology for calculating the KPIs.

Turnover

The turnover KPI comprises the Revenue line from the Consolidated Statement of Income. This measure is reconciled as follows.

EU taxonomy turnover 2025

	\$ million	
	2025	2024
Revenue from contracts with customers	257,352	274,347
Revenue from other sources	9,534	9,965
Total EU Taxonomy turnover	266,886	284,312

Shell's reporting of revenue in the Consolidated Statement of Income follows the IFRS definition, under which realised and unrealised gains and losses from hedging are recognised in revenue. We follow the same principles when calculating the numerator and denominator for the turnover KPI. In 2025, excluding hedging effects would have an immaterial impact on the numerator and denominator.

As cumulative turnover from our taxonomy-eligible activities amounts to less than 10% of total turnover, no further assessment of alignment for this KPI was conducted.

[A] In 2021, a notification to the Netherlands National Contact Point (NCP) was raised concerning the activities of SPDC as operator of the SPDC JV in Nigeria, in which SPDC held a 30% interest. In 2024, the NCP, in its final statement, highlighted recommendations in relation to SPDC's community feedback mechanism (CFM). SPDC continued to implement improvements to further align this mechanism with the UNGP effectiveness criteria for operational grievance mechanisms. As detailed elsewhere in this report, on March 13, 2025, Shell completed the sale of SPDC to Renaissance. All our reported eligible economic activities fall outside of Nigeria.

Capex

The capex KPI comprises the Additions line from the "Consolidated Financial Statements Note 11 – Goodwill and intangible assets" and the Additions line from the "Consolidated Financial Statements Note 12 – Property, plant and equipment". Goodwill is excluded from the measure.

When business combinations involving an eligible activity occur in a prior reporting period but purchase price allocation takes place within the current period, we recognise the resulting movements to property, plant and equipment and intangible assets as an addition. These amounts are contained within Note 11 – Goodwill and intangible assets and Note 12 – Property, plant and equipment in the Sales, retirements and other movements line and are added to the numerator and denominator.

This measure is reconciled as follows.

EU taxonomy capex 2025

	\$ million	
	2025	2024
Additions to property, plant and equipment	23,823	26,446
Additions to goodwill and other intangible assets	6,284	4,611
Less: Goodwill	289	155
Add: Other movements	—	—
Total EUT capex	29,818	30,902

The numerator for aligned capex comprises the part of eligible capex that is (a) associated with taxonomy-aligned economic activities; (b) part of a Capex Plan to expand an aligned activity or to enable a non-aligned activity to become aligned; and (c) related to the purchase of output from taxonomy-eligible activities. Due to limited guidance about how (c) should be calculated, our reporting focuses on (a) and (b) only.

Cash capital expenditure as defined by the EU Taxonomy Regulation differs from Shell's cash capital expenditure measure. The latter monitors investing activities on a cash basis, excluding items such as lease additions, which do not necessarily result in cash outflows in the period. This measure comprises the following lines from the Consolidated Statement of Cash Flows: Capital expenditure, investments in joint ventures and associates and investments in equity securities. Cash capital expenditure is presented on page 266.

Opex

The taxonomy defines the opex KPI as costs associated with maintenance and repair, building renovation, research and development and short-term leases. This is narrower than the definition of opex used in Shell's financial statements and does not capture all of our opex on otherwise eligible activities. The taxonomy definition of opex is reconciled as follows:

EU taxonomy opex 2025

	\$ million	
	2025	2024
Production and manufacturing expenses	21,898	23,379
Selling, distribution and administrative expenses	12,607	12,439
Research and development	1,170	1,099
Total operating expenses*	35,675	36,917
Less: Non-maintenance expenses	18,501	20,054
Less: Selling, distribution and administrative expenses	12,607	12,439
Add: Expenses relating to short-term leases	404	360
Total EUT opex	4,971	4,784

Shell's total operational expenditure* in 2025 was \$35,675 million. Total operational expenditure for all economic activities, both eligible and non-eligible, under the taxonomy definition of opex was \$4,971 million. We consider that the taxonomy's narrow definition of opex, amounting to 14% of Shell's total operational expenditure, renders the KPI non-material for our business model. As a result, the 10% de minimis threshold for eligibility does not apply, and we do not calculate eligibility or alignment for this KPI.

Other accounting policies

Eligibility and alignment are calculated separately for each economic activity.

The reporting boundary for each economic activity is determined by the scope of the activity description contained in the relevant delegated act. This boundary frequently differs from our integrated value chains and segmental reporting. As a result, various adjustments are needed to calculate the required figures. For example, we exclude sales of third-party products as well as trading and retailing from the calculation of the KPIs. These are significant for Shell's integrated business model but are not eligible for the taxonomy. Although intra-group sales are non-eligible, sales to our trading business are used in certain circumstances to calculate the turnover attributable to eligible parts of the value chain.

When a reporting entity is engaged in multiple economic activities, an allocation method is applied so that only the appropriate part is included. Reconciliation is made to the total for the relevant KPI to avoid double counting.

In some cases, a subsidiary or other related undertaking may have interests in more than one economic activity but insufficient data are available to disaggregate a KPI. In these cases, we allocate the KPI to the activity that best describes the primary business of the entity.

Capex additions related to acquisitions through business combinations are aggregated with other capex additions.

Shell's eligible and aligned capex is presented on page 376 in accordance with the template specified in Annex II of the Disclosures Delegated Act as amended by Delegated Regulation 2026/73.

Contextual information on the KPIs

This section provides additional contextual information to accompany the presentation of the KPIs.

Turnover

In 2025, the cumulative turnover of our eligible economic activities was 3.1% of total turnover, which is below the 10% de minimus threshold for materiality under the taxonomy.

Shell's taxonomy-eligible economic but non-material activities contributing to the turnover KPI include manufacture of organic basic chemicals; manufacture of plastics in primary form; electricity generated from wind; electricity generated from solar; electricity generated from fossil gaseous fuels; manufacture of biogas; installation, maintenance and repair of renewable energy technologies; and infrastructure enabling low-carbon road transport.

Capex

In 2025, Shell's taxonomy-eligible capex was \$3,262 million or 10.9% of the total. The economic activities that made the biggest contribution to eligible capex included the manufacture of chemicals and plastics, electricity from fossil gaseous fuels, and electricity from solar and wind.

Eligible capex for electricity from fossil gaseous fuels and electricity from solar and wind was a combined \$1,486 million in 2025 compared with \$1,038 million in 2024. The increase was driven primarily by the acquisition of Rhode Island State Energy Center

(RISEC) Holdings, adding a 609 MW combined-cycle gas plant in the USA. Eligible capex for chemicals and plastics was a combined \$924 million in 2025 compared with \$898 million in 2024. Eligible capex for hydrogen was \$280 million in 2025 compared with \$295 million in 2024, reflecting continued investment in hydrogen electrolyser plants. Eligible capex for biogas and biofuels was \$130 million in 2025 compared with \$532 million in 2024, driven by the decision to stop construction of the biofuels plant in Rotterdam. Eligible capex for low-carbon transport, which includes electric vehicle charging and hydrogen mobility, was \$241 million in 2025 compared with \$336 million in 2024.

Aligned capex of \$1,370 million decreased by \$479 million compared with 2024. This primarily reflects the decision to stop construction of the biofuels plant in Rotterdam, lower investment in low-carbon road transport, and the end of construction for certain wind and solar assets.

Opex

The taxonomy's narrow definition of opex is not material for Shell's business model and as such eligible and aligned opex are not reported. See "Opex" on page 374 for more information.

Relationship to IFRS 8 reporting segments

Shell's taxonomy-eligible economic activities are reported within multiple reporting segments. These include the Renewables and Energy Solutions, Chemicals and Products, and Marketing segments referred to in Note 7 to the "Consolidated Financial Statements".

Scope of taxonomy-eligible activities

No	Economic activity	Scope	Notes
1.4	Conservation forestry	Nature-based solutions projects that meet the EU taxonomy activity description for conservation forestry and generate capital assets	[A], [B], [C]
3.10	Manufacture of hydrogen	Development and operation of hydrogen manufacturing assets	[A], [B], [C], [D], [E]
3.14	Manufacture of organic basic chemicals	Manufacture of taxonomy-eligible chemical products	[A], [B], [C], [D], [F]
3.17	Manufacture of plastics in primary form	Manufacture of polyethylene	[A], [B], [C], [D]
4.1	Electricity generation using solar photovoltaic technology	Development and operation of solar photovoltaic power assets	[A], [B], [C], [D], [G], [H]
4.3	Electricity generation from wind power	Development and operation of wind power assets	[A], [B], [C], [D], [G], [H]
4.10	Storage of electricity	Development and operation of utility-scale facilities that store electricity	[A], [B], [C], [G]
4.13	Manufacture of biogas and biofuels for use in transport and of bioliquids	Development and operation of assets for the manufacture of biogas and biofuels for use in transport	[A], [B], [C], [D], [I]
4.29	Electricity generation from fossil gaseous fuels	Development and operation of gas-fired power assets	[A], [B], [C], [D], [J], [K]
5.11	Transport of CO ₂	Development and operation of CO ₂ transport assets	[A], [B], [L], [M]
5.12	Underground permanent geological storage of CO ₂	Development and operation of CO ₂ storage assets	[A], [B], [L], [M]
6.15	Infrastructure enabling low-carbon road transport and public transport	Development and operation of electric vehicle charging points and hydrogen infrastructure for road transport	[A], [B], [G]
7.6	Installation, maintenance and repair of renewable energy technologies	Installation, maintenance and repair of renewable energy technologies, on site	[A], [B], [H]

[A] Excludes interests in equity-accounted joint ventures and associates.

[B] Excludes feasibility expenses incurred prior to final investment decision.

[C] Excludes trading activity.

[D] Excludes sales of third-party products.

[E] Excludes integrated hydrogen units whose outputs are primarily intended for internal consumption, such as desulphurisation in refineries.

[F] Excludes taxonomy non-eligible chemical products.

[G] Excludes B2B/B2C retail sales of electricity.

[H] Excludes expenditure on renewable power projects to reduce Scope 1 and 2 emissions for taxonomy non-eligible target activities.

[I] Excludes ventures engaged in the development of feedstocks for biofuels manufacturing.

[J] Does not include integrated generation or cogeneration units whose outputs are primarily intended for internal consumption.

[K] Does not include upstream exploration and production, midstream, LNG or GTL.

[L] Excludes carbon capture, subject to the remarks in Note [M].

[M] For integrated CCS projects where it is not practically possible to distinguish carbon capture, transport and/or storage, the "Storage of CO₂" activity is used.

Capex KPI

Proportion of capex from products or services associated with taxonomy-aligned economic activities [A]

Economic Activities	Code	Taxonomy-eligible KPI (proportion of taxonomy-eligible capex)	Taxonomy-aligned KPI (Monetary value of capex)	Taxonomy-aligned KPI (proportion of taxonomy-aligned capex)	Environmental objective of taxonomy-aligned activities					Enabling activity	Transitional activity	Proportion of taxonomy-aligned in taxonomy-eligible
					Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity		
Conservation forestry	CCM 1.4	0.1%	—	—	—							—
Manufacture of hydrogen	CCM 3.10	0.9%	280	0.9%	0.9%							100%
Manufacture of organic basic chemicals	CCM 3.14	2.3%	—	—	—							—
Manufacture of plastics in primary form	CCM 3.17	0.8%	—	—	—							—
Electricity generation using solar photovoltaic technology	CCM 4.1	2.0%	568	1.9%	1.9%							95%
Electricity generation from wind power	CCM 4.3	0.8%	234	0.8%	0.8%							100%
Storage of electricity	CCM 4.10	0.1%	27	0.1%	0.1%					E		100%
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	0.4%	20	0.1%	0.1%							15%
Electricity generation from fossil gaseous fuels	CCM 4.29	2.2%	—	—	—							—
Transport of CO ₂	CCM 5.11	0.02%	—	—	—							—
Underground permanent geological storage of CO ₂	CCM 5.12	0.4%	—	—	—							—
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0.8%	241	0.8%	0.8%					E		100%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.1%	—	—	—							—
Sum of alignment per objective					4.6%							
Total KPI (CapEx)		10.9%	1,370	4.6%	4.6%					0.9%	—	42%

[A] The taxonomy's reporting basis differs from that used in Shell's financial statements, which are based on International Financial Reporting Standards (IFRS). For example, the taxonomy does not recognise our interests in equity-accounted joint ventures and associates; goodwill; feasibility expenses; or the non-eligible parts of integrated value chains. These differences, and others, result in lower reported turnover and capex under the taxonomy compared with our other disclosures.

Pollution (E2)

We seek to manage the impact of our operations on air quality, water quality and soil and groundwater resources, while complying with applicable regulations.

Our double materiality assessment has identified emissions to air, discharges to water, soil and groundwater, oil spills in Nigeria and hazardous substances as material topics. See "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)" on page 344 and "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347 for more information.

Why it matters

Our businesses emit pollutants to air and water, subject to limits established by Shell or local standards, whichever are most stringent. Managing these emissions is part of our commitment to pursue the goal of no harm to people and to respect nature by protecting the environment. We design, operate and maintain our facilities with the intention of minimising discharges to air and water.

We design, operate and maintain our facilities with the intention of avoiding discharges to soil or groundwater. However, there is potential for unintentional contamination to occur for reasons such as operational failure, accidents, unusual corrosion or third-party interference including theft or sabotage. We prepare and practise our emergency response to incidents and proactively manage soil and groundwater impacts and risks.

Our products and operations involve the use of hazardous substances with the potential to harm people and the environment. We work to ensure our many products – such as fuels, lubricants and chemicals – are safe throughout their life cycle.

