GLASS LEWIS

London Stock Exchange: **SHEL**

ISIN: **GB00BP6MXD84**

MEETING DATE: 20 MAY 2025
RECORD DATE: 16 MAY 2025
PUBLISH DATE: 30 APRIL 2025

COMPANY DESCRIPTION

Shell plc operates as an energy and petrochemical company Europe, Asia, Oceania, Africa, the United States, and Rest of the Americas.

INDEX MEMBERSHIP: FTSE ALL-SHARE (GBP); S&P GLOBAL 100; FTSE 100; S&P EUROPE 350
SECTOR: ENERGY
INDUSTRY: OIL, GAS AND CONSUMABLE FUELS
COUNTRY OF TRADE: UNITED KINGDOM
COUNTRY OF INCORPORATION: UNITED KINGDOM
VOTING IMPEDIMENT: NONE

OWNERSHIP	COMPANY PROFILE	ESG PROFILE	REMUNERATION ANALYSIS	COMPANY UPDATES	VOTE RESULTS
COMPANY FEEDBACK	APPENDIX	SUSTAINALYTICS ESG	ESG BOOK PROFILE	BITSIGHT CYBER SECURITY	PREVIOUS BOARD

2025 ANNUAL MEETING

PROPOSAL	ISSUE	BOARD	GLASS LEWIS	CONCERNS
1.00	Accounts and Reports	FOR	**FOR**	
2.00	Remuneration Report	FOR	**FOR**	
3.00	Elect Dick Boer	FOR	**FOR**	
4.00	Elect Neil A.P. Carson	FOR	**FOR**	
5.00	Elect Ann F. Godbehere	FOR	**FOR**	
6.00	Elect Sinead Gorman	FOR	**FOR**	
7.00	Elect Jane Holl Lute	FOR	**FOR**	
8.00	Elect Catherine J. Hughes	FOR	**FOR**	
9.00	Elect Sir Andrew Mackenzie	FOR	**FOR**	
10.00	Elect Sir Charles Roxburgh	FOR	**FOR**	
11.00	Elect Wael Sawan	FOR	**FOR**	
12.00	Elect Abraham Schot	FOR	**FOR**	
13.00	Elect Leena Srivastava	FOR	**FOR**	
14.00	Elect Cyrus Taraporevala	FOR	**FOR**	
15.00	Appointment of Auditor	FOR	**FOR**	
16.00	Authority to Set Auditor's Fees	FOR	**FOR**	
17.00	Authority to Issue Shares w/ Preemptive Rights	FOR	**FOR**	
18.00	Authority to Issue Shares w/o Preemptive Rights	FOR	**FOR**	
19.00	Authority to Repurchase Shares	FOR	**FOR**	

20.00	Authority to Repurchase Shares (Off-Market)	FOR	**FOR**
21.00	Authorisation of Political Donations	FOR	**FOR**
22.00	Shareholder Proposal Regarding Disclosure Concerning LNG and Climate Commitments	AGAINST	**AGAINST**

ENGAGEMENT ACTIVITIES

Glass Lewis held the following engagement meetings within the past year:

ENGAGED WITH	MEETING DATE	ORGANIZER	TYPE OF MEETING	TOPICS DISCUSSED
Issuer	19 December 2024	Issuer	Teleconference/Web-Meeting	Executive Pay,GL Policy,Shareholder Proposal,Climate Change and Greenhouse Gas (GHG) Emissions
Issuer	27 February 2025	Issuer	Teleconference/Web-Meeting	Executive Pay,GL Policy,Shareholder Proposal,Shareholder Rights
Shareholder Proponent	03 April 2025	Shareholder Proposal Proponent	Teleconference/Web-Meeting	Shareholder Proposal

For further information regarding our engagement policy, please visit http://www.glasslewis.com/engagement-policy/.

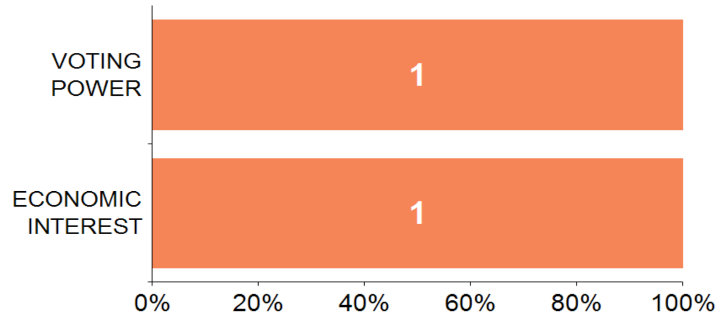
ISSUER DATA REPORT: Shell plc registered to participate in Glass Lewis' Issuer Data Report program (IDR) for this meeting. The IDR program enables companies to preview the key data points used by Glass Lewis' research team, and address any factual errors with Glass Lewis prior to the publication of the Proxy Paper to Glass Lewis' clients. No voting recommendations or analyses are provided as part of the IDR. For more information on the IDR program, please visit https://www.glasslewis.com/issuer-data-report/

SHARE OWNERSHIP PROFILE

SHARE BREAKDOWN

	1
SHARE CLASS	Ordinary Shares
SHARES OUTSTANDING	6,021.0 M
VOTES PER SHARE	1
INSIDE OWNERSHIP	0.00%
STRATEGIC OWNERS**	2.50%
FREE FLOAT	97.50%

SOURCE CAPITAL IQ AND GLASS LEWIS. AS OF 29-APR-2025



TOP 20 SHAREHOLDERS

	HOLDER	OWNED*	COUNTRY	INVESTOR TYPE
1.	BlackRock, Inc.	7.85%	United States	Traditional Investment Manager
2.	The Vanguard Group, Inc.	5.16%	United States	Traditional Investment Manager
3.	FMR LLC	3.06%	United States	Traditional Investment Manager
4.	Norges Bank Investment Management	2.74%	Norway	Sovereign Wealth Fund
5.	UBS Asset Management AG	2.09%	Switzerland	Traditional Investment Manager
6.	State Street Global Advisors, Inc.	1.85%	United States	Traditional Investment Manager
7.	Royal Dutch Shell plc, Shareview Clients	1.82%	Netherlands	Private Company
8.	Legal & General Investment Management Limited	1.40%	United Kingdom	Traditional Investment Manager
9.	Amundi Asset Management SAS	1.35%	France	Traditional Investment Manager
10.	SAFE Investment Company Limited	1.06%	Hong Kong	Sovereign Wealth Fund
11.	Aberdeen Group Plc	1.02%	United Kingdom	Traditional Investment Manager
12.	Capital Research and Management Company	0.97%	United States	Traditional Investment Manager
13.	HSBC Global Asset Management (UK) Limited	0.96%	United Kingdom	Traditional Investment Manager
14.	Dimensional Fund Advisors LP	0.93%	United States	Traditional Investment Manager
15.	Fisher Asset Management, LLC	0.88%	United States	Traditional Investment Manager
16.	Strategic Advisers LLC	0.78%	United States	Traditional Investment Manager
17.	Aviva Investors Global Services Ltd.	0.78%	United Kingdom	Traditional Investment Manager
18.	JP Morgan Asset Management	0.73%	United States	Traditional Investment Manager
19.	Invesco Ltd.	0.64%	United States	Traditional Investment Manager
20.	Northern Trust Global Investments	0.63%	United Kingdom	Traditional Investment Manager

**COMMON STOCK EQUIVALENTS (AGGREGATE ECONOMIC INTEREST) SOURCE: CAPITAL IQ. AS OF 29-APR-2025*
***CAPITAL IQ DEFINES STRATEGIC SHAREHOLDER AS A PUBLIC OR PRIVATE CORPORATION, INDIVIDUAL/INSIDER, COMPANY CONTROLLED FOUNDATION, ESOP OR STATE OWNED SHARES OR ANY HEDGE FUND MANAGERS, VC/PE FIRMS OR SOVEREIGN WEALTH FUNDS WITH A STAKE GREATER THAN 5%.*

SHAREHOLDER RIGHTS

	MARKET THRESHOLD	COMPANY THRESHOLD[1]
VOTING POWER REQUIRED TO CALL A SPECIAL MEETING	5.00%	5.00%
VOTING POWER REQUIRED TO ADD AGENDA ITEM	5.00%[2]	5.00%

[1] N/A INDICATES THAT THE COMPANY DOES NOT PROVIDE THE CORRESPONDING SHAREHOLDER RIGHT.
[2] OR AT LEAST 100 HOLDERS OF PAID UP SHARES OF AT LEAST £100 EACH.

COMPANY PROFILE

GENERAL

COUNTRY OF INCORPORATION	*United Kingdom*
COUNTRY OF TRADE	*United Kingdom*
STOCK EXCHANGE	*London Stock Exchange*
LISTING SEGMENT	*Commercial companies*
SUBJECT TO UK TAKEOVER CODE	*Yes*
FREE FLOAT REQUIREMENT	*10%*
MEETING FORMAT	*Hybrid*

FINANCIALS

	1 YR TSR	3 YR TSR AVG.	5 YR TSR AVG.
SHEL	*0.3%*	*19.7%*	*6.3%*
FTSE ALL-SHARE INDEX	*9.5%*	*5.8%*	*4.8%*

	31-DEC-2024
MARKET CAPITALIZATION (MM USD)	190,131
ENTERPRISE VALUE (MM USD)	230,024
REVENUES (MM USD)	284,312

TSR FIGURES AS OF 31-DEC-2024. SOURCE: CAPITAL IQ. ANNUALIZED SHAREHOLDER RETURNS.

EXECUTIVE REMUNERATION

POLICY LAST APPROVED	*May 23, 2023*	CEO TOTAL PAY	*£8,615,000*
GLASS LEWIS STRUCTURE RATING	*Fair*	GLASS LEWIS DISCLOSURE RATING	*Fair*
IN POST OWNERSHIP GUIDELINES	*Yes*	POST-EXIT OWNERSHIP GUIDELINES	*Yes*
STI RECOUPMENT PROVISIONS	*Clawback and malus*	LTI RECOUPMENT PROVISIONS	*Clawback and malus*
BONUS DEFERRAL	*Yes, mandatory*	LTI HOLDING PERIOD	*Yes, entire award*

CORPORATE GOVERNANCE

BOARD INDEPENDENCE	*82%*	CLASSIFIED BOARD	*No*
CHAIR TENURE	*5 years*	AVERAGE NED TENURE	*5 years*
CHAIR STATUS	*Non-Executive*	COMBINED CHAIR/CEO	*No*
BOARD GENDER DIVERSITY	*42%*	BOARD ETHNIC DIVERSITY	*Yes*
WORKFORCE ENGAGEMENT	*Alternative Arrangement*	LAST TRIENNIAL EXTERNAL REVIEW	*2022*
REPORTED FULL COMPLIANCE W/ UK CODE	*No*		

SHARE STRUCTURE & RIGHTS

CONTROLLED COMPANY	*No*
MULTI-CLASS VOTING	*No*
RESTRICTION ON VOTING RIGHTS	*No*

AUDITORS

AUDITOR: Ernst & Young	**TENURE:** 9 years
LAST AUDIT TENDER: *2024*	**NEXT AUDIT TENDER:** *Not disclosed*
EMPHASIS OF MATTER IDENTIFIED IN PAST 12 MONTHS	*No*
MATERIAL RESTATEMENT(S) IN PAST 12 MONTHS	*No*

PRIMARY SASB INDUSTRY: Oil & Gas - Exploration & Production

FINANCIALLY MATERIAL TOPICS:

SASB MATERIALITY

- *Greenhouse Gas Emissions*
- *Water Management*
- *Security, Human Rights & Rights of Indigenous Peoples*
- *Reserves Valuation & Capital Expenditures*
- *Management of the Legal & Regulatory Environment*
- *Air Quality*
- *Biodiversity Impacts*
- *Community Relations*
- *Workforce Health & Safety*
- *Business Ethics & Transparency*
- *Critical Incident Risk Management*

COMPANY REPORTS TO SASB/EXTENT OF DISCLOSURE: Yes; Selected Metrics

CURRENT AS OF APR 29, 2025

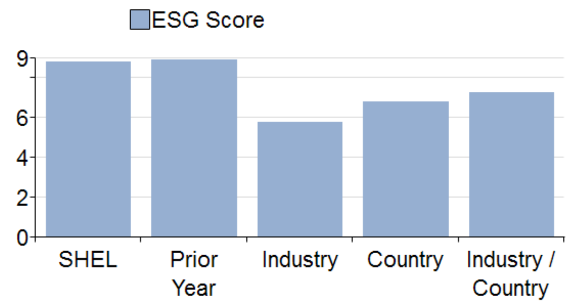
GLASS LEWIS ESG PROFILE

GLASS LEWIS ESG SCORE: **8.9 / 10**

ESG SCORE SUMMARY

Board Accountability Score:	*8.1 / 10*	**ESG Transparency Score:**	*8.1 / 10*	**Targets and Alignment Score:**	*10.0 / 10*
Climate Risk Mitigation Score:	*9.2 / 10*	**Biodiversity Score:**	*N/A*		

SCORE BREAKDOWN



PRIOR YEAR ESG SCORE*	8.934
CHANGE IN ESG SCORE	-0.08
INDUSTRY	*5.8* (3.06)
COUNTRY	*6.9* (2.00)
INDUSTRY / COUNTRY	*7.3* (1.54)

*As of our Proxy Paper for the Annual Meeting on 21-May-24

BOARD ACCOUNTABILITY (8.1 / 10)

Average NED Tenure	*5 years*	**Percent Gender Diversity**	*42%*
Director Independence	*82%*	**Board Oversight of ESG**	*Yes*
Board Oversight of Cyber	*No*	**Board Oversight of Human Capital**	*Yes*
Compensation Linked to E&S Metrics	*Yes*	**Lowest Support for Directors in Prior Year**	*89.0%*
Prior Year Say on Pay Support	*94.3%*	**Annual Director Elections**	*Yes*
Inequitable Voting Rights	*No*		

ESG TRANSPARENCY (8.1 / 10)

Comprehensive Sustainability Reporting	*Yes*	**GRI-Indicated Report**	*Yes*
Reporting Assurance	*Yes*	**Reporting Aligns with TCFD/IFRS S2**	*Yes*
Discloses Scope 1 & 2 Emissions	*Yes*	**Discloses Scope 3 Emissions**	*Yes*
Reports to SASB	*Yes*	**Extent of SASB Reporting**	*Selected Metrics*

