

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

Terms of Engagement

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

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

1. *"The direct greenhouse gas (GHG) emissions from facilities we operate were 70 million tonnes on a CO₂ equivalent basis in 2019. These direct emissions have been calculated using the Global Warming Potential factors from the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report.*
2. *The indirect GHG emissions from the energy we purchased (electricity, heat and steam) were 10 million tonnes on a CO₂ equivalent basis in 2019 using market-based method and 11 million tonnes on a CO₂ equivalent basis using location-based method.*
3. *The 2018 Base Year number for direct GHG emissions in 2019 did not change by more than the 5% threshold and hence the base year has not been recalculated.*
4. *The 2018 Base Year number for energy indirect GHG emissions in 2019 changed by more than the 5% threshold and therefore was recalculated from 11 to 10 million tonnes on a CO₂ equivalent basis. For energy indirect GHG emissions, we used market-based method."*

This GHG assertion will be published on the webpage: www.shell.com/ghg. Extracts of the assertion will be contained in various places within the Royal Dutch Shell plc Sustainability Report 2019. It relates to direct and energy indirect greenhouse gas (GHG) emissions from facilities within the following Shell businesses: Upstream; Downstream; Integrated Gas and New Energies; Projects and Technology; and Corporate Functions.

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

Management Responsibility

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

LRQA's approach

Our verification has been conducted in accordance with ISO 14064-3:2006 – *Specification with guidance for validation and verification of greenhouse gas assertions* to provide limited assurance that the Shell GHG data and information as presented in the GHG Assertion and GHG inventory has been prepared in conformance with:

- The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.
- ISO 14064-1:2006 – *Specification with guidance at the organizational level for quantification and reporting of greenhouse gas emissions and removals* (hereafter referred to as ISO 14064-1).
- American Petroleum Institute – *Compendium of Greenhouse Gas Emissions methodologies for the Oil and Gas Industry 2009* (hereafter referred to as the API Compendium); and
- World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) *Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard* (hereafter referred to as the GHG Protocol).

LRQA is accredited to ISO 14065:2013 – *Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition*. This includes greenhouse gas verification of ISO 14064-1:2006.

To form our conclusions, the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- Review of the processes to measure, collect, consolidate, report and control GHG emissions used at the Shell businesses described above. LRQA has not verified GHG emissions data at the installation level for the purposes of this specific engagement;
- Review of the GHG emissions data included in the 2018 and 2019 GHG inventories to determine conformance with ISO 14064-1, the API Compendium and the WRI/WBCSD GHG Protocol; and
- Verified the direct and energy indirect GHG emissions data included in the 2018 and 2019 GHG inventories, using data and information available at the Shell corporate and individual business level.

Level of Assurance & Materiality

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

LRQA's Opinion

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

- i. the GHG data and information as presented in the GHG Assertion are not materially correct; and
- ii. Shell is not in conformance with The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, ISO 14064-1, the API Compendium 2009 or the WRI/WBCSD GHG Protocol.

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

Paul Jackson (Lead Verifier)

For and on behalf of Lloyd's Register Quality Assurance Limited

1 Trinity Park, Bickenhill Lane,
Birmingham, B37 7ES, United Kingdom.

Dated: 25 February, 2020



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LRQA reference: LRQ4004543

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

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