This section explains how Shell manages air quality, water quality, soil and groundwater, and hazardous substances. See "Water (E3)" on page 381 for information about our approach to water stewardship, and "Safety" on pages 415-419 for information about our approach to process safety, emergency response and oil spills.

Policies related to pollution (E2-1)

Our approach to pollution control is governed by our Safety, Environment and Asset Management (SEAM) Standards. These contain standards related to air quality, water quality, product stewardship, soil and groundwater, as well as related standards such as process safety and emergency response. See "SEAM Standards" on page 107 for more information.

The standards described in this section apply to Shell companies and joint ventures in which Shell is the operator, except where otherwise stated. We expect non-operated joint ventures to adopt appropriate and acceptable policies to manage their risks.

Air quality

We design, operate and maintain our facilities with the intention of minimising emissions of pollutants to air. Under normal operating conditions, we emit pollutants to air subject to limits established by local regulators or our own standards, whichever are more stringent.

Volatile organic compounds (VOC)

Our standards require emission sources with VOC emissions exceeding 100 tonnes per year to establish, implement and maintain a risk-based programme of monitoring to detect leaks and implement repairs.

Our standards require controls to be implemented to reduce emissions from such sources to as low as reasonably practicable (excluding combustion sources and process streams where VOC content is less than 10% by weight).

Nitrogen oxides (NO_x) and sulphur oxides (SO_x)

Our standards for emissions of NO_x and SO_x distinguish between facilities located in member countries of the Organisation for Economic Co-operation and Development (OECD), whose regulatory frameworks are generally mature, and those located in countries outside the OECD, where they may be less so. For existing refineries or chemical plants in non-OECD countries, our standards set minimum performance levels for emissions of NO_x and SO_x. For other types of facilities located outside the OECD, those facilities are required to select an OECD country and apply the limits of the country selected.

We require new facilities, and modifications to existing facilities, after July 1, 2024, to meet the International Finance Corporation's emission guidelines for NO_x and SO_x. Where this cannot be achieved, our standards require emissions to be reduced to as low as reasonably practicable. We also require new facilities, and modifications to existing facilities, after July 1, 2024, to assess the effect of future emissions on air quality in the surrounding area (airshed) and to meet airshed ambient air quality specifications. Where this is not achievable, emissions are to be reduced to as low as reasonably practicable.

Water quality

Our standards require disposal of waste water from our assets, projects or businesses to be managed in line with water stewardship principles. Our discharges to water are also subject to limits established by local regulators.

We design, operate and maintain our onshore and offshore facilities to minimise discharges to water according to local regulatory requirements and our own standards. Our standards require new onshore assets and modifications of existing onshore assets after July 1, 2024, to meet the more stringent of our own or local regulatory limits for discharges of certain pollutants and increases in water temperature. Our standards are derived from the International Finance Corporation's environmental, health and safety discharge criteria.

Our standards require new assets and existing assets modified after July 1, 2024, to use best available techniques (BAT) and meet best environmental practice (BEP) assessment criteria for water treatment. These are designed to ensure that an asset meets the most stringent of either local requirements or our own standards.

For offshore operations, our standards prohibit the discharge to sea of non-aqueous drilling fluids such as oil-based muds and synthetic-based muds. Discharge of drilling cuttings to sea is only allowed subject to conditions such as distance to shore, expected dispersion of solids and if the concentration of certain substances is below specified limits.

Our standards prohibit the use of mineral oil or diesel non-aqueous drilling fluids when drilling through aquifers or other beneficial use water-bearing zones.

See "Water stewardship" on page 381 for information about our water consumption standards.

Soil and groundwater

Under normal operating conditions, our assets are designed to avoid emissions and discharges to soil or groundwater. However, there is potential for unintentional contamination to occur for reasons such as operational failure, accidents, unusual corrosion or third-party interference including theft or sabotage.

Our standards on process safety prescribe technical standards and operating practices designed to prevent losses of containment and to prevent escalation and mitigate impacts should an incident occur. Our standards on emergency response are designed to ensure that we are appropriately prepared to respond to all credible emergency and worst-case spill scenarios.

See "Safety" on page 415 for information about our standards on process safety and emergency response.

Our standards on soil and groundwater apply to assets, projects or businesses under Shell's operational control. We apply similar requirements to divested sites where Shell retains responsibility for managing soil and groundwater issues.

Our standards require our assets, projects or businesses to proactively assess and manage soil and groundwater related impacts and risks. This includes requirements to carry out soil and groundwater assessments on a regular basis and to determine whether any investigation, control or remedial action is required. Our standards require known or suspected releases to soil and groundwater to be investigated, assessed and, depending on the outcome of a risk assessment, remediated.

For assets deemed to be at higher risk for soil and groundwater contamination, our standards require a groundwater monitoring plan, including an annual monitoring programme and the design of appropriate systems. For sites where benzene or ether oxygenates are present or suspected, we apply additional monitoring, control and remediation measures.

In line with site-level assessments, our standards require our assets, projects or businesses to develop a remedial action plan documenting the actions to be taken to address potential soil and groundwater contamination.

Product stewardship

Our approach to product stewardship aims to make sure our products are safe throughout the life cycle. We also manage the use of hazardous substances and materials in our operations to minimise harm to people or the environment.

Product safety

Our standards require our assets, projects or businesses to identify, assess and manage hazards and risks associated with our products throughout the life cycle, from development, product handling, storage and transport to final disposal. As part of this process, we implement measures to prevent and mitigate actual or potential health, safety or environmental impacts. Our standards require re-evaluating existing products when entering a new market, altering a product's formulation or manufacturing, or when new and amended health, safety, exposure, environmental or regulatory information becomes known.

We communicate the hazards and requirements to manage the risks of our products to customers, employees, contractors and authorities through product safety data sheets and product hazard labels.

These standards apply to products such as fuels, lubricants and chemicals.

Hazardous substances and materials in our operations

Our standards require our assets, projects or businesses to identify, assess and manage the hazards and risks associated with substances and materials used in our operations. As part of this process, we evaluate hazards associated with the use, storage, transport and disposal of substances and materials and implement controls to prevent and mitigate actual or potential health, safety or environmental impacts.

Our standards require a systematic approach to evaluating and managing hazards associated with purchased products through a chemical and product approval process.

We communicate the hazards and requirements to manage the risks of hazardous substances in our operations to employees, contractors and authorities through product safety data sheets, product inventories, product hazard labels and other health, safety and environmental information.

Animal welfare

In some jurisdictions, chemical safety regulations require animal testing to assess the risks of new and existing substances and products. We aim to replace animal testing with suitable alternatives while continuing to innovate, develop and maintain new and safe products and technologies.

Our standards require assets, projects or businesses to apply a hierarchy of controls to replace animal tests with alternatives where possible, to reduce the number of animals used and to refine test methods to make them as humane as possible. When animal testing is required by regulation, our standards require controls to ensure that stringent animal welfare standards are followed.

Our production of biogas uses animal manure and other organic wastes as feedstock. Our standards require businesses, assets, operations or projects where animal-derived by-products are used as feedstock for products, fuels, or energy, and where the animal facilities are directly co-located or integrated with Shell-operated processing facilities, to implement an animal care and welfare programme.

See [shell.com](https://www.shell.com) for our Animal Welfare Report.

Other policies

See "Impact assessment" on page 348, "Water (E3)" on page 381, "Resource use and circular economy (E5)" on page 390 and "Safety" on page 415 for information about other standards relevant to pollution control.

Actions and resources related to pollution (E2-2)

In 2025, we took action to manage our air emissions and water discharges and improve our performance on air and water quality. We continued to manage soil and groundwater and product stewardship in line with existing standards and procedures.

The scope of the actions described in this section covers Shell companies and joint ventures in which Shell is the operator, unless otherwise stated. Many of our actions are of an ongoing nature. Horizons for the completion of time-bound actions are indicated where applicable.

Our actions are intended to help us achieve the desired outcome of our policies and standards by providing resources and expertise that support our businesses to implement them in fit-for-purpose ways.

Air quality

We follow our own standards and those of local regulators to manage airborne pollutants, including emissions of nitrogen oxides, sulphur oxides and volatile organic compounds.

In 2025, we continued to implement leak detection and repair programmes to reduce emissions of VOCs, with a focus on emissions sources exceeding 100 tonnes per year. We also continued to implement GHG improvement opportunities, which often reduce 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, SOx and NOx.

Water quality

We follow our own standards and those of local regulators to manage wastewater discharges.

In 2025, we continued to embed our refreshed approach to water management in our operations, based on water stewardship principles. In some offshore assets, such as our Prelude floating LNG facility in Australia, we are implementing programmes to further assess wastewater discharges in response to new regulations.

We continue to participate in industry consortia to develop tools and methodologies to improve the management of wastewater discharges.

See "Water stewardship" on page 381 for more information about our approach to managing water.

Soil and groundwater

Shell operates a global soil and groundwater programme comprising an in-house team and experienced consultants who support Shell businesses to understand, assess and manage their soil and groundwater risks.

We have an active research and development programme that helps develop best practice and we conduct scientific research on potential impacts associated with our activities. We often share our research findings with government agencies, researchers and other stakeholders to support the development of sustainable and risk-based environmental guidelines.

We design, operate and maintain our facilities with the intention of preventing spills. To minimise the risk of spills, Shell has routine programmes in place to help reduce failures and maintain the reliability of facilities and pipelines. See "Process safety" on page 417 for more information.

Product stewardship

We work to ensure our products – such as fuels, lubricants and chemicals – are safe throughout their life cycle. We carry out risk assessments for products and additives and publish and distribute safety data sheets to customers globally.

Working through industry consortia, Shell conducts research and development on tools and methodologies to better identify, assess and manage risks to water, air and soil. This includes understanding the implications of new scientific research and emerging regulations on pollutants.

Resourcing our actions

The Executive Vice President for Safety, Environment and Asset Management is the most senior executive in Shell with accountability for the development, governance and oversight of the SEAM Standards. Leaders of assets, performance units, businesses or functions are accountable for assessing which SEAM Standards are relevant, based on their objectives, risk profile and activities, and for implementing those standards as appropriate.

Implementation of SEAM Standards relevant to pollution control is supported by members of Shell's Safety, Environment and Asset Management function, which includes subject matter experts in impact assessment, air emissions, water, ecotoxicology, soil and groundwater, process safety, emergency response and other disciplines. The requirements of our standards are communicated to people involved with implementation through various mechanisms, including internal communication channels, management systems and training, as appropriate.

Planned actions

In 2026, we will continue to:

- manage air emissions, water discharges, soil and groundwater, and hazardous substances in line with own standards and those of local regulations;
- implement leak detection and repair programmes at large facilities to address emissions of volatile organic compounds; and
- work towards improving our asset integrity and process safety performance, a key factor in our spills performance.

Our action plans are responsive to changing business conditions. Planned actions not directly related to compliance with regulations or our own standards are subject to change. The actions indicated above represent key focus areas rather than an exhaustive list.

Targets related to pollution (E2-3)

Emissions of pollutants to air and water during normal operating conditions are often subject to limits and permit conditions established by local regulators at the asset level, which establish the performance level to be achieved for any improvements between a base period and a future period. Due to the diversity of our operations and the different regulatory frameworks to which we are subject, we have not set consolidated targets at a Group level for specific air pollutants, emissions to water, pollution to soil or specific loads, substances of concern or substances of very high concern.

We measure the effectiveness of our policies and standards by monitoring our performance data and compliance with permit conditions. These efforts are supported by experts who monitor trends and provide technical advice to our operating assets.

Pollution of air, water and soil (E2-4)

This section describes our performance on air quality, water quality and spills in 2025.

We present data on emissions to air and discharges to water against an operational control boundary. See "Supplementary data for pollution, water, biodiversity and waste, including estimates for non-operated assets" on pages 421-422 for data reported against an ESRS boundary.

Air quality

We gather data on emissions to air from the day-to-day running of our facilities. We work to minimise these emissions according to local regulatory requirements and our own standards.

Emissions to air (operational control) [A] [B]

	unit	2025	2024
Sulphur oxides (SO _x)	thousand tonnes	18	21
Nitrogen oxides (NO _x)	thousand tonnes	73	92
Volatile organic compounds (VOC) [C]	thousand tonnes	31	37
Benzene [D]	tonnes	217	276
Ethylene oxide	tonnes	1	2
Trichloromethane [E]	tonnes	2	
Hydrochlorofluorocarbons (HCFC)	tonnes	0.3	1
Particulate matter (PM)			
PM10	thousand tonnes	3	3
PM2.5	thousand tonnes	3	3
Carbon monoxide (CO)	thousand tonnes	29	29
Metals			
Chromium	tonnes	0.05	0.1
Copper	tonnes	0.4	0.5
Nickel	tonnes	2	6
Cadmium [E]	tonnes	0.1	
Polycyclic aromatic hydrocarbons (PAH) [F]	tonnes	1	1
Naphthalene	tonnes	7	8
Anthracene [E]	tonnes	0.2	
Ammonia	tonnes	350	323
Arsenic	tonnes	0.1	0.2
Hydrogen cyanide	tonnes	8	8

[A] Emissions to air are defined as the total mass of pollutants emitted to the atmosphere. Data are calculated at site level and consolidated for assets under Shell's operational control. In the absence of local regulation or an approved voluntary scheme, the highest practical tier from the following hierarchy is used: continuous monitoring, periodic monitoring, derived emission factors based on monitoring over a range of conditions; engineering calculations; equipment manufacturer emission factors; or use of default or standard emission factors. When emission factors are used, reference information and guidance include the European Monitoring and Evaluation Programme, the European Environment Agency, Concawe, the American Petroleum Institute and the International Maritime Organization. There is a degree of measurement uncertainty arising from the number of emission points for which data are calculated and variations in the emission factors used at site level, which in some cases are governed by local regulation. As a result of these limitations, it is not possible to furnish a range of estimates with confidence.