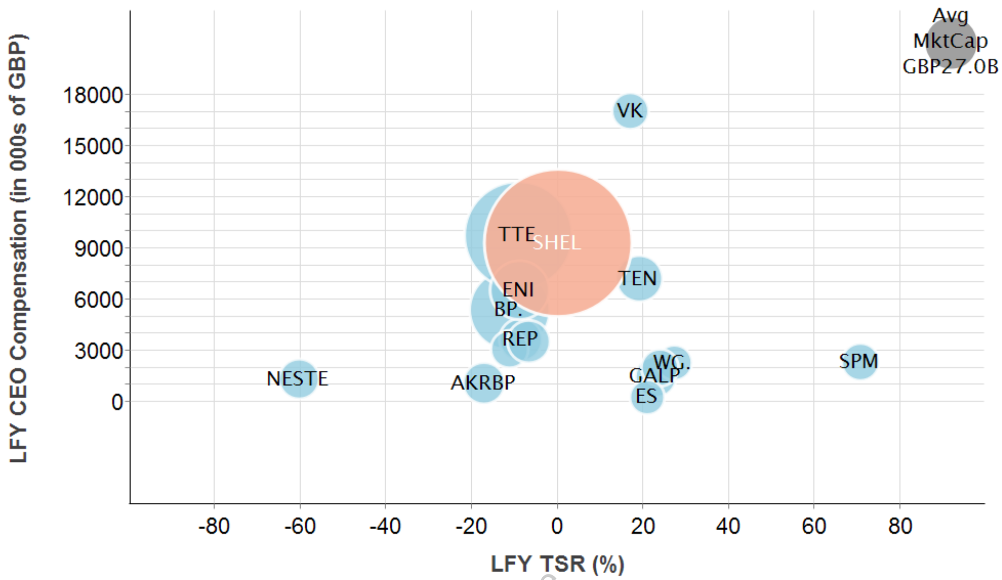
ESG TARGETS AND ALIGNMENT (10.0 / 10)

Has Scope 1 and/or 2 GHG Reduction Targets	*Yes*	**Has Scope 3 GHG Reduction Targets**	*Yes*
Has Net Zero GHG Target	*Yes*	**Reduction Target Certified by SBTi**	*N/A*
SBTi Near-Term Target	*N/A*	**SBTi Long-Term Target**	*N/A*
SBTi Net Zero Target	*N/A*	**UNGC Participant or Signatory**	*Yes*
Has Human Rights Policy	*Yes*	**Human Rights Policy Aligns with ILO, UNGP, or UDHR**	*Yes*
Has Human Rights Due Diligence Framework	*Yes*	**Has Supplier Code of Conduct**	*Yes*
Has Biodiversity Policy	*Yes*		

CLIMATE RISK MITIGATION (9.2 / 10)

TPI Management Quality Score	*5*	**Board Oversight of Climate**	*Yes*
TPI Carbon Performance Score	*Not Aligned*	**Has Interim GHG Targets**	*Yes*
Just Transition Disclosure	*Yes*	**Climate Lobbying Statement**	*Yes*
Discloses Results of Scenario Analysis	*Below 2 Degrees*	**Compensation Linked to Climate**	*Yes*
Net Zero Target - Scope 1 & 2	*Yes*	**Net Zero Target - Scope 3**	*Yes*
Climate Risk in Financial Statements	*Yes*	**Quality of Climate Reporting**	*Excellent*

REMUNERATION ANALYSIS



	Market Capitalization	Revenue	CEO Compensation	1Y TSR	3Y TSR	5Y TSR
SHEL Percentile	100%ile	100%ile	88%ile	56%ile	75%ile	69%ile
SHEL	£153.5B	£227.1B	£9.3M	0.3%	19.5%	6.3%
25th Percentile of Peers	£3.1B	£4.6B	£1.3M	-11.1%	-17.7%	-15.8%
50th Percentile of Peers	£9.2B	£16.7B	£3.0M	-6.6%	11.0%	1.7%
75th Percentile of Peers	£11.4B	£33.4B	£5.4M	21.0%	18.8%	7.4%
Multiple of median	16.7x	13.6x	3.1x	N/A	N/A	N/A

	COMPENSATION		EPS		ROA		ROE	
Year	SHEL	Industry (Median)	SHEL	Industry (Median)	SHEL	Industry (Median)	SHEL	Industry (Median)
2024	£9.3M	£4.5M	£2.04	£0.92	5.3%	3.9%	9.0%	8.9%
2023	£8.4M	£3.0M	£2.26	£1.77	5.1%	6.1%	10.3%	14.5%
2022	£10.3M	£2.9M	£4.78	£2.40	9.5%	10.3%	23.3%	18.9%

	LIST OF COMPANIES
Glass Lewis Peer Group	Galp Energia, SGPS, SA (GALP), John Wood Group PLC (WG.), Tenaris SA (TEN), BP plc (BP.), Aker BP ASA (AKRBP), Repsol, SA (REP), TotalEnergies SE (TTE), Saipem SpA (SPM), Vallourec SA (VK), Eni SpA (ENI), Neste Oyj (NESTE), Gaztransport & Technigaz SA (GTT), Harbour Energy plc (HBR), Esso SAF (ES), OMV Aktiengesellschaft (OMV)

Year	Salary (£)	Bonus (£)	Long Term Incentives - Cash (£)	Long Term Incentives - Equity (£)	Pension (£)	Other (£)	Total (£)
2024	1,455,000	2,925,000	0	4,574,489	291,000	45,000	9,290,489
2023	1,400,000	2,710,000	0	3,017,724	280,000	949,000	8,356,724
2022	1,420,000	2,590,000	0	5,503,900	284,000	490,000	10,287,900

For further information on the peers and methodology, or to submit feedback, please see our FAQs.

The Remuneration Analysis for European companies uses compensation figures provided by companies in proxy materials. The financial data used is based on information provided by Capital IQ and the performance metrics used in the analysis are selected by Glass Lewis and standardized across companies by industry. For vested pay, equity awards are normalized using the vesting date share price or, when not disclosed by the company, using the year end share price.

COMPANY UPDATES

LEGAL AND REGULATORY

In our view, although common to many companies, legal and regulatory issues could potentially expand in scope and prove to dampen shareholder value. We believe shareholders should be mindful of any type of lawsuit or regulatory investigation involving the Company. Further, in the event that members of management or the board are implicated in any such proceedings, we may consider recommending that shareholders vote against certain directors on that basis.

ISSUE	STATUS	UPDATES	RELATED NEWS	ANNUAL REPORT
Climate Change Litigation	Ongoing	In the Netherlands, in a case against the Company brought by a group of environmental non-governmental organisations and individual claimants (referred to as "Milieudefensie"), a Dutch court found that while the Company is not currently acting unlawfully, it must reduce the aggregate annual volume of CO2 emissions of Group operations and energy-carrying products sold across Scopes 1, 2 and 3 by 45% (net) by the end of 2030 relative to its 2019 emissions levels (the "Dutch Court Order"). For Scopes 2 and 3, this is a significant best-efforts obligation. The Company appealed that ruling, and on November 12, 2024, the Hague Court of Appeal upheld the Company's appeal and dismissed the claim. In doing so, the Court of Appeal annulled the earlier judgment of the District Court in its entirety with immediate effect. On February 11, 2025, Milieudefensie filed an appeal to the Supreme Court of the Netherlands.	Link	Page 309
Russian Litigation	Ongoing	On October 2, 2024, Russian prosecutors took legal action in a Moscow court against eight companies linked to the Company, including Shell plc and Shell Energy Europe Limited (SEEL). They accuse the Company of: • Illegally pulling out of the Sakhalin Energy project; • Owing approximately €1.5 billion to Gazprom Export (GPE) for gas delivered in 2022; and • Trying to stop GPE from taking 94 billion rubles (meant for Shell as compensation) from a special account to help cover the alleged debt. On January 30, 2025, SEEL asked the court to delay the case. The judge agreed to postpone it, with a hearing scheduled for April 14, 2025. To the best of our knowledge, no further updates have been announced regarding this action. In its 2024 annual report, the Company states that there remains a high degree of uncertainty regarding the ultimate outcomes, as well as the potential effect on future operations, earnings, cash flows and the Company's financial condition.	Link	Page 310

ACTIVITIES AND OPERATIONS IN RUSSIA

As disclosed in the Company updates sections of our 2023 and 2024 Annual Meeting Proxy Papers, on February 28, 2022, the Company announced its intention to exit its joint ventures with PJSC Gazprom, a Russian-owned energy company, and related entities, including its 27.5% stake in the Sakhalin-II liquefied natural gas facility, its 50% stake in the Salym Petroleum Development and the Gydan energy venture. The Company also noted its intention to end its involvement in the Nord Stream 2 pipeline project.

Subsequently, on March 8, 2022, the Company announced its intention to withdraw from its involvement in all Russian hydrocarbons, including crude oil, petroleum products, gas and liquefied natural gas (LNG) in a phased manner, aligned with new government guidance. As an immediate first step, the company stated that it would stop all spot purchases of Russian crude oil and would also shut its service stations, aviation fuels and lubricants operations in Russia.

The Company provides the following update in its 2024 annual report:

> "In 2022, Shell announced its intent to withdraw in a phased manner from its involvement in all Russian hydrocarbons, including crude oil, petroleum products, gas and LNG. Shell still holds a 27.5% (minus one share) interest in Sakhalin Energy Investment Company Ltd. (SEIC), a Bermudan entity, which purportedly no longer holds any licences, rights and obligations in Sakhalin-2. Shell still holds one long-term LNG purchase contract with a Novatek entity' (2024 annual report p.36).

The Kyiv School of Economics Institute's #LeaveRussia company tracker, states that the Company has completed its exit from Russia.

1.00: ACCOUNTS AND REPORTS

FOR

PROPOSAL REQUEST:	Receipt of financial statements and reports	**RECOMMENDATIONS & CONCERNS:**
PRIOR YEAR VOTE RESULT (FOR):	98.5%	**FOR-** No material concerns
BINDING/ADVISORY:	Binding	
REQUIRED TO APPROVE:	Majority of votes cast	
EMPHASIS OF MATTER:	No	
AUDITOR OPINION:	Unqualified	

PROPOSAL SUMMARY

Shareholders will receive and consider the Company's financial statements and directors' and auditor's reports for the past fiscal year. Shareholders are voting to approve receipt of the statements and reports, not to approve their substance and content.

GLASS LEWIS ANALYSIS

We believe that all of the necessary financial statements and reports are present in the Company's annual report. We note that in the opinion of the Company's independent auditor, the financial statements and the directors' reports have been properly prepared in accordance with relevant accounting and reporting standards.

We recommend that shareholders vote **FOR** this proposal.

2.00: REMUNERATION REPORT

FOR

PROPOSAL REQUEST:	Approve remuneration report	**RECOMMENDATIONS & CONCERNS:**	
PRIOR YEAR VOTE RESULT (FOR):	94.3%	**FOR-** No material concerns	
BINDING/ADVISORY:	Advisory		
REQUIRED TO APPROVE:	Majority of votes cast		

PROPOSAL SUMMARY

Listed UK-incorporated companies, excepting those listed on the AIM, are required to seek shareholder approval for their remuneration policy at least every three years, and approval of the implementation of that policy annually. This proposal seeks approval, on an advisory basis, for the implementation of the Company's remuneration policy.

EXECUTIVE SUMMARY

KEY AREAS OF FOCUS	SUMMARY ANALYSIS

• Salary:
  • FY2024: 3.9% increases vs. 4.5% for wider workforce
  • FY2025: 5.5% increases vs. 5.5% for wider workforce
• Pension: Max entitlement of 20% of salary (aligned with the wider workforce)
• STI
  • Payouts of 201.25% of salary (80.5% of max. opportunity)
  • Downward discretion exercised by the committee
• LTI: Awards granted in 2022 vested at 68% of total
	Shareholders should remain mindful of the issues raised in our analysis; however, we believe this proposal to be supportable.

IMPLEMENTATION OF POLICY

REMUNERATION SUMMARY TABLE

NAME AND TITLE (GBP)	SALARY	BENEFITS	PENSION	SHORT-TERM INCENTIVES	LONG-TERM INCENTIVES	TOTAL
Wael Sawan *CEO*	1,455,000	45,000	291,000	2,925,000	3,899,000	8,615,000
Sinead Gorman *CFO*	961,000	32,000	192,000	1,930,000	4,136,000	7,251,000

REMUNERATION FRAMEWORK

FIXED REMUNERATION

SALARY CHANGES	*FY2024: Executives received an increase in base salary of 3.9% in the past fiscal year. The wider UK workforce received average salary increases of 4.5%.* *FY2025: Executives will receive an increase in base salary of 5.5% during FY2025. The wider UK workforce will receive average salary increases of 5.5%.*
PENSION ARRANGEMENTS	*Employer contributions limited to 20% of base salary, in line with the wider workforce*

CEO PAY RATIO

FINANCIAL YEAR	*Methodology*	*P25 (Lower Quartile)*	*P50 (Median)*	*P75 (Upper Quartile)*
2024	Option A	83:1	61:1	40:1
2023	Option A	80:1	58:1	39:1

RATIO	2022	Option A	134:1	80:1	50:1
	2021	Option A	97:1	57:1	37:1
	2020	Option A	93:1	57:1	38:1
COMPANY DISCLOSURE	*"The ratio of the CEO's pay to the median UK employee is 61. The ratio at median for 2024 is higher than for 2023, reflecting higher variable pay outcomes. While variable pay outcomes have also increased for other UK employees, a higher proportion of the CEO's remuneration is variable, meaning the pay ratio is higher in years of higher variable pay outcomes. The REMCO believes the CEO pay ratio for 2024 is consistent with Shell's philosophy of pay for performance" (2024 annual report, p.204).*				

SHORT-TERM INCENTIVES

ANNUAL BONUS SCHEME

AWARD TYPE	*Cash and deferred shares*
MAXIMUM OPPORTUNITY	*250% of base salary*
ACTUAL PAYOUT	*201.25% of base salary*
DISCRETION USED TO LOWER TARGETS OR INCREASE AWARDS	*No*
DEFERRAL PROVISIONS	*Yes; 50% of bonus awards are deferred into shares for 3 years*
RECOVERY PROVISIONS	*Clawback and malus*
FY2024 TARGETS DISCLOSED	*Yes; see metric table below*
NOTES	***Downward discretion*** *There were two recordable fatalities under the Company's operational control in respect of 2024. The committee states that after careful consideration of the Company's holistic performance in 2024, including the outcome of the formal metrics, the in-year fatalities and the incident in December 2023, and the Company's long-term progress on safety, the committee used downward discretion to reduce final bonus outcomes for executive directors from 1.64 to 1.61.* *The committee provides an overview and assessment against the non-financial targets on p.195 of the 2024 annual report.*

	CONDITIONS	WEIGHTING	TARGET	ACTUAL	PAYOUT*
METRICS AND OUTCOMES FY2024	***Financial***	***35%***			
	Cash flow from operations	35%	Threshold: \$36bn Target: \$46bn Maximum: \$56bn	\$54bn	1.82
	Non-financial	***65%***			
	Asset management excellence	15%	See p.195 of the 2024 annual report		1.80
	Project delivery excellence	10%	See p.195 of the 2024 annual report		1.04
	Customer excellence	10%	See p.195 of the 2024 annual report		1.70
	LNG volumes	5%	Threshold: 27.3 million tonnes p.a. Target: 28.7 million tonnes p.a. Maximum: 30.1 million tonnes p.a.	29.1 million tonnes p.a.	1.29
	Reducing operational emissions	5%	Threshold: 525,000 tonnes CO2 Target: 700,000 tonnes CO2 Maximum: 875,000 tonnes CO2	1,028,000 tonnes CO2	2.00
	Supporting customer decarbonisation	5%	Threshold: 60,000 EV charge points Target: 70,000 EV charge points Maximum: 80,000 EV charge points	72,800 EV charge points	1.28

Personal safety	7.5%	Threshold: 4.5 SIF-F cases per 100m working hours Target: 3.6 SIF-F cases per 100m working hours Maximum: 2.7 SIF-F cases per 100m working hours	1.5 SIF-F cases per 100m working hours	2.00
Process safety	7.5%	Threshold: 115 events Target: 92 events Maximum: 69 events	90 events	1.09