[B] Includes reporting by facilities with emissions above the thresholds specified in the European Pollutant Release and Transfer Register regulation (E-PRTR). Some facilities with emissions below these thresholds also submit data, particularly for SO_x, NO_x and VOCs.

[C] Revised from 32 thousand tonnes to 37 thousand tonnes for 2024 due to a reporting omission.

[D] Revised from 201 tonnes to 276 tonnes for 2024 due to a reporting omission.

[E] As trichloromethane, cadmium and anthracene are reported for the first time in 2025, comparative data for prior reporting periods are not available.

[F] PAH excludes naphthalene and anthracene, which are reported separately.

Our SO_x emissions in 2025 decreased to 18 thousand tonnes from 21 thousand tonnes in 2024.

Our NO_x emissions in 2025 decreased to 73 thousand tonnes from 92 thousand tonnes in 2024.

Our emissions of VOCs in 2025 decreased to 31 thousand tonnes compared with 37 thousand tonnes in 2024.

The reductions in SO_x, NO_x and VOC emissions are primarily attributable to the sales of the Shell Energy and Chemicals Park Singapore and The Shell Petroleum Development Company of Nigeria Limited (SPDC) in 2025.

Our assets are often required by regulators to gather air quality data for local performance monitoring and reporting. These requirements differ across jurisdictions.

Following technical work to identify assets outside the European Union with emissions of pollutants above the thresholds specified in the European Pollutant Release and Transfer Register (E-PRTR), we began reporting data on three additional air pollutants in 2025.

Emissions of individual air pollutants varies from asset to asset, depending on factors such as the type of facility, feedstock, process configuration and other factors. This results in some asset-level variation in the types and volumes of pollutants emitted.

Water quality

We gather data on 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 own standards.

Pollutants discharged to surface water (operational control) [A] [B] [C] [D]

	tonnes	
	2025	2024
Total organic carbon (TOC) (as total C or COD/3)	1,820	1,557
Metals		
Arsenic	0.2	0.3
Cadmium	0.3	0.02
Chromium	3	0.3
Copper	1	0.3
Lead	2	0.1
Nickel	4	1
Zinc	97	3
Mercury [E]	0.003	0.002
Phenol	67	1
Benzene	69	0.04
Toluene [F]	56	
Ethylbenzene [F]	7	
Xylenes [F]	21	
Naphthalene [F]	4	
Absorbable organic halogens	16	35
Nitrogen	398	340
Phosphorus	115	63

[A] Pollutants discharged to surface water are defined as the total mass of pollutants present in controlled or regulated effluent discharges to surface water directly from assets. Figures are expressed on the basis of net discharge derived from measured concentrations and discharged effluent volumes. The scope includes pollutants discharged through produced water, process water, oil or water interceptors, cooling water and boiler blow-down water. It excludes oil spills, pollutants in water injected in reservoirs, quantities discharged to third-party treatment facilities and surface run-off water.

[B] Data on pollutants discharged to surface water are calculated at site level and consolidated for assets under Shell's operational control. In the absence of a locally required analysis method, the reported pollutants are analysed in samples taken from representative streams such as treated process water using pollutant-specific methodologies based on the American Public Health Association, the Royal Netherlands Standardization Institute and the International Organization for Standardization (ISO). There is a degree of measurement uncertainty arising from effluent sampling and logistics, local analytical capabilities and applied methods, and from the determination of the effluent volumes. Standardisation will reduce such uncertainties, but, as a result, it is currently not possible to furnish a range of estimates with confidence.

[C] Includes reporting by facilities with discharges above the thresholds specified in the European Pollutant Release and Transfer Register regulation. Some facilities with discharges below these thresholds may also submit data.

[D] In 2025, our consolidated reporting on discharges to water includes both onshore and offshore assets. Data for 2024 includes data for onshore assets only.

[E] Revised from 0.001 tonnes to 0.002 tonnes for 2024 due to a calculation error.

[F] As toluene, ethylbenzene, xylenes and naphthalene are reported for the first time in 2025, comparative data for prior reporting periods are not available.

Our assets are often required by regulators to gather data on water quality for local performance monitoring and reporting. These requirements differ across jurisdictions.

Following technical work to identify assets outside the European Union with emissions of pollutants above the thresholds specified in the E-PRTR, we began reporting data on four additional pollutants for offshore assets in 2025.

As part of this process, we also identified the need to expand consolidated reporting by offshore assets. The majority of these assets are located outside the European Union and subject to local reporting requirements, necessitating additional work to report on a consolidated basis in accordance with E-PRTR. The addition of these assets results in a significant increase in our reported discharges in 2025 compared to 2024, when our reporting included onshore assets only.

Discharges of individual pollutants varies from asset to asset, depending on factors such as the type of facility, feedstock, process configuration and other factors. This results in some asset-level variation in the types and volumes of pollutants discharged.

Spills

See "Spills" on page 419 for metrics and commentary related to oil spills, including in Nigeria. Because of the importance of process safety to preventing losses of containment, and preventing escalation and mitigating impacts should an incident occur, spills data are placed in this section so that they can be viewed alongside related disclosures on process safety and emergency response.

Water and marine resources (E3)

Water is essential to life and is an important resource in many industrial processes. As an energy company we need water for our operations, and this can affect other water users.

Our double materiality assessment has identified fresh-water consumption, especially in water-stressed areas, as a material topic. See "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)" on page 344 and "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347 for more information.

Why it matters

Shell's businesses consume water for a variety of uses. In 2025, around 72 million cubic metres of fresh water consumed was used for manufacturing oil products and chemicals (84%), with the remaining 13 million cubic metres mainly used for oil and gas production.

Our use of water can have impacts on ecosystems and people. Consumption of water by our business activities has the potential to cause physical changes to ecosystems, affecting habitats and species. In water-stressed areas, it can exacerbate existing pressure on ecosystems and lead to competition with communities and other water users. To help us manage these impacts, we are implementing water stewardship principles across our businesses and developing local improvement plans.

This section explains how Shell manages the sourcing, use, treatment and disposal of water. See "Pollution (E2)" on page 377 for information about our approach to water quality and soil and groundwater. See "Biodiversity and ecosystems (E4)" on page 383 for information about our approach to marine habitats.

Policies related to water and marine resources (E3-1)

Our approach to water is governed by our Safety, Environment and Asset Management (SEAM) Standards. These contain standards

addressing water stewardship, management of discharges and the use of technology in our facilities, among other topics. See "SEAM Standards" on page 107 for more information.

The standards described in this section apply to Shell companies and joint ventures in which Shell is the operator, except where otherwise stated. We expect non-operated joint ventures to adopt appropriate and acceptable policies to manage their risks.

Water stewardship

Our standards require our assets, projects or businesses to manage sourcing, use, treatment and disposal of water based on recognised water stewardship principles. Our standards are informed by external best practices, such as those developed by the Alliance for Water Stewardship.

The objective is to manage our use and sourcing of water in ways that are socially equitable, environmentally sustainable, economically beneficial and achieved through a stakeholder-inclusive process that involves site- and catchment-based actions, in line with a water stewardship management plan. Such 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.

The water stewardship principles are applicable to fresh-water and marine environments. To account for the diversity of Shell's operations, we expect assets, projects or businesses to meet the intent of the principles by applying them to their local circumstances in a fit-for-purpose way.

Water stewardship principles

Principles of water stewardship

Adopt good water governance

Implement a sustainable water balance

Ensure good water quality

Focus on important water-related areas

Ensure safe water, sanitation and hygiene (WASH) for all

What this means for Shell

Responsible sharing of water resources in a watershed or catchment of relevance through engagements with stakeholders such as industry associations, local authorities, collective water action networks and other users.

Withdraw sustainable amounts of fresh water from the catchment, taking into consideration current and future users. Consider recycling and reusing fresh water and taking water efficiency measures.

Good water quality refers to water that meets the needs of native flora and fauna and people. This applies to surface water, groundwater and the marine environment. Shell contributes to this objective by managing effluent discharges.

Consider mitigation actions if business activities within the catchment impact important water-related areas of high value to nature or people.

WASH refers to efforts to address basic human water needs and rights related to access to safe and sufficient water for drinking and sanitation. In contexts where WASH provision is lacking, Shell may support provision for employees, customers and communities.

For new projects, we undertake environmental and social impact assessments to identify measures to avoid or minimise impacts on water. We evaluate the long-term sustainability of water resources to select options that avoid or minimise disruption to the environment and other users. This helps to ensure we have a continued supply of water for our operations, while also minimising impacts and bringing benefits to others. See "Impact assessment" on page 348 for more information.

See "Water quality" on page 377 for information about our standards on the prevention and abatement of water pollution.

Shell is not a producer of biological or non-biological marine resources, such as deep-sea minerals or seafood products. Accordingly, we have not adopted standards on these topics.

Our approach to promoting sustainable oceans and seas is covered by our standards on biodiversity, water stewardship and pollution control.

Actions and resources related to water and marine resources (E3-2)

Our actions in 2025 focused on embedding and progressing water stewardship management plans in applicable operations.

The scope of the actions described in this section covers Shell companies and joint ventures in which Shell is the operator, unless otherwise stated. Many of our actions are of an ongoing nature. Horizons for the completion of time-bound actions are indicated where applicable.

Our actions are intended to help us achieve the desired outcome of our policies and standards by providing resources and expertise that support our businesses to implement them in fit-for-purpose ways.

Water stewardship management plans

Our assets, projects or businesses are required to implement water stewardship principles by developing and implementing water stewardship management plans in accordance with our SEAM Standards.

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.

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.

Areas of high water stress

In 2025, we continued to make progress in reducing our consumption of fresh water in water-stressed areas, which we classify in accordance with World Resources Institute definitions subject to the qualifications set out below.

Our exposure to water stressed areas has changed over time. In 2018, we assessed four facilities in areas of high water stress as material for this topic, based on the Aqueduct Water Risk Atlas and the volume of their fresh-water consumption. These included the Pearl GTL facility in Qatar; the Tabangao Refinery in the Philippines; and the integrated refining and chemical facilities on Jurong Island and Pulau Bukom in Singapore.

Subsequent portfolio changes have reduced this footprint. Previously, Shell converted the Tabangao Refinery into a fuel import terminal, with the end of refining operations resulting in a large reduction of fresh-water consumption. In April 2025, we completed the sale of the Shell

Energy and Chemicals Park Singapore, comprising the facilities on Jurong Island and Pulau Bukom. Pearl GTL continues to manage its use of water through its local water stewardship management plan. We also continue to manage water consumption at other assets in water stressed areas that make a smaller contribution to total consumption.

Working with others

Shell collaborates with universities, technology providers and other energy companies to identify and develop opportunities to improve our water management performance. We work with other companies through Ipieca, the global oil and gas industry association for advancing environmental and social performance across the energy transition, to support the development of water risk assessment tools to improve the way companies define, assess and respond to water-related risks. Our collaboration priorities focus on the practical implementation of water stewardship principles and the development and adoption of technology solutions for sustainable water management. These activities concern impacts related to water consumption and water quality.

In 2025, Shell contributed to the Stockholm World Water Week, discussing water in the energy transition, and was the host of Ipieca's Water Peer-to-Peer workshop in Qatar.

Resourcing our actions

The Executive Vice President for Safety, Environment and Asset Management is the most senior executive in Shell with accountability for the development, governance and oversight of the SEAM Standards. Leaders of assets, performance units, businesses or functions are accountable for assessing which SEAM Standards are relevant, based on their objectives, risk profile and activities, and for implementing those standards as appropriate.

Implementation of SEAM Standards relevant to water is supported by members of Shell's Safety, Environment and Asset Management function, which includes subject matter experts in impact assessment, water management, ecotoxicology and other disciplines. The requirements of our standards are communicated to people involved with implementation through various mechanisms, including internal communication channels, management systems and training, as appropriate.

Planned actions

In 2026, we will continue to:

- manage water consumption and quality in line with our own standards and those of local regulators;
- embed water stewardship management plans; and
- engage with external stakeholders and industry peers on water-related issues.

Our action plans are responsive to changing business conditions. Planned actions not directly related to compliance with regulations or our own standards are subject to change. The actions indicated above represent key focus areas rather than an exhaustive list.

Targets related to water and marine resources (E3-3)

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. Shell's commitment meets the ESRS definition of a target.

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. Our consumption in 2025 fell by 10 million cubic metres, following a reduction of 1 million cubic metres achieved in the previous year.

This resulted primarily from the sale of the Shell Energy and Chemicals Park Singapore in April 2025, in addition to completion of a multi-year water reduction programme prior to the divestment of the asset. Remaining reductions reflect a variety of continuous improvement activities at the Pearl GTL facility in Qatar. This level of progress is consistent with our expectations when setting the commitment.

The scope of our original commitment covered the four facilities that, at the time, accounted for most of our consumption of fresh water in water-stressed areas. Its adoption responded to emerging scientific evidence about water-stressed areas and stakeholder concerns about our potential impact on such areas. Having met our commitment ahead of time in 2022, and with our exposure to water-stressed areas having significantly reduced over this period, this commitment was retired on schedule at the end of 2025. We have not adopted targets for commodities related to marine resources, as we consider this topic to have limited relevance for our business.

Water consumption (E3-4)

Our water performance data for 2025 are presented below.

We present data for water consumption against an operational control boundary. See "Supplementary data for pollution, water, biodiversity and waste, including estimates for non-operated assets" on page 422 for water consumption data reported against a financial control boundary.