***As a multiple of target opportunity**

LONG-TERM INCENTIVES

LONG TERM INCENTIVE PLAN

AWARD TYPE	*Performance shares*
MAXIMUM OPPORTUNITY	*Awards are limited to a maximum of 300% and 270% of base salary for the CEO and CFO, respectively. However, awards may vest at up to 200% of the shares originally awarded, plus dividends.* *As such, maximum opportunity is limited to 600% and 540% of base salary for the CEO and CFO, respectively.*
FY2024 GRANT	*Awards were granted at 300% and 270% of base salary for the CEO and CFO, respectively (169,937 shares for the CEO and 101,051 shares for the CFO)*
FY2025 GRANT	*Awards will be granted at 300% and 270% of base salary for the CEO and CFO, respectively*
PERFORMANCE PERIOD	*3 years*
VESTING PERIOD	*3 years*
POST-VESTING HOLDING PERIOD	*3 years*
VESTED AWARDS	*Awards granted in 2022 vested at 68% of total*
AUTOMATIC VESTING IN A CHANGE OF CONTROL	*No*
DISCRETION USED TO LOWER TARGETS OR INCREASE AWARDS	*No*
PEER GROUP	*bp, Chevron, ExxonMobil, Total Energies*
RECOVERY PROVISIONS	*Clawback and malus*
FY2024 TARGETS DISCLOSED	*Yes; see metric table below*
NOTES	*Targets related to FCF metrics are commercially sensitive and will be released at the end of the relevant performance period. The energy transition metric will be based on a holistic assessment of progress towards reducing the Company's operational emissions and supporting customers to reduce emissions.* *In FY2025, performance-related long-term incentive awards under the Shell Share Plan will be referred to as Performance Share Awards (PSA).* *The metrics and targets below refer to awards granted in the relevant years*

Cash generation (25%)

	Performance**		
Vesting*	**FY2024**	**FY2025**	**Measured**
80%	3rd	3rd	Against peers
150%	2nd	2nd	
200%	1st	1st	

Relative TSR (25%)

	Performance**		
Vesting*	**FY2024**	**FY2025**	**Measured**
80%	3rd	3rd	Against peers
150%	2nd	2nd	

200%	1st	1st	

METRICS

Organic FCF (25%)			
	Performance**		
Vesting*	**FY2024**	**FY2025**	**Measured**
40%	See notes	See notes	Total over period
200%			

Shell's journey in the energy transition (25%)			
	Performance**		
Vesting*	**FY2024**	**FY2025**	**Measured**
	See notes	See notes	Total over period

***Percent of this portion of an award **Straight-line vesting between points**

OTHER FEATURES & AWARDS

STRUCTURAL FEATURES	
E&S METRIC	*Yes; STI and LTI - Safety; Climate*
SHAREHOLDING REQUIREMENT	*700% and 500% of base salary for the CEO and CFO, respectively. The CEO and CFO held 266,533 and 105,589 shares, respectively, as at the year-end*
POST-EXIT SHAREHOLDING REQUIREMENT	*Yes (2 years); 700% and 500% of base salary (or, if lower, the actual shareholding on cessation) for the CEO and CFO, respectively*
DILUTION LIMITS	*Yes; 10% of the Company's issued share capital*
OTHER PAYMENTS & AWARDS	
ONE-OFF PAYMENTS	*No*
NON LIKE-FOR-LIKE RECRUITMENT AWARDS	*No*
OTHER RECRUITMENT AWARDS	*No*
EXCESSIVE SEVERANCE PAYMENTS	*No*
OTHER SEVERANCE PAYMENTS	*No*

NON-EXECUTIVE DIRECTOR FEES

FEE TYPE	*Cash*
TOTAL REMUNERATION	*£2,762,000*
PERFORMANCE-BASED?	*No*

GLASS LEWIS ANALYSIS

UK firms are required to fully disclose and explain all aspects of their executive directors' remuneration so shareholders can analyse the implementation of the remuneration policy during the past fiscal year. In completing our assessment of a Company's remuneration report, we consider (among other factors): (i) the appropriateness of the overall remuneration structure with regard to strategy and risk; (ii) the implementation of remuneration policy and pay outcomes during the year under review; and (iii) the quality and transparency of a committee's disclosure.

In this case, we believe shareholders should be mindful of the following:

Significant Increase in Fixed Pay
We note that CEO Wael Sawan and Sinead Gorman received a base salary increase of 5.5%, effective January 1, 2025.

Policy Perspective: Glass Lewis views high fixed pay raises with scepticism, as such remuneration is not directly linked to performance and may serve as a crutch when performance has fallen below expectations. Further, we note that a large increase in base salary has a compounding effect on the quantum of short- and long-term incentives granted to an executive, since such awards are often granted as a fixed percentage of base salary.

Company Disclosure: In this case, the committee states:

> "In reviewing the Executive Directors' salaries, the REMCO carefully considered the external environment, and the increases provided to the Shell workforce in the key markets of the UK (5.5%), the USA (3.0%) and the Netherlands (3.6%). The Executive Directors' increases for 2025 were positioned in line with other UK employees and the REMCO recognised the multiplier effect on total remuneration. Executive Directors' salary increases for 2024 were positioned below that for other UK employees" (2024 annual report, p.205).

Analyst Comment: In this case, we acknowledge that FY2025 increases were in line with the wider UK workforce, with FY2024 increases below those of the wider UK workforce. As such, we do not believe this issue warrants shareholder action at this time. Nonetheless, while cognisant of the need for occasional salary adjustments, we believe the committee should refrain from such significant increases going forward absent a thorough and convincing explanation of their necessity.

STI: Safety Component

The Company's annual bonus plan incorporates two safety metrics, the 'personal safety' and the 'process safety', each worth 7.5% of the total award. During the year under review, the personal safety metrics paid out in full. Under the process safety metric, 92 events were recorded relating to process safety, which resulted in a score of 1.09 out of 2.00. As noted above, however, the committee exercised its discretion to reduce the overall bonus score from 1.64 to 1.61 out of 2.00 due to the two recorded fatalities in the year under review.

Policy Perspective: Glass Lewis generally believes that a Company should reduce the safety component down to zero in light of fatalities, as receiving a payout under the safety element of the STI in a year when there have been fatalities risks sending a mixed message to the executives as to the Company's overarching safety goal.

Company Disclosure: Regarding the fatality, the committee states:

> "Following discussions with shareholders in 2023, the REMCO adopted a discretionary framework to guide its decisions regarding the impact of fatalities on remuneration. The framework takes account of multiple reflection points, as set out below. This framework supports holistic and detailed consideration of the circumstances of each incident, and consistent and fair judgement of safety performance over time.
>
> **Circumstances**
>
> There were two recordable fatalities under Shell's operational control in respect of 2024. There was a fatal incident in the Netherlands at Shell Energy and Chemicals Park Moerdijk in June 2024, which remains under investigation. A colleague injured in a snake bite incident in India in May 2024 tragically died in January 2025. This incident also remains under investigation. Further, in Nigeria, a vessel crew member who was injured in a fire incident in December 2023 died in February 2024. There have been no regulatory consequences and the outcome of the investigation was that the incident was not considered a repetitive failure.
>
> **Wider safety context**
>
> Safety performance has improved significantly over time. The 2024 results support our belief that structural improvements have been made. The focus has continued to be on strengthening controls for routine activities, simplifying pre-work assessments, and leveraging technology for risk identification. Beyond the metrics, management has worked to continue to embed the Safety Refresh in Shell assets and businesses, and good results have been observed. There were no material safety events outside of the reporting framework.
>
> **Conclusions**
>
> The scorecard result on safety is a strong outcome which reflects the work throughout the organisation on the Safety Refresh, which promotes a learner mindset through deeper understanding of human performance principles and destigmatising errors. The sustained performance over the past few years demonstrates potentially lasting improvement. After careful consideration of Shell's holistic safety performance in 2024 including the outcome of the formal metrics, the in-year fatalities and the incident in December 2023, and Shell's long-term progress on safety, the REMCO has determined that the scorecard outcome for Executive Directors should be adjusted downwards to 1.61. The reduction in the bonus outcome as a result of the adjustment is equal to about 4% of salary for both Executive Directors" (2024 annual report, p.194).

Analyst Comment: In this case, we recognise that tier 1 and tier 2 process safety events were slightly ahead of target.

Further, we acknowledge the significant improvement in the Company's safety record over the past number of years as shown in the 'personal safety performance 2003-2024' chart on p.194 of the 2024 annual report. In addition, we are mindful that the fatal incidents in Netherlands and in India remain under investigation.

In the aggregate, therefore, having reviewed the Company's disclosure on this issue, we believe the decision to reduce the entire bonus scorecard from 1.64 to 1.61 (an amount equivalent to approximately 4% of salary), represents a reasonable response. We will, however, continue to monitor outcomes under the safety elements of the annual bonus going forward, with the expectation that the committee will continue to consider the use of discretion to reduce awards where outcomes do not continue on a positive trajectory. Further, we would expect the committee to set targets at progressively stretching levels, with the goal of ultimately eliminating fatalities at its operations.

LTI: Vesting Level for Threshold Performance
We note that 40% of awards granted under the relative performance measures of the LTIP vest for threshold level performance.

Company Disclosure: The Company states the following in this regard:

> "For the relative measures, 200% vests for first position, 150% for second, 80% for third, and 0% for ranking fourth or fifth. The comparator group consists of four of the strongest companies in our industry (bp, Chevron, ExxonMobil and TotalEnergies). Outperforming Shell's closest competitors on key financial metrics is challenging. A vesting outcome of 80% of target (40% of maximum) for median performance in a small comparator group is considered appropriate by the REMCO. The REMCO is aware that vesting for median performance is generally set at a limit of 25% of maximum for other UK companies. However, these are typically applied against a larger comparator group" (2024 annual report, p.211).

Analyst Comment: We are concerned that this vesting schedule may allow for a high pay-out in circumstances where the Company's performance is less than satisfactory. We generally prefer to see a lower percentage of an award vest at threshold; 25% at most, in line with UK best practice. In this case, however, we acknowledge the committee's rationale for this approach, and see no significant cause for shareholder concern.

LTI: Description of Hurdles and Vesting Schedule
The remuneration report has failed to disclose a clear description of the performance targets in relation to the FCF and energy transition metrics under its long-term incentive scheme.

Policy Perspective: We believe clearly defined performance hurdles are essential for shareholders to fully understand and evaluate an incentive plan.

In this case, however, we recognise that targets are considered commercially sensitive and will be disclosed post-vesting, mitigating our concern. Further, as described on p.207 of the 2024 annual report, the committee states that it will make a holistic assessment of progress against the energy transition targets when making the vesting decision.

RECOMMENDATION

The remuneration report provides reasonable disclosure of the Company's executive compensation policies and structure, which generally appear to satisfy best practice guidelines. While shareholders should be mindful of the concerns noted in our analysis, we do not consider any of the issues to be particularly contentious at this time.

In the aggregate, we find the committee's implementation of its approved remuneration policy during the past year to be supportable.

We recommend that shareholders vote **FOR** this proposal.

3.00: ELECT DICK BOER

FOR

PROPOSAL REQUEST: Election of twelve directors

ELECTION METHOD: Majority

RECOMMENDATIONS & CONCERNS:

FOR- **Gorman S.**
Sawan W.
Mackenzie S.
Boer D.
Carson N.
Godbehere A.
Hughes C.
Lute J.
Roxburgh S.
Schot A.
Srivastava L.
Taraporevala C.

NOT UP- **None**

PROPOSAL SUMMARY

In line with the UK Corporate Governance Code (the "UK Code"), all directors stand for election annually.

BOARD OF DIRECTORS

UP	NAME	AGE	GENDER	GLASS LEWIS CLASSIFICATION	COMPANY CLASSIFICATION	OWN**	COMMITTEES AUDIT	REM	NOM	E&S^	TERM START	TERM END	YEARS ON BOARD
✔	Sinead Gorman* ·*CFO*	47	F	Insider 1	Not Independent	Yes					2022	2025	3
✔	Wael Sawan* ·*CEO*	50	M	Insider 2	Not Independent	Yes					2023	2025	2
✔	Sir Andrew Mackenzie ·*Chair*	68	M	Non-Executive 3	Non-Executive	Yes			C		2020	2025	5
✔	Dick Boer ·*Lead Director* ·*Vice Chair*	67	M	Independent 4	Independent	Yes	✔	✔	✔		2020	2025	5
✔	Neil A.P. Carson	68	M	Independent	Independent	Yes		✔		✔	2019	2025	6
✔	Ann F. Godbehere	70	F	Independent	Independent	Yes	C X		✔		2018	2025	7
✔	Catherine J. Hughes	62	F	Independent	Independent	Yes	✔			C	2017	2025	8
✔	Jane Holl Lute	68	F	Independent	Independent	Yes		✔		✔	2021	2025	4
✔	Sir Charles Roxburgh	65	M	Independent	Independent	Yes	✔				2023	2025	2
✔	Abraham Schot	63	M	Independent	Independent	Yes		✔		✔	2020	2025	5
✔	Leena Srivastava	64	F	Independent	Independent	No				✔	2023	2025	2
✔	Cyrus Taraporevala	58	M	Independent	Independent	Yes	✔	C			2023	2025	2

C = Chair, * = Public Company Executive, X = Audit Financial Expert, ▬ = Withhold or Against Recommendation

1. CFO.
2. CEO.
3. Chair.
4. Deputy chair and senior independent director.

***Percentages displayed for ownership above 3%, when available and rounded to the nearest whole number*
^Indicates board oversight responsibility for environmental and social issues. If this column is empty it indicates that the Company has not provided explicit disclosure concerning the board's role in overseeing environmental and social issues.

NAME	ATTENDED AT LEAST 75% OF MEETINGS	PUBLIC COMPANY EXECUTIVE	ADDITIONAL PUBLIC COMPANY DIRECTORSHIPS
Sinead Gorman	Yes	Yes	None
Wael Sawan	Yes	Yes	None
Sir Andrew Mackenzie	Yes	No	None

Dick Boer	Yes	No	(2) Nestlé S.A.; Just Eat Takeaway.com N.V. C
Neil A.P. Carson	Yes	No	(1) Oxford Instruments plc C
Ann F. Godbehere	Yes	No	(2) Stellantis N.V; HSBC Holdings plc
Catherine J. Hughes	Yes	No	(1) Valaris Limited
Jane Holl Lute	Yes	No	(2) Marsh & McLennan Companies, Inc.; Union Pacific Corporation
Sir Charles Roxburgh	Yes	No	None
Abraham Schot	Yes	No	(3) Signify NV; Cognizant Technology Solutions Corporation; Compagnie Financiere Richemont S.A.
Leena Srivastava	Yes	No	None
Cyrus Taraporevala	Yes	No	(2) Bridgepoint Group plc; Pfizer Inc.

C = Chair

MARKET PRACTICE

BOARD	REQUIREMENT	BEST PRACTICE	2023*	2024*	2025*
Independent Chair	Independent on appointment[1]	Same	Non-Executive	Non-Executive	Non-Executive
Board Independence**	50% excluding ind.-on-appt. chair[2]	Same	82%	82%	82%
Gender Diversity	None	40% by 2025[3]	41.7%	41.7%	41.7%
COMMITTEES	**REQUIREMENT**	**BEST PRACTICE**	**2023***	**2024***	**2025***
Audit Committee Independence	100%[2]	Same	100%	100%	100%
Independent Audit Chair	Independent[2]	Same	Yes	Yes	Yes
Remuneration Committee Independence	100%[2]	Same	100%	100%	100%
Independent Remuneration Chair	Independent[2]	Same	Yes	Yes	Yes
Nominating Committee Independence**	Majority[2]	Same	100%	100%	100%
Independent Nominating Chair	None	None	Non-Executive	Non-Executive	Non-Executive

** Based on Glass Lewis classification*
*** Excludes non-executive chair*

1. *UK Corporate Governance Code recommendation; a senior independent director should also be appointed*
2. *UK Corporate Governance Code recommendation*
3. *FTSE Women Leaders Review recommendation*

CLIMATE ACTION 100+ COMPANY

The Company has been identified as a focus company by Climate Action 100+, an investor-led initiative to ensure the world's largest corporate greenhouse gas ("GHG") emitters take necessary action on climate change. The Climate Action 100+, founded in 2017, currently represents 700 investors, responsible for over $68 trillion in assets under management. The Company is one of 170 companies that comprise up to 80% of global corporate industrial GHG emissions and has been selected for engagement by the initiative.

GLASS LEWIS ANALYSIS

We believe shareholders should be mindful of the following:

GOVERNANCE OVERVIEW AND GENERAL POLICIES

The table below provides a general overview of the Company's corporate governance practices and performance, which reflects the most forward-looking information and the fiscal year in review, as applicable. For a fuller appraisal of Glass Lewis' approach to these issues, please see our *UK Policy Guidelines*.

CORPORATE GOVERNANCE	COMPANY	ANALYSIS*
Ownership Structure	Non-controlled	-

Code Compliance	UK Code	The Company reports partial compliance during the year under review, with the following deviation: workforce engagement (provision 5). The Company provides further disclosure on p.170 of the 2024 annual report. Having reviewed the aforementioned, we do not believe there are substantial issues for shareholder concern at this time.
Board Independence	9/11 (82%)	-
Board Leadership	Chair: Yes (non-executive) Senior independent director: Yes	In line with provision 9 of the UK Code, we will classify a chair as non-executive if he or she was independent upon appointment and, outside of the role of chair, continues to meet our independence standards. Otherwise, we will classify a chair as being either affiliated or an insider as appropriate.
Environmental & Social Governance	Point of accountability: Sustainability Committee Governance framework: Standalone E&S committee	-

* Analysis provided where relevant. Where concerns warrant a negative recommendation on a nominee, these are highlighted under "Recommendations" at end of page.

DIVERSITY

BOARD SKILLS

As discussed in greater detail in our Special Report, Disclosure of Board Skills & Experience: Emerging Best Practice, Glass Lewis believes that depth and breadth of experience is crucial to a properly functioning board. We believe shareholders' interests are best served when committees proactively address a lack of diversity through targeted refreshment, linking organic succession planning with the skill-sets required to guide and challenge management as to its implementation of the board's strategy.

We have reviewed the non-executive directors' current mix of skills and experience as follows*:

BASIC INFORMATION			CORE SKILLS				SECTOR-SPECIFIC SKILLS		
DIRECTOR	AGE	NATIONALITY	CORE INDUSTRY	SENIOR EXEC.	FINANCE/ AUDIT&RISK	LEGAL/ PUB. POLICY	ENVIRONMENTAL/ SOCIAL	TECHNICAL/ ENGINEERING	HEALTH & SAFETY
Sir Andrew Mackenzie	68	UK	X	X		X	X	X	
Dick Boer	67	Netherlands		X					
Neil A.P. Carson	68	UK	X	X			X	X	
Ann F. Godbehere	70	UK/Canada		X	X				
Catherine J. Hughes	62	United States/Canada/France	X	X				X	X
Jane H. Lute	68	United States		X		X			
Sir Charles Roxburgh	65	UK			X	X			
Abraham Schot	63	Netherlands/Germany		X			X		
Leena Srivastava	64	India					X		
Cyrus Taraporevala	58	United States		X	X		X		

Age Range: 58 to 70 years (average: 65); **Avg. Tenure:** 5 years; **Gender Breakdown:** (M/F): 60%/40%; **Director Skills Disclosure:** Aggregate **

**Please note that the above information is for guidance only and has been compiled using the Company's most recent disclosure and/or additional public sources as necessary. It is not intended to be exhaustive. For further information, please refer to the Glass Lewis Board Skills Appendix.*
***Director skills disclosure reflects Glass Lewis' determination of whether the board discloses a single table which identifies each director's knowledge and proficiency in specified skills ('Matrix'); individual director biographies with standardised skills disclosure which could be tabulated into a single table ('Individual'); aggregated information that indicates how many directors have a particular skill ('Aggregate'); or, none of the aforementioned ('None').*

GENDER DIVERSITY

We believe that the Company should, as a member of the FTSE 350 Index, have achieved, at a minimum, 33% women representation on the board and in senior leadership positions, in line with the Hampton-Alexander Review. Further, mindful of extant 'comply or explain' UK Listing Rules requirements, and in line with FTSE Women Leaders Review targets, we believe that the Company should aspire to at least:

- 40% women representation at board and leadership teams by the end of 2025; and
- One woman in a senior board position by the end of 2025.

Company's Disclosure
We have assessed the Company's gender diversity performance and reporting as follows:

LEVEL	MARKET GUIDANCE	2023 AGM*	2024 AGM*	2025 AGM
Board	Best practice: 33%; 40% by 2025	42%	42%	42%
Executive committee	-	-	57%	50%
Senior management**	Best practice: 33%; 40% by 2025	28%	27%	32%
All employees	-	33%	35%	35%

* Prior year data is only displayed for years in which it was recorded in a Proxy Paper

** Senior management data reflects the composition of the executive committee and direct reports, or the nearest equivalent disclosed by the Company

FEATURES	DISCLOSURE
Diversity in senior board roles*	Yes

* Senior board roles refer to the chair, CEO, finance director and senior independent director roles, in line with the UK Listing Rules

Regarding senior management diversity, the Company states the following:

> "Over the years, Shell has progressively increased the representation of women on the EC and in senior leadership roles. As of January 1, 2024, we had 57% women and 43% men on our EC. We aim to achieve 35% representation of women in our senior leadership positions by 2025, and 40% by 2030. The table below shows the representation of women as of December 31, 2024.
>
> As of December 31, 2024, 35% of Shell employees were women. Of the experienced hires who joined Shell as of December 31, 2024, 37% were women compared with 38% in 2023. Of the graduate hires who joined Shell as of December 31, 2024, 57% were women compared with 40% in 2023" (2024 annual report, p.118).

And:

> "In February 2021, Shell published its aspirations for DE&I under the Powering lives goal, with a focus on four areas of gender, race and ethnicity, LGBT+ and disability inclusion. For more details on the progress against our ambitions for women hired and women in Senior Leadership, see pages 117-118.
>
> 'Senior Leadership' is a Shell-specific measure based on compensation grade levels. This is different from what we are required to report under the Code, which is female representation in Senior Management and their direct reports, where the percentage is 32%" (2024 annual report, p.172).

Conclusion
Given the Company's progress during the year under review with regard to senior management-level gender diversity, we believe shareholders can be reasonably satisfied with the Company's performance in this regard. We will continue to monitor this issue going forward.

ETHNIC DIVERSITY

In line with the recommendations of the Parker Review we believe that the Company should, as a member of the FTSE 100 Index, have achieved a target of appointing at least one director from an ethnic minority background on the board by the end of 2021. Achievement of the Parker Review target also satisfies the Listing Rule requirement that at least one director be from an ethnic minority background, which applies on a comply or explain basis.

Company's Disclosure
We have assessed the Company's board-level ethnic diversity performance and reporting as follows:

FEATURES	DISCLOSURE
Meets Parker Review target	Yes
% of ethnically diverse directors	25%

* Director ethnicity data reflects Company disclosure in the most recent annual report

Conclusion

We believe shareholders can be reasonably satisfied with the Company's performance in this regard.

RECOMMENDATIONS

Having reviewed the nominees, we do not believe there are substantial issues for shareholder concern.

We recommend that shareholders vote **FOR** all nominees.

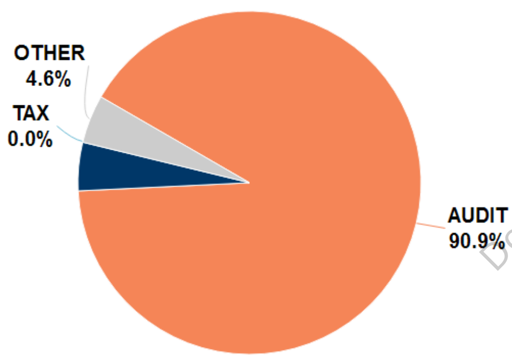
15.00: APPOINTMENT OF AUDITOR

FOR

PROPOSAL REQUEST:	Ratification of Ernst & Young	**RECOMMENDATIONS & CONCERNS:**	
PRIOR YEAR VOTE RESULT (FOR):	98.4%	**FOR-** No material concerns	
BINDING/ADVISORY:	Binding		
REQUIRED TO APPROVE:	Majority of votes cast		
AUDITOR OPINION:	Unqualified		

PROPOSAL SUMMARY

If approved, the board will be authorised to ratify the reappointment of Ernst & Young as the Company's independent auditor. The board is also seeking shareholder approval to set the auditor's fees for the forthcoming fiscal year in Proposal 16.00.



AUDITOR FEES

	2024	2023	2022
Audit Fees:	$60,000,000	$61,000,000	$63,000,000
Audit-Related Fees:	$3,000,000	$3,000,000	$3,000,000
Tax Fees:	$ 0	$ 0	$ 0
All Other Fees:	$3,000,000	$2,000,000	$3,000,000
Total Fees:	$66,000,000	$66,000,000	$69,000,000
Auditor:	Ernst & Young	Ernst & Young	Ernst & Young
1-Year Total Fees Change:		0.0%	
2-Year Total Fees Change:		-4.3%	
2024 Fees as % of Revenue*:		0.023%	

* Annual revenue as of most recently reported fiscal year end date. *Source: Capital IQ*

Years Serving Company:	9
Restatement in Past 12 Months:	No
Lead Audit Partner:	Gary Donald
Years Since Audit Partner Rotation:	4

GLASS LEWIS ANALYSIS

We will generally support a proposal regarding the selection of the Company's auditor, except in cases where we believe the independence of the auditor or the integrity of the audit is compromised. In addition, we believe the balance of fees paid to the auditor is reasonable and that the Company has a track record of disclosing the appropriate information about these services in its filings.

RECOMMENDATION

We have found no evidence that either the independence of the auditor or the integrity of the audit has been compromised.

As such, and given that fees were reasonable during the past year, we see no cause for shareholder concern.

We recommend that shareholders vote **FOR** Proposals 15.00 and 16.00.

17.00: AUTHORITY TO ISSUE SHARES W/ PREEMPTIVE RIGHTS

FOR

PROPOSAL REQUEST:	General authority to issue shares on a preemptive basis
PRIOR YEAR VOTE RESULT (FOR):	97.3%
BINDING/ADVISORY:	Binding
REQUIRED TO APPROVE:	Majority of votes cast
SPECIFIC PURPOSE OR GENERAL AUTHORITY:	General authority

RECOMMENDATIONS & CONCERNS:

FOR- No material concerns

PROPOSAL SUMMARY

If approved, the Company will be authorised to increase its share capital by first offering the securities to existing shareholders on a pro rata basis subject to the following conditions:

Authority Type	General authority to issue shares with preemptive rights
Maximum Potential Issuance	33%
Expiry	15 months or next AGM
Serves as Anti-Takeover	No
Prior Year Issuances	None
Notes	None

GLASS LEWIS ANALYSIS

Under the proposal, the board's general authority to issue shares will be limited to 33% of the Company's issued ordinary share capital. This limit meets the cap recommended by the Investment Association's Share Capital Management Guidelines.

Further, we believe that this authority will benefit shareholders by providing the Company with the flexibility to finance operations and future opportunities as and when required.

We recommend that shareholders vote **FOR** this proposal.

18.00: AUTHORITY TO ISSUE SHARES W/O PREEMPTIVE RIGHTS

FOR

PROPOSAL REQUEST:	General authority to issue shares on a non-preemptive basis	**RECOMMENDATIONS & CONCERNS:**
PRIOR YEAR VOTE RESULT (FOR):	98.5%	**FOR-** No material concerns
BINDING/ADVISORY:	Binding	
REQUIRED TO APPROVE:	75%	
SPECIFIC PURPOSE OR GENERAL AUTHORITY:	General authority	

PROPOSAL SUMMARY

If approved, the Company will be authorised to increase its share capital without first offering the securities to existing shareholders on a pro rata basis subject to the following conditions:

Authority Type	General authority to issue shares without preemptive rights
Maximum Potential Issuance	5%
Expiry	15 months or next AGM
Serves as Anti-Takeover	No
Prior Year Issuances	None
Notes	In the event the Company utilises this authority, we believe the Company should adhere to the guidance provided in Part 2B of the Pre-emption Group's Statement of Principles for Disapplying Pre-emption Rights. We will monitor this issue moving forward.

GLASS LEWIS ANALYSIS

Under this proposal, the board's authority to issue shares without preemptive rights will be limited to 5% of the Company's issued ordinary share capital. This limit meets the 10% cap recommended by the Pre-emption Group's Statement of Principles for Disapplying Pre-emption Rights.

Further, we believe that this authority will benefit shareholders by providing the Company with the flexibility to finance operations and future opportunities as and when required.

We recommend that shareholders vote **FOR** this proposal.

19.00: AUTHORITY TO REPURCHASE SHARES

FOR

PROPOSAL REQUEST:	General authority to repurchase shares
PRIOR YEAR VOTE RESULT (FOR):	98.5%
BINDING/ADVISORY:	Binding
REQUIRED TO APPROVE:	75%
SPECIFIC PURPOSE OR GENERAL AUTHORITY:	General authority

RECOMMENDATIONS & CONCERNS:

FOR- No material concerns

PROPOSAL SUMMARY

If approved, the Company will be authorised to repurchase its own shares subject to the following conditions:

Authority Type	General Authority to make market repurchases of shares
Percentage of Share Capital	10%
Maximum Price	The higher of: (a) 105% of the average of the quotations for an ordinary share for the five business days immediately preceding the day on which the purchase contract is made; and (b) the higher of the price of the last independent trade and the highest current independent bid on the exchange at the time the purchase is carried out
Minimum Price	Nominal value
Expiry	15 months or next AGM
Serves as Anti-Takeover	No
Prior Year Repurchases	6.27% of the Company's issued share capital
Notes	None

GLASS LEWIS ANALYSIS

As a general rule, we believe that buyback programmes and associated share cancellation programmes are in shareholders' best interests, so long as the Company is left with a sufficiently strong balance sheet in light of its capital requirements. Typically, a repurchase is used to return surplus capital to shareholders, increase earnings per share, or provide shares for equity compensation plans.

We believe that the terms under which the Company is considering a repurchase of its shares are reasonable.

We recommend that shareholders vote **FOR** this proposal.