Water consumption (operational control) [A] [B]

	million cubic metres	
	2025	2024
Water consumption [C]	86	90
Water consumption in areas of high water stress [C] [D]	6	16
Water recycled and reused [E]	18	18
Water stored [F]	—	—
Changes in water storage	—	—

[A] Water volumes are reported at site level using one or more of the following methods: metering, water bills from public utilities, pumping capacity multiplied by the time of pumping and process requirement estimates. Due to the site-specific nature of these calculations, it is not possible to state a degree of measurement uncertainty with confidence.

[B] Fresh water figures do not include once-through cooling water.

[C] Water consumption is defined as fresh water withdrawn minus fresh water discharged. Where "fresh water" is not defined by local regulation, below 2,000 mg/l total dissolved solids is used. Fresh water generally includes water from public utilities, water wells, lakes, ponds, streams and rivers.

[D] Areas of high water stress are areas where the ratio of water demand and water availability is high or extremely high according to the Aqueduct Water Risk Atlas tool of the World Resources Institute.

[E] Water recycled and reused is the volume of fresh water used in more than one process or more than once before final treatment and/or discharge to the environment. It does not include water used in re-circulating cooling towers, or non-fresh water used, such as sea water or brackish surface water and groundwater.

[F] Water stored means water continuously collected in containment structures. This is typically the last stage of processing where the water is managed by passive evaporation. The water may include treated or untreated associated water or rainwater.

Biodiversity and ecosystems (E4)

Our activities can affect natural habitats and the communities that depend on them. We seek to have a positive impact on biodiversity.

Our double materiality assessment has identified biodiversity loss, sensitive areas and species, and ecosystem services as material topics. See "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)" on page 344 and "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347 for more information.

Why it matters

We recognise the urgency to protect and enhance biodiversity and ecosystem services. The links between biodiversity and climate are recognised in the UN Kunming–Montreal Global Biodiversity Framework of 2022 and successive meetings of the Conference of the Parties under the UN Framework Convention on Climate Change. We also acknowledge the important links between biodiversity and communities.

Our business activities have the potential to contribute directly or indirectly to drivers of biodiversity loss, such as climate change, pollution, land use change, fresh-water use change and sea use change. They also have the potential to impact critical habitats and other biodiversity sensitive areas, and to contribute to changes from natural to modified habitats, which can affect the quality or availability of ecosystem services used by local communities. We seek to minimise our impact on the environment through operating standards that address biodiversity and other aspects of environmental performance.

Our business activities depend on ecosystem services, such as provision of fresh water and natural resources, and benefits obtained from the natural processes and functioning of ecosystems, such as climate and flood regulation and erosion control.

We are still at an early stage of understanding how these issues may affect our business in the future, including with respect to our value chain. This section explains how Shell manages impacts on biodiversity and ecosystems, critical habitats and deforestation. See "Climate change (E1)" on page 357, "Pollution (E2)" on page 377, "Water and marine resources (E3)" on page 381 and "Resource use and circular economy (E5)" on page 390 for information about our approach to other environmental topics relevant to biodiversity.

Transition plan and consideration of biodiversity and ecosystems in strategy and business model (E4-1)

Shell businesses operate within land and marine ecosystems. For example, we need access to land for onshore operations such as oil and gas production, refineries, chemical plants, pipelines, retail facilities, and electricity generation and storage. We need access to marine areas for oil and gas production, pipelines, carbon capture and storage, wind power generation, marine terminals and shipping. Our operations also use natural resources, such as fresh water.

Our ability to develop new projects and opportunities depends in part on our ability to meet the expectations of regulators, communities and other stakeholders for managing our impact on biodiversity.

Our dependencies on nature will change as we progress in the energy transition. For example, our biofuel activities depend on access to land and the availability of natural resources, such as soil and water and the regulating ecosystem services they provide. Our nature-based solution activities depend on access to land as well as the supporting ecosystem services needed to capture CO₂ and enhance biodiversity.

We manage biodiversity in our operations through our operating standards and environmental management systems. We also work with peers through organisations, such as Ipieca, the global oil and gas industry association for advancing environmental and social performance across the energy transition, to deepen our understanding of the industry's impacts on biodiversity and to develop best practices.

Considering the integrated nature of our strategy, and how the identification and management of biodiversity impacts is embedded within it, we have not yet carried out a comprehensive assessment of the resilience of our strategy and business model specifically in relation to biodiversity and ecosystems as set out under the ESRs. See "Environment" on pages 120-122 for further information.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

We provide a consolidated list of sites in biodiversity sensitive areas in the table "Sites impacting biodiversity sensitive areas" on pages 384-386. This table is prepared by undertaking geospatial analysis of the overlap between Shell's operated asset footprint and mapped biodiversity sensitive areas (BSAs). To identify these areas, we use the World Database on Protected Areas (WDPA), maintained by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), and the World Database of Key Biodiversity Areas (WDKBA) maintained by BirdLife International.

The BSAs used or applied in the assessment include UNESCO World Heritage Sites, the Natura 2000 network of protected areas, key biodiversity areas and other protected areas. The latter encompass Ramsar Wetlands of International Importance, Biosphere Reserves under the UNESCO Man and the Biosphere (MAB) Programme, areas designated under regional agreements such as OSPAR and Emerald Network, as well as nationally designated areas reported as International Union for Conservation of Nature (IUCN) Management Category I-IV in the WDPA.

Certain areas have multiple BSA designations with defined conservation objectives that may target different species or habitats. We analyse all applicable designations and their associated geographic areas and list them in the table accordingly.

Owing to the large number of operated assets that potentially impact biodiversity sensitive areas, uncertainties in interpreting ESRS requirements, and various data limitations, we apply judgement when consolidating sites by country and provide an indication of the business activities impacting the areas listed in the table.

Our assessment includes Shell sites under operational control, excluding our retail network and real estate locations, which generally have less potential for negative impact on BSAs due to their size and the nature of their activity, and because they are often located in urban and developed areas.

Our analysis is based on global datasets and may exclude other nationally designated sites that have not been submitted to the WDPA or WDKBA. Due to the setup of this analysis, it does not yield data on all site-specific impacts and dependencies on, or the ecological status of, all BSAs. We aim to undertake further work to enhance our understanding.

We assess land use change as a material impact. On a stand-alone basis, we do not assess land degradation, desertification or soil sealing as material impacts at a Group level. Some of our operations take place in locations where they may affect threatened species.

See "Supplementary data for pollution, water, biodiversity and waste, including estimates for non-operated assets" on page 423 for estimated information about assets not under operational control impacting biodiversity sensitive areas.

Sites impacting biodiversity sensitive areas (operational control) [A] [B] [C]

Country	Activity [D]	World Heritage Sites	Key biodiversity areas	Natura 2000 [E]	Other protected areas [F]
Australia	◦ LNG production ◦ Pipelines ◦ Gas-fired power	◦ Great Barrier Reef, World Heritage Site (natural or mixed) [G]	◦ Northern Swan Coastal Plain		
Canada	◦ Terminals ◦ Aviation fuel		◦ Comox Valley ◦ Fraser River Estuary		
India	◦ Onshore Wind		◦ Wild Ass Wildlife Sanctuary		
Italy	◦ Lubricants				◦ Valle del Ticino, UNESCO-MAB Biosphere Reserve
Malaysia	◦ Terminal		◦ North-central Selangor coast		
Netherlands	◦ Hydrocarbon exploration and production ◦ Pipelines ◦ Renewables ◦ Refinery ◦ Chemical plant	◦ Wadden Sea, World Heritage Site (natural or mixed) [H]	◦ Bargerveen ◦ De Wieden ◦ Drentsche Aa-gebied ◦ Duinen Ameland ◦ Duinen Terschelling ◦ Fochteloërveen ◦ Friese Front ◦ Hollandse Kust ◦ Hund- und Paapsand ◦ Kagerplassen e.o. ◦ Krimpenerwaard ◦ Lauwersmeer ◦ Meijndel & Berkheide ◦ Midden Delfland & Oude Leede ◦ Noordzeekustzone ◦ Oldambt	◦ Achter de Voort, Agelerbroek & Voltherbroek, SAC ◦ Bargerveen, SAC ◦ Bargerveen, SPA ◦ De Wieden, SAC ◦ De Wieden, SPA ◦ Doggersbank, SAC ◦ Drentsche Aa-gebied, SAC ◦ Duinen Ameland, SAC ◦ Duinen Ameland, SPA ◦ Duinen Terschelling, SAC ◦ Duinen Terschelling, SPA ◦ Elperstroomgebied, SAC ◦ Fochteloërveen, SAC ◦ Fochteloërveen, SPA ◦ Friese Front, SPA	◦ Achter de Voort, Agelerbroek & Voltherbroek, NCA ◦ Außenems, Nature Reserve ◦ Bargerveen, NCA ◦ Bargerveen, Ramsar Site ◦ Centrale Oestergronden, NCA ◦ De Wieden, NCA ◦ Doggerbank, OSPAR MPA ◦ Doggersbank, NCA ◦ Drentsche Aa, National Park ◦ Drentsche Aa-gebied, NCA ◦ Duinen Ameland, NCA ◦ Duinen Terschelling, NCA ◦ Elperstroomgebied, NCA ◦ Fochteloërveen, NCA ◦ Friese Front, NCA ◦ Landgoederen Oldenzaal, NCA

Country	Activity [D]	World Heritage Sites	Key biodiversity areas	Natura 2000 [E]	Other protected areas [F]
Netherlands continued			- o Panningen - Roggel - o Polder Zeevang - o Slagharen - de Krim - o Voordelta - o Waddenzee - o Westerwolde - o Zoetwatergetijderivieren - o Zuidlaardermeergebied - o Zuidoost-Achterhoek	- o Hund und Paapsand, Site of Community Importance (Habitats Directive) - o Hund und Paapsand, SPA - o Landgoederen Oldenzaal, SAC - o Lauwersmeer, SPA - o Meijndel & Berkheide, SAC - o Noordhollands Duinreservaat, SAC - o Noordzeekustzone, SAC - o Noordzeekustzone, SPA - o Polder Zeevang, SPA - o Solleveld & Kapittelduinen, SAC - o Springendal & Dal van de Mosbeek, SAC - o Vecht- en Beneden-Reggegebied, SAC - o Voordelta, SAC - o Voordelta, SPA - o Waddenzee, SAC - o Waddenzee, SPA - o Westduinpark & Wapendal, SAC - o Zuidlaardermeergebied, SPA	- o Lauwersmeer, National Park - o Lauwersmeer, NCA - o Lauwersmeer, Ramsar Site - o Meijndel & Berkheide, NCA - o Noordhollands Duinreservaat, NCA - o Noordzeekustzone, NCA - o Noordzeekustzone, OSPAR MPA - o North Sea Coastal Area, Ramsar Site - o Polder Zeevang, NCA - o Solleveld & Kapittelduinen, NCA - o Springendal & Dal van de Mosbeek, NCA - o Vecht- en Beneden-Reggegebied, NCA - o Voordelta, NCA - o Voordelta, OSPAR MPA - o Voordelta, Ramsar Site - o Wadden Sea, Ramsar Site - o Waddensea Area, UNESCO-MAB Biosphere Reserve - o Waddenzee, NCA - o Weerribben-Wieden, National Park - o Westduinpark & Wapendal, NCA - o Wieden, Ramsar Site - o Zuidlaardermeergebied, NCA - o Zuidlaardermeergebied, Ramsar Site
South Africa	o Terminals		o Gouritz Cluster - Mossel Bay		
Thailand	- o Terminals - o Lubricants		o Lower Central Basin		
Trinidad and Tobago	- o LNG production - o Pipelines		o Victoria-Mayaro Forest Reserve		o Victoria Mayo Reserve, Nature Reserve
Turkey	o Terminals		o Tahtali Daglari		
United Kingdom	- o Hydrocarbon exploration and production - o Pipelines		- o Bowland Fells - o North Pennine Moors - o North Yorkshire Moors - o South Pennine and Peak District Moors - o Ythan Estuary, Sands of Forvie and Meikle Loch	o Solent and Dorset Coast, SPA	- o Asby Complex, Emerald Network - o Bentley Wood, SSSI - o Carstairs Kames, SSSI - o Cromer Shoal Chalk Beds, Marine Conservation Zone - o Cromer Shoal Chalk Beds, OSPAR MPA - o Crosby Ravensworth Fell, SSSI - o Dark Peak, SSSI - o Dogger Bank, Emerald Network - o Dogger Bank, OSPAR MPA - o East of Gannet & Montrose Fields, OSPAR MPA - o Farleton Knott, SSSI - o Faroe-Shetland Sponge Belt, OSPAR MPA - o Flamborough and Filey Coast, Emerald Network - o Forvie, National Nature Reserve - o Fulmar, OSPAR MPA - o Greater Wash, Emerald Network - o Greater Wash, OSPAR MPA - o Haisborough, Hammond and Winterton, Emerald Network - o Haisborough, Hammond and Winterton, OSPAR MPA - o Lazonby Fell, SSSI - o Liverpool Bay / Bae Lerpwl, Emerald Network - o Liverpool Bay / Bae Lerpwl, OSPAR MPA - o Meikle Loch and Kippit Hills, SSSI - o Mersey Estuary, SSSI - o Morecambe Bay Pavements, Emerald Network

Country	Activity [D]	World Heritage Sites	Key biodiversity areas	Natura 2000 [E]	Other protected areas [F]
United Kingdom continued					• Mundesley Cliffs, SSSI • North Norfolk Sandbanks and Saturn Reef, Emerald Network • North Norfolk Sandbanks and Saturn Reef, OSPAR MPA • North-east Faroe-Shetland Channel, OSPAR MPA • Norwegian Boundary Sediment Plain, OSPAR MPA • Oxmoor Wood, Local Nature Reserve • Peak District Moors (South Pennine Moors Ph1), Emerald Network • Red Moss of Netherley, Emerald Network • Red Moss of Netherley, Nature Reserve • Red Moss of Netherley, SSSI • Ribble Estuary, Marine Conservation Zone • River Clyde Meanders, SSSI • River Dee, Emerald Network • River Eden and Tributaries, SSSI • River Eden, Emerald Network • River South Esk, Emerald Network • River Tay, Emerald Network • Sands of Forvie and Ythan Estuary, SSSI • Solent and Dorset Coast, Emerald Network • South Pennine Moors, Emerald Network • Southern North Sea, Emerald Network • Southern North Sea, OSPAR MPA • West Shetland Shelf, OSPAR MPA • Wight-Barfleur Reef, Emerald Network • Wight-Barfleur Reef, OSPAR MPA • Ythan Estuary & Meikle Loch, Ramsar Site • Ythan Estuary, Sands of Forvie and Meikle Loch, Emerald Network
USA	• Pipelines • Terminals		• Active Delta (Mississippi River Birdsfoot Delta) • Atchafalaya Delta • Barataria Terrebonne • Byron Area • Chenier Plain • Coastal Prairie • Isles Dernieres - Timbalier Islands • Lake Martin • Sand Ridge - Tulare Lake Bed (incl. Pixley and Kern NWRs Creighton Ranch)		• New Jersey Pinelands Biosphere Reserve, UNESCO-MAB Biosphere Reserve • Bayou Teche, National Wildlife Refuge • Delta National Wildlife Refuge, Marine Protected Area • Golden Gate, UNESCO-MAB Biosphere Reserve • Southern Appalachian Biosphere Reserve, UNESCO-MAB Biosphere Reserve

[A] Includes sites located within designated biodiversity sensitive areas. It is not yet possible to provide consolidated information on sites "near" biodiversity sensitive areas due to incomplete availability of information at a Group level about whether and how our activities may affect such areas. We aim to undertake further work to enhance our understanding.