20.00: AUTHORITY TO REPURCHASE SHARES (OFF-MARKET)

FOR

PROPOSAL REQUEST:	Authorise the board to transact off-market purchases of shares	**RECOMMENDATIONS & CONCERNS:**	
PRIOR YEAR VOTE RESULT (FOR):	98%	**FOR-**	No material concerns
BINDING/ADVISORY:	Binding		
REQUIRED TO APPROVE:	75%		

PROPOSAL SUMMARY

If approved, the Company will be authorised to conduct off-market repurchases of shares. Any such repurchase shall be made on the terms of the buyback contracts entered into conditionally on the passing of this resolution or to be entered into between the Company and any or all of:

- Citigroup Global Markets Limited;
- BNP Paribas or any of its affiliates;
- Goldman Sachs International;
- Morgan Stanley & Co. International plc;
- Merrill Lynch International;
- Natixis;
- HSBC Bank plc;
- Banco Santander S.A.; and
- UBS AG London Branch

The maximum number of ordinary shares that may be purchased is aggregated with any market purchases made under the authority being sought under Proposal 19.00, such that total share repurchases shall not exceed 10% of the Company's issued share capital.

Off-market repurchases are subject to the same maximum price limits as Proposal 19.00, being the higher of: (a) 105% of the average of the middle-market quotations for an ordinary share according to the Daily Official List for the five business days immediately preceding the day on which the purchase contract is made; or (b) the higher of the price of the last independent trade and the highest current independent bid on the exchange at the time the purchase is carried out. Further, the minimum repurchase price is the nominal value of the Company's shares.

Under the Companies Act 2006, the Company must seek authorisation for share repurchase contracts and counterparties at least every five years.

BACKGROUND AND RATIONALE

The Euronext Amsterdam, CBOE Europe DXE and Turquoise Europe are not recognised investment exchanges for the purposes of the Companies ACT 2006. Accordingly, repurchases conducted on these exchanges do not qualify as market purchases. Therefore, the board has sought shareholder approval to conduct repurchases of shares on these exchanges.

GLASS LEWIS ANALYSIS

It is not uncommon for a business of this size with a significant amount of cash on hand to repurchase its own shares. Buy-backs can be an effective way to return capital to shareholders and to offset dilution caused by the exercise of stock option awards. A company may also repurchase its shares when it believes that its stock price is undervalued by the market and it wants to participate in the expected upside growth. In addition, companies may use repurchases to increase earnings per share or provide shares for equity compensation plans.

As a general rule, we believe that buyback programmes are in shareholders' best interests so long as the Company is left with a sufficiently strong balance sheet in light of its capital requirements. Here we think the trading limitations in this proposal are sufficient to provide reasonable protection to shareholders during what are usually the black-out periods.

Accordingly, we recommend that shareholders vote **FOR** this proposal.

21.00: AUTHORISATION OF POLITICAL DONATIONS

FOR

PROPOSAL REQUEST:	General authority to make political donations	**RECOMMENDATIONS & CONCERNS:**	
PRIOR YEAR VOTE RESULT (FOR):	98.2%	**FOR-**	No material concerns
BINDING/ADVISORY:	Binding		
REQUIRED TO APPROVE:	Majority of votes cast		

PROPOSAL SUMMARY

If approved, the Company will be authorised to make political donations, subject to the following conditions:

Authority Type	General authority to make political donations
Amount Requested	• £100,000 with respect to political donations to political parties or independent election candidates; • £100,000 with respect to political donations to political organisations other than political parties; and • £100,000 with respect to political expenditure.
Expiry	15 months or next AGM
Prior Year Donations	None
Notes	None

BACKGROUND

This proposal is being submitted in accordance with sections 366 and 367 of the Companies Act 2006 ("CA 2006"), which prohibits a company from making donations to any EU political organisations or incurring expenditures related to such organisations, unless shareholder approval is given. The Political Parties, Elections and Referendums Act 2000 ("PPERA 2000") defines political donations in a way that is open to broad range of interpretation.

As a result, it is possible that activities that form part of the normal relationship between a company and bodies concerned with policy review and law reform, the representation of the business community, or the representation of other communities or special interest groups, may be included within the restrictions of the PPERA 2000. As such, UK companies will often routinely seek authority to make political donations so as to avoid inadvertently breaching the terms of the CA 2006. This authority is not intended to allow the Company to make political donations in the traditional sense.

GLASS LEWIS ANALYSIS

The Company states that it does not intend to make any donations or incur any expenditure in respect of any political party, and that no such donations were made in the prior fiscal year. As such, we believe that the board has put forth this proposal to ensure that the Company does not inadvertently breach the CA 2006 given the ambiguous nature of what constitutes a donation, a political organisation or political expenditure according to the legislation. As such, we see no cause for shareholder concern as to this primarily technical proposal.

We recommend that shareholders vote **FOR** this proposal.

22.00: SHAREHOLDER PROPOSAL REGARDING DISCLOSURE CONCERNING LNG AND CLIMATE COMMITMENTS — AGAINST

PROPOSAL REQUEST:	That the Company disclose whether and how its demand forecast for liquified natural gas is consistent with its climate commitments, as stated below	**SHAREHOLDER PROPONENT:**	Australasian Centre for Corporate Responsibility
BINDING/ADVISORY:	Binding		
PRIOR YEAR VOTE RESULT (FOR):	N/A	**REQUIRED TO APPROVE:**	75%

RECOMMENDATIONS, CONCERNS & SUMMARY OF REASONING:
AGAINST - Not in the best interests of shareholders

SASB MATERIALITY

PRIMARY SASB INDUSTRY: Oil & Gas - Exploration & Production

FINANCIALLY MATERIAL TOPICS:

- *Greenhouse Gas Emissions*
- *Water Management*
- *Security, Human Rights & Rights of Indigenous Peoples*
- *Reserves Valuation & Capital Expenditures*
- *Management of the Legal & Regulatory Environment*
- *Air Quality*
- *Biodiversity Impacts*
- *Community Relations*
- *Workforce Health & Safety*
- *Business Ethics & Transparency*
- *Critical Incident Risk Management*

GLASS LEWIS REASONING

- We believe that the Company's existing and forthcoming disclosures provide a sufficient basis to allow shareholders to understand how the Company's LNG operations factor into its broader climate strategy and how it is managing risks associated with this issue.

PROPOSAL SUMMARY

Text of Resolution: *Shareholders request that the Company disclose whether and how its:*

- *demand forecast for liquified natural gas (LNG);*
- *LNG production and sales targets; and*
- *new capital expenditure in natural gas assets;*

are consistent with its climate commitments, including its target to reach net zero emissions by 2050.

These disclosures shall be made by no later than the 2026 Annual General Meeting and shall include the criteria, data sources, methodologies and assumptions used to underpin these claims with reasonable detail, without disclosing any specific matters which are commercially sensitive.

Proponent's Perspective

- The Company is building its strategy around an anticipated level of demand for liquified natural gas ("LNG") which is higher than all scenarios put out by the International Energy Agency ("IEA") and appears to have misinterpreted independent analysis in substantiating its demand projections;
- The Company's LNG demand outlook has not been materially revised in response to major changes in the global energy market;
- The Company has more uncontracted LNG than any other independent oil and gas company, making it highly exposed to value erosion should prices be lower than planned for;
- It is currently not clear how to assess alignment between the Company's LNG strategy and its commitment to reach net zero emissions by 2050;
- It is unclear why LNG demand in the Company's LNG Outlook 2024 is higher than under all scenarios published by the IEA, including the IEA's Stated Policies Scenario, Announced Pledges Scenario, and the Net Zero Emissions by 2050 scenario, which is aligned to 1.5°C;

Board's Perspective

- The Company has a vision to be the leading integrated gas and liquified natural gas ("LNG") business in the world by 2035;
- The Company will compile existing disclosures into a note on its website related to the LNG market, its LNG business, and how its LNG business reconciles with the broader strategy, including its climate commitments as outlined in this response to this resolution, which will be published before the 2026 AGM on the Company's website;
- The Company publishes various scenarios regarding global LNG demand, allowing stakeholders to compare the three International Energy Agency scenarios against the Company's scenarios as well as third-party recognised scenario providers, including Wood Mackenzie, which the Company uses in its LNG outlook presentations;
- The Company has alignment between its LNG growth strategy and climate targets and ambitions, and it has a highly competitive LNG portfolio, adding financial resilience compared to the overall LNG market;

- The current outlook lacks the granularity necessary for shareholders to assess the risks associated with the Company's strategy, especially considering the substantial misalignment with all IEA scenarios; and
- Shareholders have reasonable grounds to seek further information about the assumptions underpinning the Company's LNG outlook and the degree to which its outlook is consistent with its strategy, including climate commitments.

ACCR has filed a statement in response to the board's statement of opposition

- A more rapid transition strengthens the role of LNG in displacing coal and oil, while a slower transition will simply need more gas;
- The information being sought by this proposal is, by and large, already disclosed by the Company; and
- Proposing a resolution such as this without prior engagement is against good governance, is unhelpful, and is a distraction for management.

GLASS LEWIS ANALYSIS

In general, we believe it is prudent for management to assess its potential exposure to all risks, including environmental and social concerns and regulations pertaining thereto in order to incorporate this information into its overall business risk profile. When there is no evidence of egregious or illegal conduct that might suggest poor oversight or management of environmental or social issues that may threaten shareholder value, Glass Lewis believes that management and reporting of environmental and social issues associated with business operations are generally best left to management and the directors who can be held accountable for failure to address relevant risks on these issues when they face re-election.

In this case, the Company is a global group of energy and petrochemical companies, employing around 96,000 people across more than 70 countries. It has activities ranging from oil and gas exploration and production to the marketing of fuels and lubricants, and research and development (2024 Annual Report and Accounts, p.6). Given the nature and scope of the Company's operations, it could be subject to significant risks with respect to both climate change and the regulatory implications or investor pressures that come as a result of climate change.

BACKGROUND

Liquified natural gas ("LNG") is a natural gas that has been cooled to about -260 degrees Fahrenheit, which reduces its volume and makes it easier to transport, usually in tanker ships. Once arriving at its destination, LNG is regasified and made available for a variety of uses. Most commonly, it supplies energy to power plants to generate electricity or provides fuel for heating and cooking in residences and businesses. It is also used to manufacture steel, glass, paper, brick, and several other products. In addition, natural gas is used as a raw material in everyday products such as medical equipment, paint, fertilizer, cosmetics, and plastics.

In 2023, 45% of the UK's total gas supply was imported, with the country experiencing a 1,798% increase in gas imports between 2000 and 2023. Further, although burning natural gas emits considerably less CO2 (and other pollutants) than coal or oil, it remains a significant source of emissions that could impede international climate goals; according to the International Energy Agency ("IEA"), natural gas made up 46% of the UK's total CO2 emissions in 2022. Moreover, methane, a potent GHG, is the primary component of natural gas, and "fugitive methane" leaks from gas pipelines and processing facilities, as well as the intentional venting or flaring of unwanted gas at production sites, mean that oil and gas extraction operations themselves are significant contributors to climate change.

Nevertheless, as discussed in the IEA's most recent Gas Market Report, natural gas demand reached a new all-time high in 2024 as markets gradually rebalanced following the gas supply shock in 2022/2023. Preliminary data also suggests that global gas demand increased by 2.8% (or around 115 bcm) that year, well above the historical 2% average growth rate between 2010 and 2020, with Asia alone accounting for over 40% of the incremental gas demand, primarily driven by China and India (p.28). The IEA further reports that "[g]lobal natural gas markets are set to remain tight in 2025 as demand continues to rise and supply expands more slowly than before the pandemic and energy crisis – highlighting the need for greater international cooperation to enhance gas supply security." Further, the IEA explains that below-average growth in LNG output in 2024 kept supply tight, while extreme weather events added to market strains. The IEA expects that similar dynamics will persist in 2025 until the arrival of new LNG export capacity, led by the U.S. and Qatar, which is anticipated to come online over the second half of this decade.

IEA SCENARIOS

According to the Intergovernmental Panel on Climate Change ("IPCC"), a climate scenario is a plausible representation of future climate that has been constructed for explicit use in investigating the potential impacts of anthropogenic climate change. Climate scenarios often make use of climate projections (descriptions of the modelled response of the climate system to scenarios of GHG and aerosol concentrations), by manipulating model outputs and combining them with observed climate data.

All climate scenarios can be broadly assigned into two categories: (i) scenarios that articulate different policy outcomes (i.e., level of temperature increase) and the energy and economic pathways that would result, with some probability, in achieving temperature increases around the desired outcome, (transition scenarios); and (ii) scenarios that start with a range of atmospheric GHG concentration and articulate the likely resulting temperature ranges. IEA scenarios, including the Sustainable Development Scenario ("SDS"), tend to follow the first approach and IPCC scenarios, including the IPCC P1 scenario, the second approach.

As part of its rationale for this proposal, the proponent states that LNG demand in the Company's LNG Outlook 2024 is higher than under all scenarios published by the IEA. It notes that, by 2040, the Company's LNG outlook is 19% higher than the IEA's Stated Policies Scenario, which assumes no further climate policies are implemented. Further, it is 92% above the Announced Pledges Scenario, which assumes all proposed climate targets are met, but no more are introduced; and 301% higher than the Net Zero Emissions by 2050 Scenario, which is aligned to 1.5°C (2025 AGM NOM, p.6).

The IEA asserts that its scenario analysis is designed to inform decision-makers as they consider options, not to predict how they will act, and none of the scenarios should be viewed as a forecast. The scenarios, all of which look out to 2050, are: (i) the Stated Policies Scenario; (ii) the Announced Pledges Scenario; and (iii) the Net Zero Emissions by 2050 Scenario (p.69).

The Stated Policies Scenario

The Stated Policies Scenario ("STEPS") provides a sense of the prevailing direction for the energy sector based on a detailed reading of the latest policy settings in countries around the world. It accounts for energy, climate, and related industrial policies that are in place or that have been announced. The aims of these policies are not automatically assumed to be met; rather, they are incorporated in the scenario only to the extent that they are underpinned by adequate provisions for their implementation. Each year, many countries add new policies and some abandon existing ones. Each annual iteration of the STEPS takes account of these changes. The STEPS is associated with a temperature rise of 2.4 °C in 2100 (with a 50% probability) (p.78). Regarding LNG under the STEPS scenario, the IEA states on page 148:

> *In the STEPS, LNG demand increases by more than 2.5% per year over the 2023-2035 period, which is faster than overall natural gas demand but far less rapid than the average 6% per year LNG growth rate between 2013 and 2022. Around 270 bcm of new LNG supply is currently under construction, and this will lead to a near-doubling of capacity in the United States and Qatar, which are set to dominate supply in 2035, together accounting for around 50% of global LNG trade in the STEPS by this date. This increased supply concentration is likely to put a spotlight on possible security of supply risks that might arise from extreme weather in the Gulf of Mexico and from disruption in the Middle East.*

Further, the IEA states that, under the STEPS scenario, existing LNG export capacity and new capacity under construction are together sufficient to meet projected demand to 2040 (p.51). Moreover, according to the IEA, if all LNG projects under construction are developed, the global average utilisation rates of LNG plants would fall from around 95% of capacity today to 75% by 2035 in the APS and to less than 45% in the NZE Scenario, much lower than the 90% utilisation rate in the STEPS (p.200).

Announced Pledges Scenario

The Announced Pledges Scenario ("APS") starts from the same detailed reading of government policies as STEPS but takes a different view on their implementation. The key difference is that this scenario assumes that all national energy and climate targets, including longer-term net zero emissions targets and pledges in Nationally Determined Contributions, are met in full and on time. According to the IEA, this is a strong assumption, given that most governments are still far from having policies in place to deliver their long-term pledges. Even those countries without long-term energy or emissions goals follow a different path than in the STEPS because their investment choices are shaped by and benefit from steeper cost reductions for a range of clean energy technologies made possible by the actions of other countries. The APS is associated with a temperature rise of 1.7 °C in 2100 (with a 50% probability) (pp.78-79). Regarding LNG under the APS scenario, the IEA states on page 53:

> *Accelerated climate action – as seen in the APS and NZE Scenario – would also create an even larger surplus of LNG in the coming years. In the APS, LNG export plant utilisation rates fall to 70% in 2030, and existing LNG projects together with those under construction are able to fulfil LNG demand all the way through to 2050.*

Net Zero Emissions by 2050

The Net Zero Emissions by 2050 Scenario ("NZE") portrays a pathway for the global energy sector to achieve net zero CO_2 emissions by 2050, which is consistent with limiting long-term global warming to 1.5 °C with limited overshoot (with a 50% probability). The NZE Scenario also meets the key energy-related UN Sustainable Development Goals, in particular, by achieving universal access to modern energy services by 2030 and securing major improvements in air quality. As noted by the IEA, even though the global rise in temperature is already approaching or even exceeding the 1.5 °C limit in individual years, this does not mean that the target itself is out of reach, but every year in which global emissions rise and actions fall short of what is needed for the future makes this pathway steeper and harder to climb (p.79). Regarding LNG under the NZE scenario, the IEA states:

> *In the NZE Scenario, utilisation rates fall to less than 60% in 2030 and LNG demand through to 2050 can be met entirely by projects existing today. In this latter scenario, we estimate that the sponsors of around 70% of LNG export projects currently under construction would struggle to recover their invested capital. Gas prices are higher in the APS, but there are still some 80 bcm of projects, or 30% of what is currently under construction, which would not fully recover their invested capital.*

(p.53)

The IEA explains that the NZE scenario is a normative scenario in that it works backwards from a defined outcome, whereas the STEPS and APS scenarios are exploratory, in that they do not target a specific outcome but rather establish different sets of starting conditions and consider where they may lead (p.79).

THE COMPANY'S CLIMATE-RELATED RISKS

The Company acknowledges climate-related risks in its most recent Annual Report and Accounts, stating that it is continually enhancing its approach to assessing and managing risks and opportunities resulting from climate change, which includes considering different time horizons and their relevance to risk identification and business planning. The Company affirms that it actively monitors societal developments, such as regulation-driven carbon pricing mechanisms and customer-driven preferences for products, and incorporates these developments, where relevant, into potential scenarios that provide insights into how the energy transition may unfold in the medium- and long-term. It explains that these insights and those from various external scenarios (such as those prepared for the IPCC AR6) help guide how the Company sets its strategy, capital allocation, and climate-related targets and ambition. It has identified climate change and the energy transition as a material risk, which could potentially continue to result in changes to the demand for the Company's products, supply chains, and markets; further changes to the regulatory environment in which it operates; and increased litigation (2024 Annual Report and Accounts, p.80) .

COMPANY AND PEER "LNG" DISCLOSURE

Company Disclosure

In its response to this proposal, the Company states that the board will publish a summary note of existing disclosures on its website to support stakeholders in understanding the LNG market and its global LNG position. It adds that the note will provide the following information to help further build confidence in the Company's LNG activities: (i) third-party scenarios comparisons; (ii) competitiveness of its portfolio and stranded asset risk analysis; (iii) additional LNG portfolio analysis; and (iv) demonstrate the vital role of LNG. More specifically, the Company affirms that:

> *Shell will present the financial competitiveness of its LNG portfolio relative to the overall LNG market. Shell will also continue to develop Note 4 Climate Change and Energy Transition within the notes to the consolidated financial statements as part of the Annual Report and Accounts. Together, it allows shareholders to assess the stranded asset risks within the Shell portfolio.*
>
> *Shell will provide the Company's belief around LNG in line with the 2024 Energy Transition Strategy that investors overwhelmingly supported at the 2024 Annual General Meeting. Shell will also summarise existing LNG disclosures from various publications related to its balance between term supply and term sales contracts for LNG, the balance between spot and term contracts for both supply and sales of LNG, price sensitivity analysis and key price markers for both its LNG supply and sales.*
>
> *Shell will on its website explain how its business outlook for LNG is aligned with its existing emission targets to 2030. Shell will also develop three country case studies looking at the impact LNG has on the energy systems and emissions from countries and sectors. These will be alongside Shell's current disclosures*
>
> *Shell will compile existing disclosures into a note on its website related to the LNG market, Shell's LNG business, and how its LNG business reconciles with the broader strategy, including its climate commitments as outlined in this response to the resolution. This will be published before Shell's 2026 Annual General Meeting on the Company's website.*

The Company also states that, since 2021, it has disclosed, on a voluntary basis, Note 4 Climate Change and Energy Transition, within the notes to its consolidated financial statements, and that this note includes price sensitivities using a range of scenarios including the IEA NZE 2050 scenario for both its upstream and integrated gas businesses (2025 AGM NOM, pp.7-8).

The Company further discusses LNG in its most recent Annual Report and Accounts, stating that its strategy aims to grow its LNG business, which "provides flexibility alongside renewable energy, and a lower-carbon alternative to coal." It further states its expectation that supplying LNG will be the biggest contribution it makes to the energy transition over the next decade (p.4). Regarding its integrated gas and LNG capability, it states that its diversified and global portfolio of plants and terminals enhances its resilience to market shocks and allows the Company to capitalize on price volatility (p.7). It also emphasizes that the Company will deliver more value with less emissions by growing its integrated gas and LNG business, and that it remains committed to becoming a net zero emissions energy business by 2050 (p.10). It then discusses growth and resilience through the energy transition and states that it will grow LNG sales by 4%-5% a year through to 2030 (p.17).

The Company also maintains a webpage dedicated to LNG, where it discusses how the Company is growing its LNG business. It also provides its LNG Outlook 2025 and states that global demand for LNG is forecast to rise by around 60% by 2040, largely driven by economic growth in Asia, emissions reductions in heavy industry and transport, as well as the impact of artificial intelligence. It also addresses the environmental impacts of LNG, and emphasizes that the Company is decarbonizing its LNG portfolio in two main ways: (i) securing LNG with a lower carbon intensity, which includes LNG that has been produced using renewable power and carbon abatement technology such as carbon capture and storage; and (ii) reducing methane emissions, and committing to eliminate routine flaring from its upstream operated assets by 2025, which is five years ahead of the deadline adopted by most companies in its sector.

Additionally, the Company states that its scenario analysis shows global LNG demand could continue growing until 2040 in line with many other exploratory projections. It adds that the clear outliers are the IEA's APS and NZE scenarios (2025 AGM NOM, p.8). However, it also states that there is no single scenario that underpins its business and financial planning. It explains that its scenarios help develop its future oil and gas pricing outlooks, and that these outlooks take account of factors relating to the energy transition, such as potential changes in supply and demand (p.86). It also discloses metrics associated with LNG, including sales volumes, production, cash flow from operating activities, and earnings (pp.31-33). The Company also provides a list of its LNG liquefaction plants in operation or under construction as of December 31, 2024 (pp.34-35).

Regarding oversight of this issue, the sustainability committee assists the board in reviewing existing and emerging sustainability-related impacts, risks, and opportunities facing the Company, including relevant regulatory developments. It also reviews selected sustainability topics and matters of public concern, and, as directed by the board, reviews ESG matters in more detail. In addition, the sustainability committee reviews and considers external stakeholder perspectives on sustainability issues of relevance to the group's business. The audit and risk committee reviews with the CFO, other members of senior management, and the external auditors the potential impact on the consolidated financial statements of the implementation of the Company's strategy, climate change, and the energy transition. In 2024, the board considered how carbon credits, divestments, and potential investment opportunities contributed to meeting the Company's carbon reduction targets. The board also considered the nature and extent of the broader climate change and energy transition risk across board proposals and further considered the potential influence on the delivery of the Company's carbon reduction targets (p.162).

Peer Disclosure

To compare, **BP plc** (LSE: BP.) affirms that LNG is key to its strategy, and is a vital part of the broader global energy transition, and that as its customers look for new ways of consuming energy, global demand for LNG is expected to continue to grow. BP states it has significant LNG marketing and trading capabilities across the world, and that its objective is to achieve 25mpta target by 2025, and that the firm has a global portfolio in place to help deliver this. It further states that it delivers innovative commercial LNG solutions, amplifying value and profitability for its customers and stakeholders, and that its LNG portfolio includes a mix of long-term equity projects, as well as a merchant portfolio. It then explains that all of its activities are supported by its modern, efficient, and flexible shipping fleet and contracts to help it deliver LNG solutions to customers in a broad range of locations. BP notes that it is active throughout Europe, with numerous operations that allow the firm to meet the diverse needs of producers and customers. It is also a leading buyer and seller of LNG in Asia and the Middle East, where it is focused on the introduction of innovative new products, in addition to managing long-term sales contracts with customers in Japan, Korea, Kuwait, Singapore, and Taiwan, as well as in Australia.

In its Net Zero Ambition Progress Update, BP further discusses its strategic aims, which include portfolio optimization and achieving 30Mtpa by 2030 for its LNG portfolio (pp.12-14). It also discusses its methane measurement approach, stating that, in its shipping, it is currently deploying predictive emissions monitoring systems across its BP-operated LNG fleet to provide more accurate quantification of methane slip from combustion engines, which is the main source of methane emissions on LNG carriers. To improve the quantification of shipping-related fugitive emissions, BP has revised its leak detection and repair procedures and intends to use validated specific emission factors going forward (p.20). The firm also discusses LNG imports and demand in its Energy Outlook report, where it asserts that LNG demand increases rapidly in the near term, but adds that its outlook post-2030 becomes increasingly dependent on the pace of the transition, especially in Europe and Asia, which rely on LNG imports to meet their incremental natural gas demand (p.42).

Regarding oversight, the safety and sustainability committee provides oversight of the effectiveness of implementation of

BP's sustainability frame, including the implementation of its net zero ambition and associated aims and targets. The firm's net zero ambition and associated aims and targets are intended, in part, to help BP manage climate-related risks and opportunities.

To further compare, **Equinor ASA (**Oslo Børs: EQNR) discusses its optimized oil and gas portfolio, stating that scenarios of future energy needs, including those aligned with limiting global warming to 1.5°C, indicate that oil and gas will be required for decades to come. It adds that, to meet the needs of society, Equinor intends to be a reliable supplier for the foreseeable future, and that it has built a resilient oil and gas portfolio that it believes will continue to create value as the energy transition gathers pace (p.7). It also addresses decarbonizing its operations through pioneering technology, which includes electrification of LNG, methane measurement, flare gas recovery, and carbon capture and storage (p.13). Equinor also states that, to drive cost-efficient decarbonization in collaboration with its suppliers, the firm utilizes various energy efficiency measures and an array of alternative fuels, including LNG and ammonia, as well as battery hybrid or fully electric drives (p.14).

It also maintains a webpage dedicated to natural gas, and states that it sells LNG from the Snøhvit field in the Barents Sea, transported by specialized ships to customers worldwide. It adds that the global LNG market is growing, and that Equinor is now supplying LNG cargoes to more than 20 countries. Equinor also discusses the global gas market in its Energy Perspectives report (p.22).

Regarding board oversight, the safety, sustainability, and ethics committee receives information and reviews the firm's risk, practices, and performance related to climate and sustainability, including social responsibility and the environment. The committee also reviews reports on all major changes to Equinor's safety, security, sustainability, and climate policies, and makes recommendations to the board on amendments to the code of conduct and human rights policy.

Supplemental Company and Peer Analysis

Company Name	Shell plc (LSE: SHEL)	BP plc (LSE: BP.)	Equinor ASA (Oslo Børs: EQNR)
Sustainability Reporting	Provides a Sustainability Report, sustainability data supplement, approach to sustainability, energy transition strategy, strategic report, LNG Outlook, a just transition webpage, Climate and Energy Transition Lobbying Report, industry associations, energy security scenarios, net carbon footprint methodology, and discusses sustainability in its annual report and accounts.	Provides a Net Zero Ambition Progress Update, Sustainability Report, ESG datasheet, Energy Outlook, environmental policy, CDP Corporate Questionnaire, SASB index, GRI index, Basis of Reporting, climate policy positions, and discusses sustainability in its annual report.	Provides an Energy Transition Plan, Energy Perspectives report, climate risk and resilience policy, sustainability data hub, CDP Climate Change Questionnaire, ESRS index, review of industry associations, its climate policy positions, expectations to industry associations on climate policy, climate expectations for suppliers, biodiversity position, and discusses sustainability in its annual report.
Reports to TCFD Recommendations	Yes (p.133)	Yes	No, but provides an ESRS index.
Scenario Analysis/Planning Disclosure	Yes (pp.86-89)	Yes	Yes (pp.197-198)
GHG Emissions Received Third-Party Assurance	Yes (pp.105-106)	Yes (pp.48-49)	Yes (pp.317-319
Scope 1 and/or 2 Emissions Reduction Targets	Maintains target to halve Scope 1 and 2 emissions on a net basis under operational control by 2030 compared with a 2016 baseline. Also maintains targets to eliminate routine gas flaring by 2025, and to	Maintains a target to reduce absolute emissions for Scopes 1 and 2 emissions by 20% by 2025 and an aim to reduce emissions by 45-50% by 2030, both against a 2019 baseline. Also maintains an aim to reach net zero operations by	Maintains targets to reduce operational (Scope 1 and 2) GHG emissions by net 50% by 2030 relative to 2015, aiming for 90% of these reductions to be met by absolute reductions, and will use a maximum of 10% carbon credits.