[B] WDPA: UNEP-WCMC and IUCN (2025), Protected Planet: The World Database on Protected Areas (WDPA), December 2025, Cambridge, UK. Available at: [ibat-alliance.org](https://www.ubat-alliance.org) (accessed December 15, 2025). KBAs: BirdLife International (September 2025). World Database of Key Biodiversity Areas. Available at [ibat-alliance.org](https://www.ubat-alliance.org) (accessed December 15, 2024).

[C] Includes sites under Shell operational control as at December 31, 2025. Excludes sites that were divested or underwent a change of operatorship during the reporting period.

[D] Shell business activity affecting biodiversity sensitive area.

[E] Natura 2000 includes Special Areas of Conservation (SAC) (EU Habitats Directive) and Special Protection Areas (SPA) (EU Birds Directive).

[F] NCA: Nature Conservation Act (Netherlands). OSPAR MPA: Oslo-Paris Convention for the Protection of the Marine Environment of the North-East Atlantic, Marine Protected Area. SSSI: Site of Special Scientific Interest. Emerald Network: includes Areas of Special Conservation Interest established under the Bern Convention aimed at Conservation of European Wildlife and Natural Habitats.

[G] QGC's LNG Plant on Curtis Island is present within the Great Barrier Reef World Heritage Site (declared in 1981). Construction was undertaken by BG Group in 2010, and the plant was operational at the time of Shell's acquisition in 2016. Approval for the development of the plant was granted by the Australian government, and the operations are regulated by both the state and federal governments.

[H] The Wadden Sea World Heritage Site was inscribed in 2009. Shell undertook exploration activities in the area during the 1960s, and since 2007, natural gas has been produced from under the Wadden Sea World Heritage Site. Production takes place from the land outside the boundary of the designated World Heritage Site and is regulated by the Dutch government.

Policies related to biodiversity and ecosystems (E4-2)

Our approach to biodiversity and ecosystems is governed by our Safety, Environment and Asset Management (SEAM Standards).

These contain standards related to avoiding adverse impacts on biodiversity and ecosystems, applying the mitigation hierarchy, achieving net positive impact on biodiversity in critical habitats and net-zero deforestation. Our standards apply to land and marine environments, unless otherwise stated. See "SEAM Standards" on page 107 for more information.

The standards described in this section apply to Shell companies and joint ventures in which Shell is the operator, except where otherwise stated. We expect non-operated joint ventures to adopt appropriate and acceptable policies to manage their risks.

World Heritage Sites

Shell does not explore for or develop oil and gas in natural or mixed World Heritage Sites. We do not enter into joint ventures unless they comply with this requirement.

Biodiversity and ecosystem management

Our standards require our assets, projects and businesses to avoid negative impacts on biodiversity and ecosystem services and, where avoidance is not achievable, to mitigate negative impacts following the mitigation hierarchy. The mitigation hierarchy is a sequence of actions to anticipate and avoid impacts on biodiversity and ecosystem services. It prioritises avoidance, and, where this is not possible, minimisation of impacts, followed by rehabilitation and restoration, and where significant residual impacts remain, the use of offsets.

Critical habitats

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 or net positive impact to biodiversity.

Critical habitats are specific areas of high biodiversity value in which receptors are particularly sensitive to development. We apply the same definition of critical habitats as the International Finance Corporation.

Our standards require all projects located in a critical habitat to develop and implement a biodiversity action plan that sets out the actions needed to follow the mitigation hierarchy and the actions designed to achieve a net positive impact. Such plans are required to include clear objectives, milestones and indicators to monitor progress.

Net positive impact on biodiversity in the context of projects is an outcome in which the impacts on biodiversity caused by the project are outweighed by the actions taken to avoid and reduce such impacts, rehabilitate affected species and/or landscapes, and offset any residual impacts.

Deforestation and reforestation

Deforestation occurs when forests are converted to non-forest uses. Our aim is to avoid deforestation, in line with the mitigation hierarchy as referenced above. Where avoidance cannot be achieved, we seek to implement reforestation plans that include measures to achieve net-zero deforestation while maintaining biodiversity and conservation value. This standard addresses our commitment to net-zero deforestation, which commenced in 2022.

Our standards require our assets, projects and businesses to avoid deforestation and, where avoidance is not achievable, to implement a reforestation plan. Reforestation of at least the same area of an equivalent forest is required to ensure that biodiversity and conservation values are restored. This requirement is intended to address our contribution to land use change.

In line with the definition of forest used by the Food and Agriculture Organization of the United Nations, our commitment to net-zero deforestation as embedded in our standards applies to land spanning more than 0.5 hectares with trees higher than five metres and a canopy cover of more than 10%, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or urban land use.

Biodiversity management in nature-based solutions

Shell buys high-quality carbon credits generated by projects that protect nature and restore the environment. We also invest directly in projects to increase the supply of carbon credits and help meet demand from customers.

Our standards require Shell-funded nature-based projects or activities that protect, enhance or restore natural ecosystems to generate carbon credits to achieve accreditation from a standard or regulation that delivers net positive impact on biodiversity. Net positive impact in this context means that a project's net impacts on biodiversity in the project zone are positive, compared with the biodiversity conditions under the without-project land use scenario over the project lifetime. Our standards require such projects to meet the Climate, Community and Biodiversity Standards (CCB), an equivalent standard, or compliance with local legislation to deliver net positive impact on biodiversity.

Sourcing of biocomponents

Shell only sources renewable components or feedstocks for low-carbon fuels that meet our standards for human rights, animal care and welfare principles, and for the protection of areas with high-carbon stock or of high biodiversity value, as set out in our policy on sourcing of biocomponents. See "Sourcing of biocomponents" on page 391 for more information.

How our policies contribute to biodiversity

Our environmental, social and safety standards are designed to work together to reduce negative impacts on nature, ecosystems and people. Some of our standards, such as those related to pollution, directly address drivers of biodiversity loss and the state of species and ecosystems. Others operate indirectly by targeting aspects of our activities which may contribute to those drivers, such as land use change or ecosystem services. Because our standards are designed to work in an integrated manner to achieve outcomes that are appropriate for the local environment, they do not necessarily specify all the potential impact drivers.

Other policies

See "Impact assessment" on page 348 for information about our approach to impact assessment.

Key environmental and social policies or standards contributing directly or indirectly to addressing impacts to biodiversity and ecosystem services

Policy or standard	Drivers of biodiversity loss					Impacts on state of species	Impacts on extent and condition of ecosystems	Impacts on ecosystem services	Relates to material biodiversity and ecosystem-related impacts	Sustainable sourcing and traceability of products, components and raw materials	Social consequences of biodiversity and ecosystem-related impacts	Refer to page(s)
	Climate change	Land use change, fresh-water use and sea use change	Direct exploitation	Invasive alien species	Pollution							
GHG and energy management	●					●	●	●	●			362
Impact assessment	●	●	●	●	●	●	●	●	●		●	348
Air quality					●	●	●	●	●			377
Soil and groundwater					●	●	●	●	●			377
Emergency response					●	●	●	●			●	415
Water and the environment			●		●	●	●	●	●		●	377, 381
World Heritage Sites		●				●	●	●	●		●	387
Biodiversity management		●		●		●	●	●	●		●	387
Critical habitats		●				●	●	●	●		●	387
Reforestation	●	●				●	●	●	●		●	387
Nature-based solutions			●			●	●	●			●	387
Sourcing of biocomponents	●	●	●			●	●	●	●	●	●	390
Social impact management		●	●					●	●		●	406
Indigenous Peoples		●	●					●	●		●	406
Other												—

[A]

[A] International standards for ballast water handling and hull cleaning to manage pathways of introduction of invasive alien species are embedded into Shell's policies for shipping operations.

Other disclosures on policies

Shell's standards on biodiversity cover World Heritage Sites, biodiversity and ecosystem management, critical habitats, deforestation and reforestation, biodiversity in nature-based solutions projects and sourcing of biocomponents. We have not adopted overarching biodiversity and ecosystem protection standards covering operational sites owned, leased or managed in or near a biodiversity sensitive area, though our standards on World Heritage Sites, biodiversity and ecosystem management, and critical habitats address relevant aspects.

Shell has not adopted specific standards on sustainable land and agriculture. Our exposure to these issues arises in the context of sourcing of feedstocks for biofuels. Our sourcing of biocomponents policy includes specific consideration of sustainable land use by ensuring we do not source renewable components or feedstocks that have been associated with the clearing of areas with high carbon stock or high biodiversity value. See "Sourcing of biocomponents" on page 391 for more information.

Our approach to sustainable oceans and seas is covered by our environmental, social and safety standards, which apply to land and marine environments. See "Deforestation and reforestation" on page 387 for information about our standards on deforestation.

Actions and resources related to biodiversity and ecosystems (E4-3)

Our actions in 2025 continued to focus on implementing our standards on biodiversity and ecosystems, with activities located in critical habitats and forest habitats as key priorities.

The scope of the actions described in this section covers Shell companies and joint ventures in which Shell is the operator, unless otherwise stated. Many of our actions are of an ongoing nature. Horizons for the completion of time-bound actions are indicated where applicable.

Our actions are intended to help us achieve the desired outcome of our policies and standards by providing resources and expertise that support our businesses to implement them in fit-for-purpose ways.

Critical habitats

We seek to avoid impacts on critical habitats. Where avoidance is not possible, we aim to mitigate and compensate for our impact based on the mitigation hierarchy.

Our standards require new projects located in critical habitats to develop a biodiversity action plan. This sets out the actions needed to follow the mitigation hierarchy and to achieve a net positive impact on biodiversity.

Projects in critical habitats with biodiversity action plans (operational control) [A] [B] [C]

	number	
	2025	2024
Projects in critical habitats	45	62
Projects in critical habitats with an approved biodiversity action plan and net positive impact programme in place [D]	45	61

[A] Data on projects in critical habitats are not directly comparable with the table "Sites impacting biodiversity sensitive areas" on pages 384-386. This is primarily due to differences in the definition of a site and project for reporting purposes. The definition used for biodiversity sensitive area includes only designated protected areas included in the World Database on Protected Areas (WDPA) and the World Database of Key Biodiversity Areas (WDKBA). Not all critical habitats are gazetted protected areas and therefore may not be mapped in these global biodiversity datasets. It is possible for multiple critical habitats or biodiversity sensitive areas to overlap with an individual site. If a project is located in a critical habitat but not within a designated biodiversity sensitive area, it will not be included in the "Sites impacting biodiversity sensitive areas" table. Similarly, not all biodiversity sensitive areas meet the definition of critical habitat and therefore a site located in such an area is not required under our standards to prepare a biodiversity action plan.

[B] Includes Shell-operated projects in critical habitats for which the final investment decision was taken after February 11, 2021. Projects that subsequently become assets are included.

[C] Includes projects under Shell operational control as at December 31 of the relevant reporting period.

[D] A biodiversity action plan sets out actions to mitigate impacts and to conserve or enhance biodiversity. It identifies priority receptors and details of appropriate management actions, including an implementation plan to progress and deliver net positive impact.

Shell had 45 projects in critical habitats as at December 31, 2025. A decrease of 17 projects compared to the previous year was mainly due to the impact of divestments.

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.

Also in 2025, we continued to work with industry partners, such as Ipieca and the International Association of Oil & Gas Producers, and through partnerships with the International Union for Conservation of Nature (IUCN) and Proteus Partners to share best practice on approaches to no net loss, net gain, net positive impact to biodiversity and how business can contribute in the future to global nature positive goals.

Reforestation

Deforestation occurs when forests are converted to non-forest uses. We work with partners and stakeholders to develop plans tailored 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 reporting period.

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.