	achieve methane emissions intensity below 0.2% and achieve near-zero methane emissions by 2030 (p.256).	aim to reach net zero operations by 2050 or sooner. Further maintains an aim to reduce methane intensity by 0.20% by 2025, and embedded in net zero operations by 2030 (p.25).	States that this equals a gross GHG emission reduction target, where it aims to achieve 45% absolute emissions reductions by 2030 (p.108).
Scope 3 Emissions Reduction Targets	Maintains targets to reduce the net carbon intensity of the energy products sold by 9-13% by 2025, 15-20% by 2030, and 100% by 2050 compared to a 2016 baseline. Also maintains an ambition to reduce customer emissions (Scope 3, category 11) related to the use of oil products sold by 15-20% by 2030 compared with 2021 (p.256).	Maintains aims for average lifecycle carbon intensity to achieve a 5% reduction by 2025, an 8%-10% reduction by 2030, and achieve net zero by 2050 or sooner (p.25).	Maintains ambition is to reduce the net carbon intensity (includes Scope 3 emissions from use of energy products that it produces) of the energy it provides by 15%-20% by 2030, and by 30%-40% by 2035 compared to 2019 levels, on its way to net zero by 2050 (p.17).
Net Zero Ambition/Target	Yes (p.12)	Yes	Yes (pp.4-.6)
Targets Certified by SBTi	No	No, but states that it considers its absolute emissions target to be science-based (p.433).	No. States that ambitions have not been assessed by the SBTi, which currently does not have a sector-specific standard for the oil and gas industry (p.106). Adds that its 2030 ambition for group-wide operated emissions is science-based and compatible with a 1.5°C pathway, as defined by the interquartile range of C1 (low or no overshoot) scenarios for 1.5°C developed by the Intergovernmental Panel on Climate Change Sixth Assessment (p.108).
	States that it actively monitors societal developments, such as regulation-driven carbon pricing mechanisms and customer-driven preferences for products, and incorporates these developments, where relevant, into potential scenarios which provide insights into how the energy transition may unfold in the medium- and long-term. It explains that these insights and	States that climate-related risks and opportunities were discussed at each board meeting covering strategy in 2023, and the committees considered climate-related issues where appropriate to do so in fulfilling their responsibilities. Adds that as part of its investment process, the board assesses capital allocation across its portfolio, including the level and mix of capital expenditures and divestments, strategic acquisitions, distribution choices, and deleveraging. Further, the board reviews and approves capital investments that are more than 3	States that it has a clear investment plan for delivering value through the energy transition and allocating capital to realize its strategy. Expects organic capex of an annual average of around USD 13 billion for 2024-2026, including an increasing share of renewable investments. Adds that its capital allocation to renewables and low-carbon solutions will accelerate towards 2030, and that its financial framework aims to ensure that projects and assets continue to

Discloses Plans to Decarbonize Future CapEx	those from various external scenarios (such as those prepared for the IPCC AR6) help guide how it sets its strategy, capital allocation, and climate-related targets and ambition (p.80). Discusses the resilience of its strategy to different climate-related scenarios, and states that as it works towards net zero emissions, it continues to exercise focus and discipline to optimise its capital allocation and operational expenditure, balancing energy security and demand, as well as internal and external transition considerations and opportunities. Further, it asserts that it will make disciplined choices about where it can create the most value for its shareholders and customers through the energy transition (p.86).	billion for investments in resilient hydrocarbons projects, more than 1 billion for investments in all nonoil and gas investments, and, in addition, any significant inorganic acquisition that is exceptional or unique in nature. All material (250M) capex investments are evaluated for consistency with the Paris goals by the executive-level resource commitment meeting, which is chaired by the CEO. Additionally states that throughout the year, management, the leadership team, the board, and relevant committees (including the safety and sustainability committee) provide oversight of how principal risks to BP, including climate-related risks, are identified, assessed, and managed. Such oversight may include consideration of internal audit reports, group risk reports, and reviews of the outcomes of business processes, including strategy, planning, resource, and capital allocation (pp.42-43).	generate cash flow in low-price scenarios. Also discusses its investment criteria, as well as carbon pricing and carbon costs, acquisitions and divestments, and its portfolio robustness (pp.46-48). Further discusses organic capex, and states that to ensure efficient capital allocation, it evaluates new projects based on value creation and a holistic assessment to maintain profitability and sustainability. Affirms that it will continue to reinvest in its oil and gas portfolio in addition to its high-graded project portfolio within renewables and low-carbon solutions. Adds that, in 2024, its organic capex was USD 12.1 billion (p.54). Also provides its 2025 energy transition plan, which discusses high-value growth in renewables, and provides its portfolio overview (p.9).

TPI Score Comparison

Led by asset owners and supported by asset managers, the Transition Pathway Initiative ("TPI") assesses companies' preparedness for the transition to a low-carbon economy, supporting efforts to address climate change. As of April 2025, 155 investors globally have pledged support for the TPI representing over $80 trillion combined AUM. Using publicly available information, the TPI assesses companies on two dimensions:

1) Management Quality: the quality of companies' management of their GHG emissions and of risks and opportunities related to the low-carbon transition, which is assessed against a series of criteria that places companies on one of five levels, from lowest to highest quality; and

2) Carbon Performance: how companies' carbon performance now and in the future might compare to the international targets and national pledges made as part of the Paris Agreement.

The TPI has assessed the Company, BP, and Equinor on comparable dates. The following information reflects the most recently available assessments as of the writing of this analysis, thus it may not be consistent with these companies' current disclosures.

	Management Quality Score (Levels 0-5)	Carbon Performance (Short-Term Alignment)	Carbon Performance (Medium-Term Alignment)	Carbon Performance (Long-Term Alignment)

Shell plc	5: Transition Planning and Implementation	Not aligned with sectoral Paris Agreement benchmarks.	Aligned with a Below 2 Degrees Scenario; consistent with overall aim of the Paris Agreement.	Aligned with a 1.5 Degrees Scenario; consistent with the overall aim of the Paris Agreement to hold "the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels".
BP plc	5: Transition Planning and Implementation	Not aligned with sectoral Paris Agreement benchmarks.	Aligned with a National Pledges Scenario; insufficient to put the world on a path to limit warming to 2°C.	Aligned with a 1.5 Degrees Scenario; consistent with the overall aim of the Paris Agreement to hold "the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels".
Equinor	5: Transition Planning and Implementation	Not aligned with sectoral Paris Agreement benchmarks.	Not aligned with sectoral Paris Agreement benchmarks.	Not aligned with sectoral Paris Agreement benchmarks.

Summary

GRI/SASB-Indicated Sustainability Disclosure	GRI and SASB (pp.73-91)
Peer Comparison	Overall, we find the Company's LNG disclosures to lead those of its peers. While all three companies maintain board-level oversight of climate, only the Company and BP provide details of how LNG is used in their strategies.
Analyst Note	In response to this proposal, the Company states that it will compile existing disclosures into a note on its website related to the LNG market, its LNG business, and how its LNG business reconciles with the broader strategy, including its climate commitments as outlined in its response to this resolution. The Company affirms that this will be published before its 2026 AGM on its website.

EUMEDION ALERT

We note that Eumedion, the Dutch Corporate Governance Forum for Institutional Investors, has issued an alert regarding this proposal. The alert summarizes the proposal and provides brief statements from both the Company and the proponent.

RECOMMENDATION

This proposal requests that the Company disclose whether and how its: (i) demand forecast for liquified natural gas ("LNG"); (ii) LNG production and sales targets; and (iii) new capital expenditure in natural gas assets are consistent with its climate commitments, including its target to reach net zero emissions by 2050. The proponent also requests that the disclosure include the criteria, data sources, methodologies, and assumptions used to underpin these claims with reasonable detail. We believe that this issue is financially material and that the Company should provide details concerning how LNG is factored into its broader climate strategy and its climate-related commitments. However, we believe that the Company currently provides significant details concerning this matter. Further, the Company states in response to this proposal that it has committed to providing enhanced disclosure on this matter in advance of its 2026 AGM. Specifically, the Company states that it will:

1. Present the financial competitiveness of its LNG portfolio relative to the overall LNG market, and will also continue to develop Note 4 Climate Change and Energy Transition within the notes to the consolidated financial statements as part of the Annual Report and Accounts to allow shareholders to assess the stranded asset risks within the Company's portfolio;
2. Provide the Company's belief around LNG in line with the 2024 Energy Transition Strategy that shareholders supported at the 2024 AGM, and will also summarize existing LNG disclosures from various publications related to its balance between term supply and term sales contracts for LNG, the balance between spot and term contracts for both supply and sales of LNG, price sensitivity analysis and key price markers for both its LNG supply and sales;
3. Explain on its website how the Company's business outlook for LNG is aligned with its existing emission targets to 2030, and also develop three country case studies looking at the impact LNG has on the energy systems and emissions from countries and sectors, which will be alongside its current disclosures; and
4. Compile existing disclosures into a note on its website related to the LNG market, the Company's LNG business, and how its LNG business reconciles with the broader strategy, including its climate commitments as outlined in this response to this resolution, which will be published before the Company's 2026 AGM on its website.

In addition, we believe that the Company currently provides ample disclosure to allow shareholders to understand how the Company is managing risks associated with its LNG production and how it is integrated in its broader climate strategy. While we understand that some shareholders may not agree with or support the Company's broader LNG strategy, we believe that its existing disclosures provide shareholders with a sufficient basis upon which they are able to understand and evaluate the Company's approach to this issue.

We both acknowledge the risks associated with the Company's operations and recognize the Company's efforts to enhance its LNG-related reporting. Accordingly, we will continue to monitor the Company's responsiveness to this issue and the robustness of its future reporting. Should we find such reporting to be deficient, we may consider recommending in favor of enhanced reporting at future meetings. However, at this time, we do not believe that support for this proposal would benefit shareholders.

We recommend that shareholders vote **AGAINST** this proposal.

VOTE RESULTS FROM LAST ANNUAL MEETING MAY 21, 2024

Source: Other voting results (investegate.co.uk) dated May 21, 2024

RESULTS

NO.	PROPOSAL	FOR/ DISCRETIONARY	AGAINST	ABSTAIN/WITHHELD*	GLC REC	FOR - EXCL. ABSTAINS
1.0	Accounts and Reports	98.50%	0.90%	0.60%	For	99.10%
2.0	Remuneration Report	94.28%	5.14%	0.58%	For	94.83%
3.0	Elect Dick Boer	96.86%	2.57%	0.56%	For	97.41%
4.0	Elect Neil A.P. Carson	98.21%	1.22%	0.57%	For	98.77%
5.0	Elect Ann F. Godbehere	95.52%	3.91%	0.57%	For	96.06%
6.0	Elect Sinead Gorman	98.06%	1.39%	0.56%	For	98.61%
7.0	Elect Jane Holl Lute	98.20%	1.23%	0.57%	For	98.76%
8.0	Elect Catherine J. Hughes	94.67%	3.99%	1.34%	For	95.95%
9.0	Elect Sir Andrew Mackenzie	89.02%	9.72%	1.26%	For	90.16%
10.0	Elect Sir Charles Roxburgh	98.26%	1.17%	0.57%	For	98.83%
11.0	Elect Wael Sawan	97.41%	1.33%	1.26%	For	98.66%
12.0	Elect Abraham Schot	97.73%	1.70%	0.57%	For	98.29%
13.0	Elect Leena Srivastava	98.22%	1.21%	0.57%	For	98.79%
14.0	Elect Cyrus Taraporevala	98.26%	1.16%	0.58%	For	98.83%
15.0	Appointment of Auditor	98.40%	0.97%	0.63%	For	99.02%
16.0	Authority to Set Auditor's Fees	99.15%	0.29%	0.56%	For	99.71%
17.0	Authority to Issue Shares w/ Preemptive Rights	97.26%	2.17%	0.57%	For	97.81%
18.0	Authority to Issue Shares w/o Preemptive Rights	98.48%	0.76%	0.76%	For	99.24%
19.0	Authority to Repurchase Shares	98.48%	0.94%	0.58%	For	99.05%
20.0	Authority to Repurchase Shares (Off-Market)	98.04%	1.37%	0.59%	For	98.62%
21.0	Authorisation of Political Donations	98.19%	1.22%	0.59%	For	98.77%
22.0	Approval of Energy Transition Update and Energy Transition Strategy 2024	73.28%	20.63%	6.08%	For	78.03%
23.0	Shareholder Proposal Regarding Scope 3 GHG Target and Alignment with Paris Agreement	18.06%	78.94%	3.00%	Against	18.62%

SHAREHOLDER PROPOSALS

NO.	PROPOSAL	FOR/ DISCRETIONARY	AGAINST	ABSTAIN/WITHHELD*	GLC REC	FOR - EXCL. ABSTAINS
23.0	Shareholder Proposal Regarding Scope 3 GHG Target and Alignment with Paris Agreement	18.06%	78.94%	3.00%	Against	18.62%

**In addition to being able to vote "for" or "against" individual resolutions, shareholders have a "withhold" or "abstain" option that they may use to indicate their reservations with a resolution without lodging a vote against it. However, a withhold vote, also known as an active abstention, is not a vote in law and is not counted by companies in the final tally of votes.*

APPENDIX

QUESTIONS

Questions or comments about this report, GL policies, methodologies or data? Contact your client service representative or go to www.glasslewis.com/public-company-overview/ for information and contact directions.

DISCLAIMERS

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PARTNER INSIGHTS

The pages following this appendix are included with this Proxy Paper report for informational purposes only. They contain data and insights produced by Glass Lewis' strategic business partners and none of the information included therein is a factor in Glass Lewis' analyses or vote recommendations.

About ESG Book

ESG Book is a global leader in sustainability data and technology. Launched in 2018, the company offers a wide range of sustainability-related data, scoring, and technology products that are used by many of the world's leading investors and companies. Covering over 35,000 companies, ESG Book's product offering includes ESG raw data, company-level and portfolio-level scores and ratings, analytics tools, and a SaaS data management and disclosure platform. ESG Book's solutions cover the full spectrum of sustainable investing including ESG, climate, net-zero, regulatory, and impact products. Read more on: www.esgbook.com.

SUSTAINALYTICS ESG PROFILE

ESG Risk Rating

Negligible | Low | Med | **High** | Severe

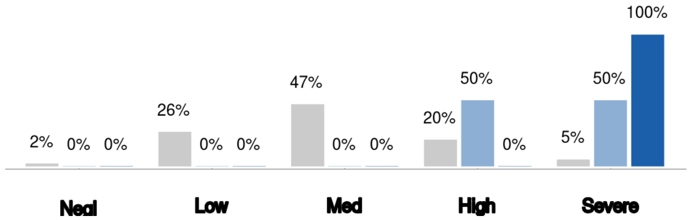
All data and ratings provided by: SUSTAINALYTICS

Data Received On: **April 29, 2025**

Rating Overview

The company is at high risk of experiencing material financial impacts from ESG factors, due to its high exposure and strong management of material ESG issues. Notably, its overall risk is higher since it is materially exposed to more ESG issues than most companies in our universe. The company is noted for its strong corporate governance performance, which is reducing its overall risk. The company is noted for its strong stakeholder governance performance, which is reducing its overall risk. Despite its strong management policies and programmes, the company has experienced a high level of controversies.