Biodiversity offsets

Our efforts to achieve net positive impact in critical habitats and net-zero deforestation may require the use of biodiversity offsets. Where relevant, our biodiversity action plans and reforestation plans include biodiversity offsets. Such plans include a description of the offsets and their aims, including area and offset type, standards applied, where required, and criteria and indicators used to monitor delivery. As our standards require application of the mitigation hierarchy with respect to biodiversity impacts at asset, business or project level, local information on biodiversity offsets may exist but efforts to collate at a Group level are still ongoing. We aim to undertake further work to enhance our disclosures on our use of biodiversity offsets.

Collaborating with others

We contribute to programmes that develop best practices and contribute to deepening scientific understanding of biodiversity and ecosystems.

We have a long history of working alongside global environmental partners. For example, IUCN is a collaborating partner of Ecowende (a joint venture between Shell, Eneco and Chubu). IUCN has established an independent advisory panel that provides guidance on biodiversity

monitoring and innovative techniques for the Hollandse Kust West offshore wind farm in the Netherlands. Ecowende aims to minimize impacts on nature and positively contribute to the North Sea ecology.

Shell participates in the IOGP Environmental Genomics Joint Industry Programme to advance environmental genomics technologies that use genetic traces in soil or water to detect the presence of species and assess biodiversity. We are one of the industry partners supporting INSITE, an independent science programme examining the effects of man-made structures on the ecology of the North Sea. We also contribute to the Offshore Renewables Joint Industry Programme, a research programme aimed at improving understanding of the effects of offshore wind and other energy projects on the marine environment.

When undertaking impact assessments or developing biodiversity action plans or reforestation plans, we consult with stakeholders to incorporate local and Indigenous knowledge where appropriate and work in partnerships to implement these plans.

Sourcing of biocomponents

See "Renewable and waste-based biofuel feedstocks" on page 392 for information about actions related to biocomponents.

Resourcing our actions

The Executive Vice President for Safety, Environment and Asset Management is the most senior executive in Shell with accountability for the development, governance and oversight of the SEAM Standards. Leaders of assets, performance units, businesses or functions are accountable for assessing which SEAM Standards are relevant based on their objectives, risk profile and activities, and for implementing those standards as appropriate.

Implementation of the SEAM Standards relevant to biodiversity is supported by members of Shell's Safety, Environment and Asset Management function, which includes subject matter experts in impact assessment and biodiversity. The requirements of our standards are communicated to people involved with implementation through various mechanisms, including internal communication channels, management systems and training, as appropriate.

Planned actions

In 2026, we will continue to:

- manage biodiversity and ecosystems in line with our own standards and those of local regulators;
- develop and implement our biodiversity action plans and reforestation plans;
- enhance our processes for analysing biodiversity data; and
- work with external stakeholders and industry peers on biodiversity issues.

Our action plans are responsive to changing business conditions. Planned actions not directly related to compliance with regulations or our own standards are subject to change. The actions given above represent key focus areas rather than an exhaustive list.

Targets related to biodiversity and ecosystems (E4-4)

Our business activities and the ecosystems in which they are located are diverse. As a result, the nature of our impacts on biodiversity varies from location to location. We believe that local goals drive more appropriate outcomes than globally aggregated targets, which may or may not be applicable to every situation. For this reason, we have not set consolidated targets on biodiversity at a Group level. Instead, our site-specific biodiversity action plans and reforestation plans set priorities at a local level for specific objectives, such as net positive impact or net-zero deforestation. Such plans may specify a base year from which progress is measured.

We measure the effectiveness of our policies and standards by monitoring the implementation of our biodiversity requirements. We track progress on implementing biodiversity action plans and reforestation plans at regular intervals. These efforts are supported by specialist teams that monitor internal and external trends and provide technical advice to our operating assets.

Impact metrics related to biodiversity and ecosystems change (E4-5)

Due to the diversity of our operations, the ecosystems in which they are located and different ways in which our activities may impact biodiversity, our monitoring and measurement have a strong local focus. We continue to monitor the development of external frameworks for corporate-level reporting on biodiversity and ecosystem services.

Our sites located in biodiversity sensitive areas are shown below. Data reported in this table has reduced from 2024 primarily due to portfolio changes and the consolidation of some business units.

Sites located in biodiversity sensitive areas (operational control) [A] [B] [C] [D] [E]

	unit	2025	2024
Number of sites	number	30	47
Total area	hectares	4,053	4,804

[A] A site is a defined geographical area in which Shell business operations take place. A site may consist of one or more facilities or one or more geological fields with associated production and utility facilities. A site generally corresponds to the business accountability of an operations manager or production unit manager.

[B] Biodiversity sensitive areas include UNESCO World Heritage Sites, the Natura 2000 network of protected areas, key biodiversity areas and other protected areas, including Ramsar Wetlands of International Importance, Biosphere Reserves under the UNESCO Man and the Biosphere Programme, areas designated under regional agreements, as well as nationally designated areas reported as IUCN Management Category IV.

[C] Includes sites located within designated biodiversity sensitive areas. It is not yet possible to provide consolidated information on sites "near" biodiversity sensitive areas due to incomplete availability of information at a Group level about whether and how our activities may affect such areas. We aim to undertake further work to enhance our understanding.

[D] If a project is located in a critical habitat but not within a designated biodiversity sensitive area, it is not included in this table or in the table "Sites impacting biodiversity sensitive areas". See Footnote [A] to the table "Projects in critical habitats with biodiversity action plans" on page 388 for information.

[E] Includes sites under Shell operational control as at December 31 of the relevant reporting period.

Deforestation is one of the causes of land use change. We monitor progress on reforestation for sites under Shell's operational control, consistent with our commitment to net-zero deforestation. Our progress on reforestation for sites under Shell's operational control is shown below.

Deforestation and reforestation (operational control) [A]

	hectares	
	2025	2024
Total area deforested [B]	186	214
Total area replanted [C]	186	64

[A] Includes total area deforested and reforested by Shell-operated projects and activities within the reporting period.

[B] The scope is limited to forests as defined by the Food and Agriculture Organization of the United Nations.

[C] Replanting hectares are counted as soon as seedlings are planted.

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 reporting period. Since 2022, when our net-zero deforestation commitment commenced, we have deforested 604 hectares and reforested 251 hectares, excluding divestments and changes of operatorship. All sites where deforestation has occurred have reforestation plans in place or under development. See "Deforestation and reforestation" on page 387 for more information.

Resource use and circular economy (E5)

We seek to use resources efficiently and to increase reuse and recycling.

Our double materiality assessment has identified waste management as a material topic. See "Material impacts, risks and opportunities and their interaction with strategy and business mode (SBM-3)" on page 344 and "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347 for more information.

Why it matters

Shell's business consumes resources and materials while producing energy and non-energy products for our customers. Our activities also generate waste, which must be managed appropriately to avoid harm to people or the environment. We are improving local practices by prioritising waste prevention, reuse and recycling over energy recovery and disposal.

Fossil fuels are based on a non-renewable natural resource which is combusted at the point of consumption. Such products are linear by nature. We are exploring options to reduce our use of resources, improve efficiency and recycling, and offer products that incorporate circular principles in those parts of our business where it is possible to do so.

Shell purchases biocomponents to produce biofuels, lubricants and chemicals, to blend into fuels or to trade. Certain biofuel feedstocks have the potential for negative impacts in areas such as human rights, biodiversity or the release of carbon into the atmosphere. We adopt policies and procedures to prevent and mitigate these potential impacts.

Policies related to resource use and circular economy (E5-1)

Our approach to resource use and circularity is governed by our Safety, Environment and Asset Management (SEAM) Standards, except where otherwise stated. These contain standards for resource efficiency, waste management and circularity. They are designed to increase the use of secondary resources, sustainable sourcing and renewable resources. See "SEAM Standards" on page 107 for more information.

The standards described in this section apply to Shell companies and joint ventures in which Shell is the operator, except where otherwise stated. We expect non-operated joint ventures to adopt appropriate and acceptable policies to manage their risks.

Waste management

Our standards require assets, projects or businesses to identify waste-related impacts and to adopt waste management plans. Our objective is to make sure that the collection, storage, transport and disposal of waste is carried out in accordance with applicable laws and Shell standards. Such plans document the legislative context, the quantities and types of waste generated, waste classification and management decision-making processes and all aspects of waste handling from collection and storage to transport and final disposal. We apply a waste management hierarchy that aims to prevent or reduce waste at source as the most preferred option, followed by reuse, recycling, energy recovery and treatment and disposal.

When disposing of hazardous waste, our standards require the use of disposal sites that meet internationally recognised standards for waste management facilities, as verified by subject matter experts.

We seek to minimise the movement of hazardous waste across international borders. When such movement cannot be avoided, our standards require us to verify compliance with the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

Our waste management standards are applied throughout the project life cycle from construction and operation to decommissioning. When developing new assets, we undertake impact assessments to identify measures to avoid or minimise waste-related impacts. When decommissioning assets, we seek to maximise the reuse, repurposing and recycling of materials.

Some Shell businesses have adopted waste management policies specific to their business. For example, our Renewables and Energy Solutions segment has adopted a ban on the use of landfills for disposing of wind turbine blades. This policy applies to new projects undertaken after 2022 as well as to certain existing projects undertaken before 2022 for which decommissioning is expected within the next decade.

Circular economy

Our standards require assets, projects or businesses to develop strategies to identify circularity-related risks and opportunities. This requirement aims to encourage the development of fit-for-purpose objectives and strategies based on the principles of rethink, refuse, reduce, reuse, recycle and repair. The intent of this standard is to accelerate progress on our ambition to use resources and materials efficiently and to increase reuse and recycling.

Sourcing of biocomponents

Our approach to sourcing renewable components and feedstock is governed by our policy on sustainable sourcing of biocomponents. This policy applies to all feedstocks regardless of origin. Its aim is to ensure that we do not source renewable components or feedstocks that have been associated with a potential violation of human rights, animal care and welfare principles and/or clearing of areas with high carbon stock or of high biodiversity value.

The policy requires new feedstock type and country combinations to be subject to a risk assessment covering key environmental and social criteria, including human rights, prior to an agreement to procure. Identified risks are mitigated through measures such as certification by recognised sustainability standards (including chain of custody traceability and sustainable production elements) and the inclusion of mandatory contract clauses. The policy requires suppliers to demonstrate alignment with human rights and environmental requirements, which are incorporated in our contractual agreements.

This policy requires palm oil, Latin American soy, sugar-cane derivatives, and forestry products and residues to be certified through recognised voluntary schemes. It prohibits the use of any crude palm oil or palm oil derivatives as a feedstock for the production of low-carbon fuels in our operations.

The scope of this policy applies to components and feedstocks procured by Shell companies and joint ventures in which Shell is the operator. Non-operated joint ventures determine their own policies.

Other policies

See "Impact assessment" on page 348, "Greenhouse gas and energy management plan" on page 363 and "Water stewardship" on page 381 for information about other policies relevant to resource use and waste management.

Actions and resources related to resource use and circular economy (E5-2)

In 2025, we continued to make improvements in our approach to managing waste and circularity. We also continued to refine our approach to the sourcing of biocomponents.

The scope of the actions described in this section covers Shell companies and joint ventures in which Shell is the operator, unless otherwise stated. Many of our actions are of an ongoing nature. Horizons for the completion of time-bound actions are indicated where applicable.

Our actions are intended to help us achieve the desired outcome of our policies and standards by providing resources and expertise that support our businesses to implement them in fit-for-purpose ways.

Waste and circularity

We are working to reduce waste and increase circularity in those parts of our business where it is possible to do so. We continue to implement waste and circularity plans at the asset level, with the intent to drive fit-for-purpose waste reduction and support local circular economies.

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.

For example, in Malaysia, our upstream operations are sending waste materials from drilling activities to be recovered and used in cement and lubricant production, thereby reducing use of raw materials and the amount of waste sent to landfill. In the Gulf of America, our operations are reducing their disposal of unused chemicals by returning them to suppliers for reuse.

We are investigating options to reduce disposal of waste streams such as bio-sludge, potentially contaminated soils, and drilling fluids and cuttings. For example, 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. Additionally, our manufacturing facilities are finding ways to reduce soil disposal. For example, our Deer Park facility in Texas sends non-hazardous soil to be recycled and reused in construction.

Our businesses and assets are developing strategies to improve circularity and to address risks and opportunities associated with our material flows. We have developed twelve circularity strategies since 2024 which identified opportunities, such as increasing the use of recycled materials in products and construction, reducing single-use purchases and creating processes that reduce waste generation.

To build common understanding and progress the circular economy in the energy sector, Shell participates in circularity-related working groups of industry or business associations such as Ipieca, the global oil and gas association for advancing environmental and social performance across the energy transition; the European Chemical Industry Council (Cefic); and the World Business Council for Sustainable Development (WBCSD). We are also members of CHWMEG and the Canadian Waste Receiver Assessment Program, which help to assess waste disposal and recycling facilities on behalf of their members.

Renewable and waste-based biofuel feedstocks

Shell supplies low-carbon fuels to help decarbonise harder-to-abate sectors, including aviation, marine and commercial road transport.

We supply and trade low-carbon fuels such as biodiesel, bioethanol, renewable natural gas (also known as biogas or biomethane), renewable diesel (also known as hydrotreated vegetable oil, or HVO) and sustainable aviation fuel (SAF) to help lower the carbon emissions from transport. These fuels can be blended with existing fuels – such as diesel, petrol and aviation fuel – or used neat, and do not require costly investment in new infrastructure, which means they are a practical option for reducing transport emissions.

Shell and the non-operated joint venture Raízen (Shell interest 44%) are, together, one of the world's largest blenders and distributors of biofuels. Biofuels, along with natural gas, will play a key role in reducing emissions from heavy-duty transport.

In 2025, around 10.34 billion litres of biofuels (2024: 10.37 billion litres) were blended into Shell's sales of fuels worldwide, which include the Shell share of sales made by Raízen. Raízen produced, on a 100% basis, around 2.73 billion litres of ethanol in 2025 (2024: 3.16 billion litres).

To support our biofuel production capacity, we are developing multiple sourcing strategies for feedstocks. This includes feedstocks from third parties as well as equity production.

In line with our biocomponents sourcing policy, the palm oil derivatives and waste, sugar cane and South American soy feedstock we purchase are certified under sustainability standards such as the Roundtable on Sustainable Palm Oil, the International Sustainability and Carbon Certification, Bonsucro and the Round Table on Responsible Soy Association. We have also committed not to use crude palm oil or palm oil derivatives as a feedstock in Shell-operated assets producing biofuels or biogas.

Renewable natural gas (RNG), also known as biogas or biomethane, is gas derived from processing organic waste in a controlled environment until it is fully interchangeable with conventional natural gas.

We are using local agricultural waste to grow Shell's biogas portfolio. Our acquisition of Nature Energy in 2023 supports our ambition to build a large-scale integrated biogas value chain to grow our low-carbon offerings across sectors. Nature Energy is one of the largest producers of biogas in Europe, and its main supply chains involve locally sourced agricultural waste. In the USA, we completed construction and startup of our Shell Downstream Friesian biomethane facility in June 2025. We now have three dairy manure-to-biogas facilities in operation supporting customers to reduce emissions.

In September 2025, we announced the decision not to restart the construction of the planned biofuels facility at the Shell Energy and Chemicals Park in Rotterdam, which had been paused in 2024.

See "Biofuels" on page 55 for more information.

Plastics

Shell supports the need for improved circularity in the global plastics market. We encourage the reduction, reuse and recycling of plastics and we are also 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

We continue to work towards our aim to increase the use of recycled plastic in our packaging and ensure the packaging we use for our products is reusable or recyclable by design.

In our Global Lubricants business, we continued to work with packaging suppliers to increase the use of recycled plastic in our lubricant packaging. We produced lubricant bottles made of up to 100% post-consumer recycled plastic for select products and markets across the Asia Pacific region and China. We also collaborated with partners to convert a non-recyclable multilayer pouch into a fully recyclable, two-layer mono-material pouch in India. In Europe, we transitioned from round pails to jerrycans containing 40% post-consumer recycled plastic.

In our Mobility business, we continued to work with our suppliers for Shell-branded car care, food and drink products globally to increase packaging sustainability, which includes incorporating packaging sustainability elements in some tenders.

Resourcing our actions

The Executive Vice President for Safety, Environment and Asset Management is the most senior executive in Shell with accountability for the development, governance and oversight of the SEAM Standards. Leaders of assets, performance units, businesses or functions are accountable for assessing which SEAM Standards are relevant, based on their objectives, risk profile and activities, and for implementing those standards as appropriate.

Implementation of SEAM Standards relevant to circularity and waste is supported by members of Shell's Safety, Environment and Asset Management function, which includes subject matter experts in impact assessment and waste management.

The Vice President for Sustainability is the most senior executive in Shell with accountability for the development, governance and oversight of Shell's policy on sourcing of biocomponents, with support from a cross-business Renewable Components and Feedstock Sustainability Committee (RCFS). Leaders of business units that source biocomponents are responsible for compliance with the policy through their procurement focal points, with support from the Low Carbon Solutions sustainability team.

The requirements of our standards and policies are communicated to people involved with implementation through various mechanisms, including internal communication channels, management systems and training, as appropriate.

Planned actions

In 2026, we will continue to:

- manage waste in line with our own standards and those of local regulators;
- support the implementation of our standards on circular economy;
- manage sourcing of biocomponents in line with our policy; and
- explore opportunities for reused or recycled feedstocks for the manufacture of chemicals and plastics.

Our action plans are responsive to changing business conditions. Planned actions not directly related to compliance with regulations or our own standards are subject to change. The actions listed above represent key focus areas rather than an exhaustive list.

Targets related to resource use and circular economy (E5-3)

Shell aims to increase the amount of recycled plastic in Shell-branded packaging to 30% by 2030 and to ensure that the packaging we use for our products is reusable or recyclable by design. Shell's aim meets the ESRS definition of a target.

For 2025, the scope of this aim included Shell-branded primary packaging for our lubricants and non-fuel mobility products, such as car care and food and drink. It excluded secondary and tertiary packaging; Shell-branded packaging of products manufactured, purchased and used by third parties; and third party producers who make Shell products. Percentages for recycled plastic in Shell-branded packaging and for packaging that is reusable or recyclable were calculated using weight from purchasing specifications.

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.

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. This compares with a level of 17% achieved in 2024. This level of progress is consistent with our expectations when setting the aim.

Packaging classified as reusable or recyclable

In 2025, we continued to meet our aim to ensure the packaging we use for our products is reusable or recyclable by design. In our Lubricants business, we maintained 99% total Shell-branded product packaging classified as reusable or recyclable by weight (2024: 99%). Our Mobility business increased its use of reusable or recyclable packaging to 96% in 2025 (2024: 92%), compared with 79% in the base year of 2022. This level of progress is consistent with our expectations when setting the aim.

Other disclosures

Our post-consumer recycled material and reusable or recyclable packaging aims respond to emerging scientific evidence on the impacts of plastic waste on the environment as well as to customer demand for increased circularity in packaging. By working towards these, we increase our proportional use of recycled plastic and reduce our primary raw material use. These aims relate to the recycling layer of the waste hierarchy. They have been adopted voluntarily, although they also apply in jurisdictions that are adopting mandatory regulations.

Shell has not set consolidated targets for circular product design; minimisation of primary raw materials; sustainable sourcing and use of renewable resources in line with the cascading principle to use, reuse and recycle resources for as long as possible and at the highest value use per stage; waste management; or other matters related to resource use or the circular economy other than as set out above.

Resource outflows (E5-5)

Shell's outflows consist of our products as well as waste generated from our operations.

Products

Shell produces and sells energy and non-energy products with varying levels of technical and economic potential to transition to more circular production processes. Energy products based on fossil fuels such as oil, natural gas and refined products are linear by nature, as they are based on a non-renewable natural resource which is combusted at the point of consumption. Chemicals based on hydrocarbon feedstocks have the potential to increase the use of recycled feedstocks as market incentives and technologies evolve. We are investing in biofuels, which have potential for circular production.

Where relevant, Shell seeks to provide customers with non-fuel products that improve resource efficiency or incorporate circular principles by design. For example, we produce bitumen, one of the most recycled products in the construction industry. We have designed next-generation premium asphalts that last up to 20% longer than conventional polymer-modified bitumen. This can extend the service life of roads by up to three years.

Shell also produces lubricants that can be recycled after use, excluding greases and applications where the lubricant is fully consumed in the use phase. Such lubricants can be re-refined through hydroprocessing to achieve the same quality as virgin base oils. In our catalyst manufacturing business, some of our catalysts are designed to be regenerated and reused by the customer to extend useful life. Precious metals in our catalysts are typically leased from third parties and reclaimed after use.

Waste

Shell's operations generate non-hazardous and hazardous waste. Our drilling and production activities produce waste streams such as drilling fluid and cuttings, potentially contaminated soil, spent chemicals, brine water and septic waste. Our manufacturing operations produce waste streams such as bio-sludge, potentially contaminated soil, industrial waste water and spent catalysts.

These streams can include a variety of materials, including metals, non-metallic minerals and chemical substances. We aim to recycle catalysts containing rare earth elements and to reclaim catalysts containing precious metals. We also aim to regenerate to extend catalyst life and recycle to reduce disposal.

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

We disposed of 1,533 thousand tonnes of non-hazardous waste in 2025, compared with 1,396 thousand tonnes in 2024.

We disposed of 454 thousand tonnes of hazardous waste in 2025, compared with 536 thousand tonnes in 2024.

We diverted 403 thousand tonnes of residual materials for reuse, recycling or use as a raw material in another process, compared with 728 thousand tonnes in 2024. This includes waste that might otherwise go to landfill being incinerated to generate energy.

We present data below for waste against an operational control boundary. See "Supplementary data for pollution, water, biodiversity and waste, including estimates for non-operated assets" on page 422 for data reported against a financial control boundary.

Waste (operational control) [A]

	thousand tonnes	
	2025	2024
Waste generated [B] [C]	2,390	2,661
Hazardous waste [D]	606	851
Radioactive waste [E]	1	1
Hazardous waste diverted from disposal [D] [F]	152	315
Hazardous waste diverted from disposal due to preparation for reuse	5	10
Hazardous waste diverted from disposal due to recycling	65	66
Hazardous waste diverted from disposal due to other recovery operations [G]	82	239
Non-hazardous waste diverted from disposal [F] [H]	251	413
Non-hazardous waste diverted from disposal due to preparation for reuse	31	161
Non-hazardous waste diverted from disposal due to recycling	199	225
Non-hazardous waste diverted from disposal due to other recovery operations [G]	20	27
Hazardous waste directed to disposal [C] [D] [I]	454	536
Hazardous waste directed to disposal by incineration	49	97
Hazardous waste directed to disposal by landfilling	23	23
Hazardous waste directed to disposal by other disposal operations	382	416
Non-hazardous waste directed to disposal [C] [H] [I]	1,533	1,396
Non-hazardous waste directed to disposal by incineration	6	8
Non-hazardous waste directed to disposal by landfilling	417	538
Non-hazardous waste directed to disposal by other disposal operations	1,110	850
Non-recycled waste [C] [J]	1,987	1,933
Percentage of non-recycled waste [J]	83%	73%

[A] Waste data are calculated using methods required or recommended by relevant regulatory agencies or authorities. In the absence of these, mass is determined by direct measurement using weighbridges. In the absence of weighing facilities, mass is estimated. Due to the complex and site-specific nature of these calculations, it is not possible to state a degree of measurement uncertainty with confidence. These data include liquid waste streams that are classified as waste by regulators and sent for disposal to a third-party facility or re-injected on-site. They exclude process waste water, produced water and wastewater streams not classified as waste by regulators, including waste water discharged to a municipal or public treatment works. They also exclude contaminated soil remediated on-site or in situ. Split by category may not add up to the total due to rounding.

[B] Waste generated is the total mass of hazardous and non-hazardous waste generated and disposed of or diverted from disposal.

[C] In 2025, disposal of process water at the Shell Energy and Chemicals Park Scotford in Canada accounted for approximately 59% of waste generated, 76% of hazardous waste directed to disposal, 70% of non-hazardous waste directed to disposal and 71% of non-recycled waste.

[D] Hazardous waste includes all waste that is defined as hazardous, toxic, dangerous, listed, priority, special or some other similar term as defined by an appropriate country, regulatory agency or authority.

[E] Radioactive waste is classified according to local regulations.

[F] Waste diverted from disposal may be reused, recycled or otherwise recovered, for example recovery of catalysts or precious metals.

[G] Other recovery operations include incineration with energy recovery.

[H] Non-hazardous waste is all waste not classified as hazardous waste.

[I] Waste directed to disposal may be incinerated, sent to landfill or disposed of in some other way, such as chemical, physical or biological (or a combination) treatment that acts as the final disposal point.

[J] Non-recycled waste is the total mass of hazardous and non-hazardous waste that is directed to disposal.

Social | Own workforce (S1)

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.

Our double materiality assessment has identified working conditions and equal treatment and opportunities as material topics. See "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)" on page 344 and "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" on page 347 for more information.

Why it matters

The successful delivery of our strategy depends on our people and on a culture that aligns with our goals. We are transforming Shell to be a more competitive business 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. Attracting, retaining, developing and motivating our people is core to our success.

This section explains Shell's approach to its own workforce. See "Workers in the value chain (S2)" on page 400 for information about our approach to non-employees in our value chain.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Except where otherwise stated, this ESRS S1 section covers Shell's own workforce, which comprises employees and, where relevant, non-employees whom we engage on a temporary basis to augment our existing staff as the need arises.

Shell's total workforce comprises employees and external workers, whom we refer to as our contingent workforce or contingent workers.

Shell considers employees to be persons with whom we have an employment relationship, subject to the laws of the countries in which we do business. This includes people employed in Shell subsidiaries and Shell-operated joint ventures, and those seconded to non-operated joint operations, joint ventures or associates.

Our contingent workforce is categorised in accordance with applicable laws and regulations, based on job duties and responsibilities. We recognise different categories of contingent workers, including:

- (1) people who work under our day-to-day supervision on a temporary basis to augment existing staff;
- (2) people who provide professional services based on a defined scope of work; and
- (3) people who work for suppliers providing outsourced services on a long-term basis.

The people under (1) are referred to as non-employees for the purpose of our disclosure and the people under (2) and (3) are together referred to as workers in the value chain, value chain workers or workers and fall under the scope of ESRS S2 for the purpose of our disclosure. People employed or otherwise engaged by non-operated ventures and by business partners are not part of our total workforce.

Human capital is fundamental to Shell's business model and the delivery of our strategy. As the energy system transforms and we reshape our portfolio, elements of our culture will need to adapt. For example, we will have to develop new skills and adapt our processes and systems, which, in some areas, will need to be different from those required for our traditional oil and gas businesses.

Our business activities have a positive economic impact on employees by creating jobs and providing competitive pay and benefits. Our employees and, where relevant, non-employees also benefit from personal development opportunities through on-the-job learning, coaching and formal training.

Our approach to diversity, equity and inclusion (DE&I) has the potential for positive impacts by promoting equal opportunity based on factors such as merit, qualifications, performance and business considerations. We aim to create an environment where people feel included.