ESG Risk Rating Distribution



Relative Performance

	Rank*	Percentile*
Global Universe	13085 of 15199	**86th**
Oil & Gas Producers (Industry Group)	59 of 294	**21st**
Integrated Oil & Gas (Subindustry)	15 of 55	**27th**

** 1st = lowest risk*

Exposure to ESG Risk

Low | Medium | **High**

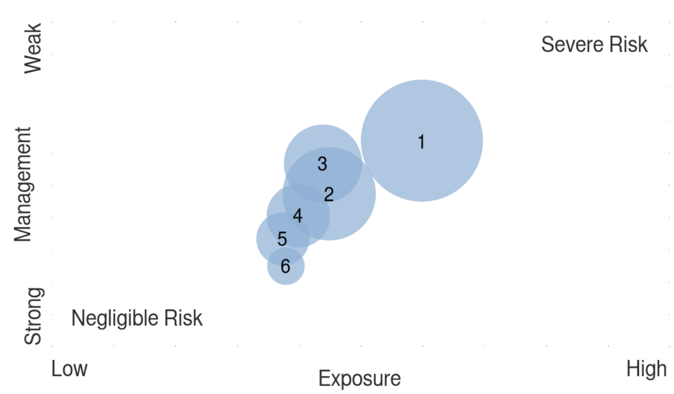
Management of ESG Risk

Strong | Average | Weak

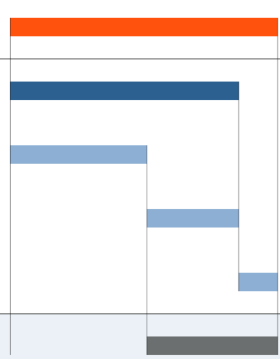
Top Material Issues

	Top Material Issues	ESG Risk Rating
3	1 Carbon - Products and Services	High
	2 Business Ethics	Med
	3 Occupational Health and Safety	Med
	4 Carbon - Own Operations	Low
	5 Community Relations	Low

= Noteworthy Controversy Level



Risk Details



Exposure	Company Exposure	The company's sensitivity or vulnerability to ESG risks.
Management	Manageable Risk	Material ESG risk that can be influenced and managed through suitable policies, programmes and initiatives.
	Managed Risk	Material ESG risk that has been managed by a company through suitable policies, programmes or initiatives.
	Management Gap	Measures the difference between material ESG risk that could be managed by the company and what the company is managing.
	Unmanageable Risk	Material ESG risk inherent in the products or services of a company and/or the nature of a company's business, which cannot be managed by the company.
ESG Risk Rating	Overall Unmanaged Risk	Material ESG risk that has not been managed by a company, and includes two types of risk: unmanageable risk, as well as risks that could be managed by a company through suitable initiatives but which may not yet be managed.

NOTEWORTHY CONTROVERSIES

SEVERE

The Event has a severe impact on the environment and society, posing serious business risks to the company. This category represents exceptional egregious corporate behavior, high frequency of recurrence of incidents, very poor management of ESG risks, and a demonstrated lack of willingness by the company to address such risks.

- **No severe controversies**

HIGH

The Event has a high impact on the environment and society, posing high business risks to the company. This rating level represents systemic and/or structural problems within the company, weak management systems and company response, and a recurrence of incidents.

- **Emissions, Effluents and Waste**

SIGNIFICANT

The Event has a significant impact on the environment and society, posing significant business risks to the company. This rating level represents evidence of structural problems in the company due to recurrence of incidents and inadequate implementation of management systems or the lack of.

- **Carbon Impact of Products**

PRODUCT INVOLVEMENT*

Alcoholic Beverages

Range: 0-4.9%

The company derives revenues from the distribution and/or retail sale of alcoholic beverages.

Oil Sands

Range: 0-4.9%

The company extracts oil sands.

Arctic Drilling

Range: 0-4.9%

The company is involved in oil and gas exploration in Arctic regions

Genetically Modified Plants & Seeds

Range: Not applicable

The company owns 10-50 per cent of another company with involvement in the development and/or cultivation of genetically modified seeds and/or plants.

Tobacco

Range: 0-4.9%

The company derives revenues from the distribution and/or retail sale of tobacco products.

NO PRODUCT INVOLVEMENT

Pesticides

Adult Entertainment

Gambling

Controversial Weapons

Thermal Coal

* Range values represent the percentage of the Company"s revenue. N/A is shown where Sustainalytics captures only whether or not the Company is involved in the product.

DISCLAIMER

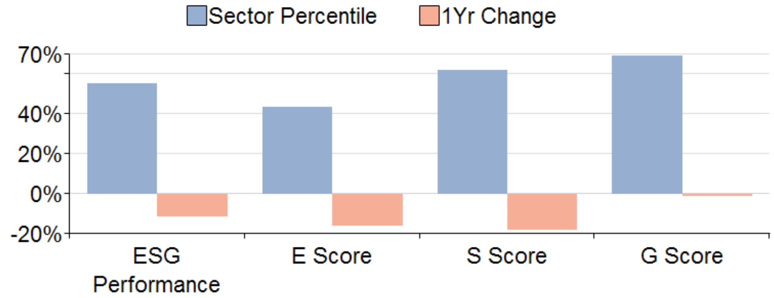
All data and ratings provided by:

SUSTAINALYTICS

https://www.sustainalytics.com/

ESG BOOK PROFILE

Summary of ESG Performance Score



All data and ratings provided by:

esgbook

www.esgbook.com

Country:	United Kingdom
Sector:	Energy Minerals
Industry:	Integrated Oil
Data Received:	2025-03-04

ESG Performance Score Details

The ESG Performance Score provides investors and corporates with a systematic and comprehensive sustainability assessment of corporate entities. The score measures company performance relative to salient sustainability issues across the spectrum of environmental, social and governance. The score is driven by a sector-specific scoring model that emphasises financially material issues, where the definition of financial materiality is inspired by the Sustainability Accounting Standards Board (SASB). For more detail please see the ESG Performance Score methodology here.

ESG Performance Score	
Absolute Score	55.5
Sector Percentile	55.8%
1 Year Change	-11.1%
2 Year Change	-21.1%
3 Year Change	-17.3%

	Environmental	Social	Governance
Score	48.7	62.2	58.7
Weight	39.8%	23.3%	36.8%
Sector Percentile	43.7%	62.3%	69.3%
1 Year Change	-15.7%	-17.8%	-0.7%

Risk Score Details

The Risk Score provided by ESG Book assesses company exposures relative to universal principles of corporate conduct defined by the UN's Global Compact. The score is accompanied by a transparent methodology and full data disclosure, enabling users to comprehend performance drivers, explain score changes, and explore associated raw data. Tailored for both investors and corporates, it serves as a universe selection tool for investors identifying companies more exposed to critical sustainability issues, while corporates can use it to assess their exposures, conduct peer comparisons, and pinpoint disclosure gaps. For more detail please see the risk score methodology user guide here.

Risk Score	
Absolute Score	69.2
Sector Percentile	96.0%
1 Year Change	-7.5%
2 Year Change	-4.3%
3 Year Change	-7.4%

	Human Rights	Labour Rights	Environment	Anti-corruption
Score	57.2	76.6	70.4	72.7
Weight	25.0%	25.0%	25.0%	25.0%
Sector Percentile	67.3%	93.0%	91.5%	99.5%
1 Year Change	-10.2%	-10.5%	-8.6%	-0.6%

Business Involvements - Over a 5% Revenue Threshold

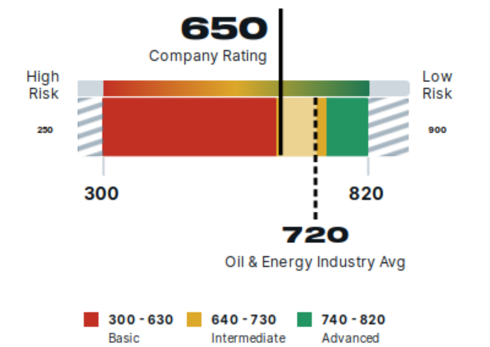
ESG Book has not found any business involvements for the Company that exceed a 5% revenue threshold.

BITSIGHT CYBERSECURITY RATING PROFILE

Shell Plc – Managed

COMPARATIVE INDUSTRY:
Oil & Energy

Bitsight Security Rating



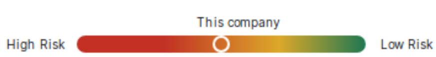
Risk of Ransomware

This company is **2.4x more vulnerable to ransomware** than companies rated 750+

Source: Link to Research

Risk of Security Incidents

This company is **1.5x more vulnerable to security incidents** than companies rated 750+



Source: Link to Research

What is a BitSight Security Rating?

BitSight Security Ratings are a measurement of a company's security performance over time. BitSight Security Ratings are generated through the analysis of externally observable data, leveraging BitSight's proprietary techniques to identify the scope of a company's entire digital footprint. BitSight continuously measures security performance based on evidence of compromised systems, diligence, user behavior, and data breaches to provide an objective, evidence-based measure of performance. This data-driven approach requires no cooperation from the rated company. The Rating is representative of the cybersecurity performance of an entire company, including its subsidiaries, business units, and geographic locations.

EXECUTIVE REPORT

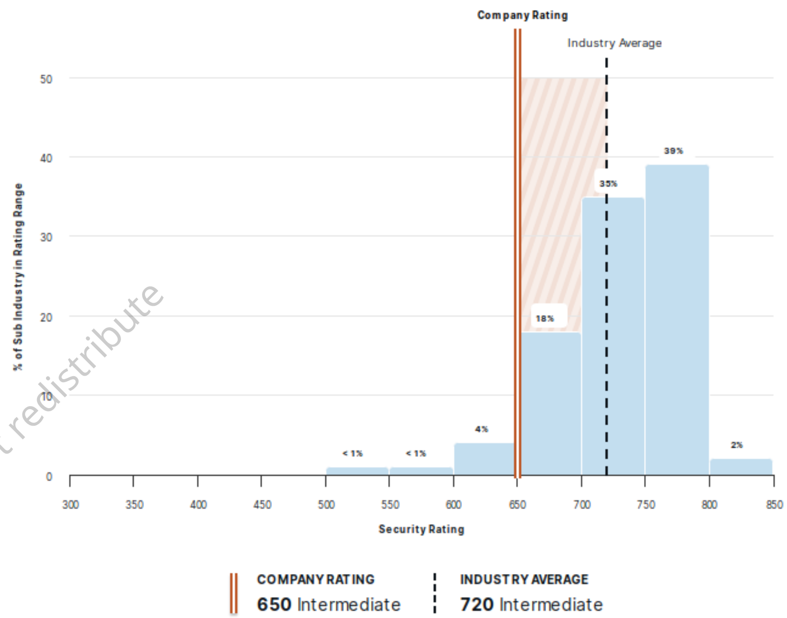
All data and ratings provided by:

Data Received on: **Apr 29, 2025**

PEER ANALYTICS

This compares a company against its industry:

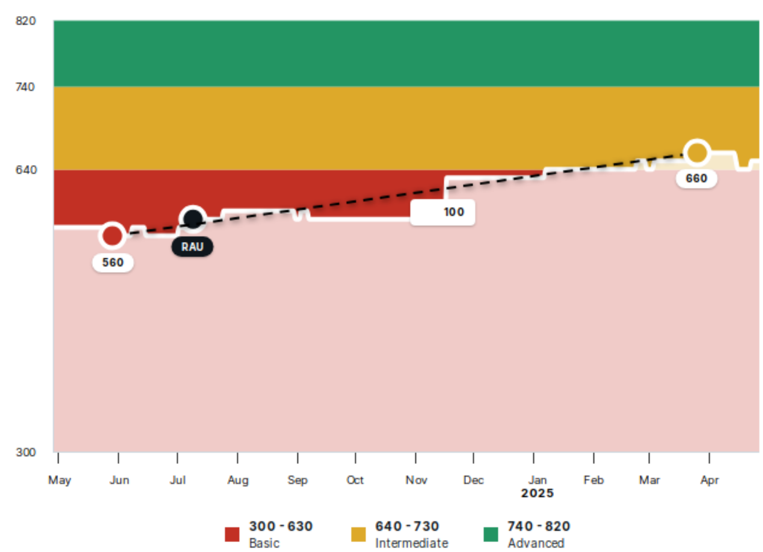
TOTAL COMPANIES	INDUSTRY RATING
6,399	**Bottom 8% of the industry**



PERFORMANCE OVER THE LAST 12 MONTHS

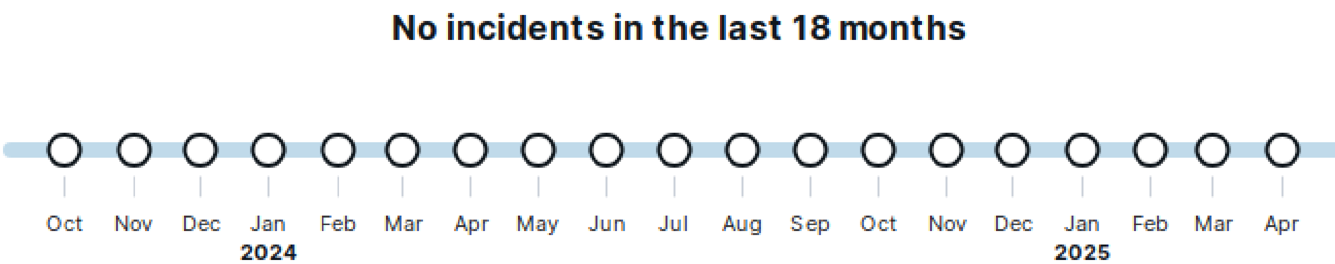
This rating change graph includes all rating changes events, including but not limited to, publicly disclosed security events.

HIGHEST	LOWEST
660 on Mar 26, 2025	**560** on May 29, 2024



PUBLICLY DISCLOSED SECURITY INCIDENTS THE LAST 18 MONTHS

Security incidents are publicly disclosed events of unauthorized access, often involving data loss or theft. These events are graded based on several factors, including the number of data records lost or exposed.



ADDITIONAL INFORMATION

Security Rating Overview

BitSight Security Ratings are a measurement of a company's security performance over time. BitSight Security Ratings are generated through the analysis of externally observable data, leveraging BitSight's proprietary techniques to identify the scope of a company's entire digital footprint. BitSight continuously measures security performance based on evidence of compromised systems, diligence, user behavior, and data breaches to provide an objective, evidence-based measure of performance. This data-driven approach requires no cooperation from the rated company. The Rating is representative of the cybersecurity performance of an entire company, including its subsidiaries, business units, and geographic locations.

In some cases, a company may designate one or more subsidiaries, business units or locations as representative of the company's overall digital footprint. In these cases, BitSight flags those companies in its reports as a Primary Rating, meaning that the company has undertaken this optional step in further articulating its digital footprint.

Companies often use Primary Ratings to exclude parts of their digital infrastructure that may not be useful in describing their cyber risk and resulting security posture. As examples, Primary Ratings often exclude guest wireless networks, security test environments, or networks used for customer hosting. BitSight does not validate Primary Ratings or whether the digital assets organizations exclude in creating Primary Ratings are properly excluded, nor does it validate the predictive quality of Primary Ratings. Go to this web page for more information about Primary Ratings.

BitSight rates companies on a scale of 250 to 900, with 250 being the lowest measure of security performance and 900 being the highest. A portion of the upper and lower edge of this range is currently reserved for future use. The effective range as of this report's generation is 300-820. Go to this web page to learn more about how BitSight security ratings are calculated.

Rating Algorithm Update (RAU)
BitSight periodically makes improvements to its ratings algorithm. These updates often include new observation capabilities, enhancements to reflect the rapidly changing threat landscape, and adjustments to further increase quality and correlation with business outcomes. BitSight's Rating and Methodology Governance Board governs these changes so that they adhere to BitSight's principles and policies. BitSight also has a Policy Review Board which reviews and arbitrates customer disputes associated with its ratings. More information about the Policy Review Board and its cases can be found here. Additionally, BitSight provides a preview of ratings algorithm changes customers (and what the likely impact will be) well before they affect the the live ratings, inviting comments and feedback on these changes.

Publicly Disclosed Security Incidents
The Security Incidents risk vector involves a broad range of events related to the unauthorized access of a company's data. BitSight collects information from a large number of verifiable sources such as news organizations and regulatory reports obtained via Freedom of Information Act requests or local analogs. This risk vector only impacts BitSight Security Ratings if a confirmed incident occurs. For more information about publicly disclosed security incidents and how BitSight ratings are calculated, please go here.

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