We take active steps to avoid potential negative impacts, including discrimination, harassment, non-respect of fundamental human or labour rights, and occupational health and safety incidents. As potential human rights and labour rights impacts can occur in any country, our systems are designed to assess potential exposure to forced labour and child labour based on the nature of the business activity and the location in which it is performed. We operate in some locations where potential negative impacts may arise from exposure to systemic human and labour rights risks or from individual incidents. The changing nature of our business has the potential to result in organisational changes which may affect the number of employees and the expertise we require.

We pay particular attention to the needs of groups who may have heightened exposure to potential negative impacts associated with discrimination and harassment, such as women and ethnic minorities. We also give particular attention to workers whose roles involve exposure to operational safety hazards.

Portfolio companies

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. These include the Shell Performance Framework and mandatory requirements for ethics and compliance, risk management and safety. Portfolio companies generally maintain their own human resources policies, processes and systems. We expect them to comply with Shell's minimum standards on maternity leave, parental leave and life/accident/disability cover, subject to factors such as local laws and regulation. Our disclosures in ESRS S1 exclude portfolio companies except as stated above.

Policies related to own workforce (S1-1)

Shell's approach to managing impacts, risks and opportunities associated with our own workforce is guided by a combination of global and local policies.

Shell employs people in 70 countries and is subject to different labour laws and practices in the jurisdictions where we do business. Our global policies are designed to establish minimum standards across countries. Our local policies respect applicable laws, regulations and practices at a local level.

The policies described in this section apply to employees and, where required by law, to non-employees working in Shell subsidiaries and Shell-operated joint ventures and to those employees seconded to non-operated joint operations (except in certain cases where we are precluded from offering Shell's minimum standards, owing to the non-operated venture structure), joint ventures or associates, or where otherwise stated.

We communicate our policies to our own workforce through a variety of channels, including new employee induction, Code of Conduct refresher training, internal communications and other Human Resources processes.

Human rights

Our commitment to respect the human rights of our total workforce is described in the Shell General Business Principles, which set the standard for how we conduct business aligned with our core values of honesty, integrity and respect for people. All people who form part of our total workforce are expected to behave in line with these principles.

The Shell Code of Conduct explains how employees, contingent workers and anyone else acting on behalf of Shell must behave to live up to our business principles. It sets out our expectations with regard to a safe and healthy workplace, equal opportunity, freedom from discrimination and harassment, respect for fundamental human and labour rights, anti-bribery and fair competition.

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. This includes respect for freedom of association and the effective recognition of the right to collective bargaining, elimination of forced and child labour, the elimination of discrimination in respect of employment and occupation, and a safe and healthy working environment. We support relevant voluntary codes, including the OECD Guidelines for Multinational Enterprises and the UN Global Compact.

Shell has an integrated approach to human rights which is informed by the UN Guiding Principles on Business and Human Rights and is embedded in our policies and management systems. We set similar expectations for our contingent workforce and suppliers through the Shell Supplier Principles (see page 411). Our policies and systems specifically address child labour and forced labour. In general, this would include human trafficking.

See "Processes for engaging with own workforce and workers' representatives about impacts (S1-2)" on page 397 for information about our approach to workforce engagement. See "Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)" on page 397 for information about access to remedy.

Discrimination and equal opportunity

Shell's Code of Conduct sets out our expectations for equal opportunity in employment decisions based on factors such as merit, qualifications, performance and business considerations. It recognises the value of diversity and prohibits discrimination based on race, colour, religion, age, gender, sexual orientation, gender identity, marital status, disability, ethnic origin or nationality. It does not explicitly refer to political opinion, national extraction or social origin. However, it requires employment decisions to be based solely on factors such as merit, qualifications, performance and business considerations.

The Code of Conduct prohibits harassment, defined as any action, conduct or behaviour which is humiliating, intimidating or hostile. We expect employees, contingent workers and anyone else acting on behalf of Shell to treat others with respect and to avoid situations that may be perceived as inappropriate.

Due to differences in employment laws in the countries in which we operate, our global policies do not include specific commitments related to positive action for groups within our workforce, other than those indicated above. Local policies may vary depending on local laws, regulations or practices for specific groups within our workforce. See "Diversity, equity and inclusion" on page 116 for more information.

Our policies and management practices are designed to eliminate discrimination and seek to address bias in attraction, selection, development, performance and reward management. Examples of procedures for implementing these policies include our job resourcing guidelines and accessibility standards applied through the hiring process; a global performance management approach that determines pay outcomes, gender and compensation grade checks for skewness in individual performance outcomes; a global job evaluation and benchmarking system; and regular country pay equity checks. When evidence of bias is detected, follow-up actions may include further work to understand the reasons and taking corrective steps where appropriate.

Life/accident/disability cover

Shell has a global standard of a minimum of twice the annual base salary for death in service or an injury benefit associated with a workplace accident. This is a total figure that includes both state-provided benefits and employer-provided contributions.

Maternity leave

Shell has a global minimum standard of 16 weeks, paid maternity leave, enabling new mothers to put their families first and spend more time with their newborns.

Parental leave

Shell has a global minimum standard of eight weeks' paid leave to all non-birthing parents, subject to any local restrictions. This policy includes new fathers and parents welcoming a child through surrogacy or adoption. Paid parental leave for non-birthing parents applies regardless of gender, gender identity or marital status.

Pay philosophy and Fair Pay Principles

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. Shell sets clear performance expectations, gives employees the opportunity to share in Shell's success through a variety of variable pay schemes and is transparent and clear in its communication of pay.

We ensure fairness by applying our Fair Pay Principles across pay-related matters and limit the opportunity for bias through several internal processes and practices. We do not pay differently owing to gender, ethnicity or other characteristics. Portfolio companies generally maintain their own pay philosophies and principles.

Health and safety

The Shell Code of Conduct requires every Shell company, supplier and joint venture under Shell operational control to have a systematic approach to managing health, safety, security, environment and social performance (HSSE & SP). We expect non-operated joint ventures to adopt appropriate and acceptable policies to manage their risks.

This requirement is designed to ensure compliance with the law and to achieve continuous performance improvement while promoting a culture in which our total workforce shares this commitment. See "Policies related to safety" on page 415 for details of our safety policies and standards.

Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

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

Across Shell, employees have access to senior leaders, local employee forums and employee resource groups. These engagements enable Shell to maintain a constructive employee and industrial relations environment.

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

We respect the right to collective bargaining and freedom of association. Shell respects local law in our efforts to advance labour principles.

Where appropriate, engagement takes place with union and employee representatives at asset and country level, as well as with the Shell European Works Council.

We gain insight into the needs of specific groups of employees and, where relevant, non-employees, through a network of around 115 employee resource groups in 32 countries. These groups cover areas such as gender, race and ethnicity, LGBT+, disability inclusion, parents, new graduates, experienced hires and veterans. Engagement with employee resource groups takes place on a regular basis, including at senior leadership levels. We may also obtain insights from third parties and external partnerships.

Shell's Human Resources (HR) function, headed by the Chief Human Resources and Corporate Officer, has operational responsibility for employee engagement.

Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

Where we have potentially caused or contributed to adverse impacts, we seek to provide and facilitate access to remedy.

Providing access to remedy

Shell provides multiple channels for employees and, where relevant, non-employees to raise concerns and seek access to remedy. We use information generated by these processes to monitor trends, assess effectiveness and improve performance.

Where appropriate, we encourage employees and non-employees to raise concerns directly with their line manager or an HR representative. In some countries, additional resources may be available to facilitate conversations, such as an employee representative body.

Employees and non-employees can raise concerns confidentially via the Shell Global Helpline, a formal channel for receiving and following up enquiries and complaints. Employees and non-employees can submit reports to the Shell Global Helpline on a named or anonymous basis. If the report is a query, or a dilemma for which advice is sought, it will be passed to someone qualified to provide that advice, such as an appointed expert in the subject or a member of our legal team. If the report is of the nature of an allegation that requires investigation, an investigator or investigation team will be assigned. This will usually involve one or more trained investigators with subject matter experience and any necessary local knowledge.

In locations where effective third-party complaint systems are established by local law, policy or practice, we may also participate in these as a channel to receive and respond to concerns.

In 2025, all our employees and non-employees had access to channels to raise their employment concerns or grievances, including the Shell Global Helpline. We communicate the existence of these channels to our own workforce on a regular basis through new employee induction, Code of Conduct refresher training and leadership messages.

Assessing effectiveness

We use several mechanisms to assess the effectiveness of our engagement and access to remedy.

Shell's Integrity Investigations team collects and analyses data on allegations involving potential violations of the Shell Code of Conduct and the outcome of the investigation, whether received via the Shell Global Helpline or a local Human Resources process. This information enables us to monitor trends in complaints received and how they are addressed.

The annual Shell People Survey includes questions designed to test whether employees feel safe to speak up, whether teams are free from harassment and bullying, whether there are equal opportunities for people to develop and progress and whether employees trust that discrimination, harassment and bullying will be investigated and appropriately actioned.

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 as well as workers' representatives.

Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

The scope of the actions described in this section cover Shell employees and non-employees where applicable. Many of our actions are of an ongoing nature. Horizons for the completion of time-bound actions are indicated where applicable.

Our actions are intended to help us achieve the desired outcome of our policies and standards by providing resources and expertise that support our businesses to implement them in fit-for-purpose ways.

In 2025, we continued our employee dialogue to mitigate the impact on our own workforce arising from portfolio and structural changes in the organisation.

The Shell Performance Framework supports the delivery of sustainable business outcomes. In 2025, we continued to embed the Shell Performance Framework in our human resources processes, with the aim of ensuring all elements of our culture are harnessed to deliver on our strategy.

We continued to raise awareness and promote skill building on mental well-being at Shell through Shell's Global Mental Well-being Programme. We continued to increase resources available to our employees and, where relevant, to non-employees, on other pertinent topics such as financial well-being.

We supported several countries to develop country-level diversity, equity and inclusion (DE&I) plans. We make our progress transparent through an internal DE&I dashboard that is accessible on a voluntary basis to all Shell employees.

We track the effectiveness of our actions through several mechanisms, including internal reporting and analysis of performance data, and feedback received through the Shell Global Helpline, Shell People Survey and other engagement channels.

We take action to support access to remedy through a variety of channels, including the Shell Global Helpline. We also seek to understand the needs of our workforce through mechanisms such as the Shell People Survey and our Global Mental Well-being Programme.

We identify actual or potential impacts on our workforce through a variety of means. These include feedback from Human Resources teams and line managers, feedback from engagement and the Shell People Survey, learning from Shell Global Helpline cases and other mechanisms. Impacts that are relevant at a global level are discussed at an appropriate management level. Where necessary, this may result in actions being taken.

Shell seeks to avoid or minimise material adverse impacts on our own workforce by embedding respect for the rights of our employees and, where relevant, non-employees, in our policies and practices. Shell is committed to respecting human rights as set out in the UN 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 provide and facilitate access to remedy. See "Policies related to own workforce (S1-1)" on page 395 for more information.

Resourcing our actions

The Chief Human Resources and Corporate Officer is the most senior executive in Shell with accountability for the overall development, governance and oversight of Shell's Human Resources policies. Human Resources leaders in legal entities are accountable for implementation of applicable policies and for compliance with applicable laws and regulations. Human resources policies are implemented by members of Shell's Human Resources function. The requirements of our policies are communicated to people involved with implementation through various mechanisms, including internal communication channels, management systems and training as appropriate.

Planned actions

In 2026, we will continue to:

- engage in constructive dialogue with employees and, where relevant, with non employees;
- measure engagement through the Shell People Survey;
- implement our global policies;
- work towards our diversity, equity and inclusion ambitions; and
- support access to remedy through the Shell Global Helpline and other channels.

Our action plans are responsive to changing business conditions. Planned actions not directly related to compliance with regulations or our own standards are subject to change. The actions indicated above represent key focus areas rather than an exhaustive list. See "Our People" on pages 114-117 for more information.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

Shell has set voluntary ambitions to advance our aim to become one of the most diverse and inclusive organisations in the world. We engage with our own workforce and employee resource groups on Shell's approach to diversity, equity and inclusion. These voluntary ambitions as specified below meet the ESRS definition of a target.

We inform employees and employee representative bodies about our progress towards our ambitions and how we can improve our performance. We communicate our progress transparently in internal and external reporting where relevant.

Women in senior leadership

Over the years, Shell has progressively increased the representation of women on the EC and in senior leadership roles. 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, compared with 29.5% in the baseline year of 2021.

The scope of this ambition refers to an existing Shell measure for senior leadership based on compensation grades. The total number of these positions may change from year to year. We focus on representation as a percentage of this total group.

Ethnic minorities in Senior Management

In support of the UK's Parker Review recommendations, we had an ambition to achieve 15% ethnic minority representation in Senior Management by 2027, compared with 14% in the baseline year of 2023 (excluding portfolio companies). At the end of 2025, our representation was 16%, (2024 15%). We now aim to achieve 17% by 2027. This level of progress is consistent with our expectations when setting the ambition.

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. 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.

Characteristics of the undertaking's employees (S1-6)

This section describes the key characteristics of employees in our own workforce.

Employees by gender

Employees by gender [A] [B]

	Number of employees (thousand)		Percentage of employees	
	2025	2024	2025	2024
Men	55	63	65%	65%
Women	30	33	35%	35%
Other	—	—	—%	—%
Not reported	—	—	—%	—%
Total	85	96	100%	100%

[A] Employee numbers are based on headcount as of December 31, 2025.

[B] Includes employees seconded to joint ventures.

Note 33 to the "Consolidated Financial Statements" provides employee numbers based on average headcount during the reporting period, excluding employees seconded to joint ventures and associates. See page 305 for more information.