Powering Progress sets out our strategy to accelerate the transition of our business to net-zero emissions.

It is designed to create value for our shareholders, customers and wider society.

Powering Progress has four main goals in support of our purpose, to power progress together by providing more and cleaner energy solutions.
Powering Progress generates value for our shareholders. It provides the financial strength to transform our company as the world makes the transition to cleaner energy.

It focuses on working with our customers and across sectors to accelerate the transition to net-zero emissions, in step with society. A net-zero world is where society stops adding to the total amount of greenhouse gases in the atmosphere.

Powering Progress means powering lives and livelihoods through our products and activities, and by supporting an inclusive society.

It also means respecting nature by protecting the environment, reducing waste and making a positive contribution to biodiversity.

Powering Progress is underpinned by our core values of honesty, integrity and respect for people, and our focus on safety. These include our commitment to doing business in an ethical and transparent way.
Growing value through a dynamic portfolio and disciplined capital allocation.

GENERATING SHAREHOLDER VALUE

Growing value through a dynamic portfolio and disciplined capital allocation.
Powering Progress creates wealth for our shareholders through our shares and dividends. In this way, we support the savings and pension funds of millions of people around the world.

We expect to provide strong returns by taking a dynamic approach to our business portfolio. That means continuing to provide the energy the world needs today, while increasing our investments in cleaner energy.

At the same time, we will maintain financial discipline and a strong balance sheet, so that our company remains strong, resilient and ready to realise the opportunities in the energy transition.

Today, we have many strengths. These include the depth of our customer relationships, our world-class trading activities and our integrated business model that produces, buys, trades, transports and sells energy around the world.

We are building on these strengths to transform our company across our three business pillars of Growth, Transition and Upstream. Our Growth pillar includes our service stations, fuels for business customers, power, hydrogen, biofuels, charging for electric vehicles, nature-based solutions, and carbon capture and storage. It focuses on working with our customers to accelerate the transition to net-zero emissions.

Our Transition pillar comprises our Integrated Gas, and our Chemicals and Products businesses, and produces sustainable cash flow. Our Upstream pillar delivers the cash and returns needed to fund our shareholder distributions and the transformation of our company, by providing vital supplies of oil and natural gas.

By taking a dynamic approach to our portfolio, while maintaining financial discipline and a strong balance sheet, we will continue to be a compelling investment case for our shareholders.
HOW SHELL IS GENERATING SHAREHOLDER VALUE
ACHIEVING NET-ZERO EMISSIONS

Working with our customers and across sectors to accelerate the transition to net-zero emissions.
Tackling climate change is an urgent challenge. We will contribute to a net-zero world, where society stops adding to the total amount of greenhouse gas emissions in the atmosphere.

That is why we have set a target to become a net-zero emissions energy business by 2050, in step with society and our customers. This supports the more ambitious goal to tackle climate change laid out in the UN Paris Agreement: to limit the rise in average global temperature to 1.5° Celsius.

Becoming a net-zero emissions energy business means that we are reducing emissions from our operations, and from the fuels and other energy products we sell to our customers. It also means capturing and storing any remaining emissions using technology or balancing them with offsets.

We are transforming our business and finding new opportunities – providing more low-carbon energy such as biofuels, hydrogen, charging for electric vehicles and electricity generated by solar and wind power.

Achieving our target could mean that, by 2030, we are: providing enough renewable electricity for 50 million households; operating more than 2.5 million charging points for electric vehicles; producing eight times more low-carbon fuels; and increasing the amount of biofuels and hydrogen in the transport fuels we sell to 10%, from 3% today.

We are partnering with customers, businesses and others to address emissions, including in sectors that are difficult to decarbonise, such as aviation, shipping, road freight and industry. Partnering with others includes supporting government policies to reduce carbon emissions, sector by sector.

We will continue to drive innovation to provide the cleaner energy that our customers need.
We have set targets to reduce the carbon intensity [Net Carbon Footprint] of the energy products we sell, in step with society. This includes short-term targets of 2-3% by 2021, 3-4% by 2022, and 6-8% by 2023 (compared to 2016). It also includes medium- and long-term targets of 20% by 2030, 45% by 2035, and 100% by 2050 (compared to 2016).

We have linked the pay of more than 16,500 staff to our target to reduce the carbon intensity of our energy products by 6-8% by 2023, compared to 2016.

We believe our annual oil production peaked in 2019, and we expect our total oil production to decline by 1-2% a year until 2030.

We will invest on average $2-3 billion each year in our Renewables and Energy Solutions business.

In 2021, we expect to invest around $100 million in nature-based solutions such as forests and wetlands that store carbon.

We seek to have access to an additional 25 million tonnes a year of carbon capture and storage (CCS) capacity by 2035 – equal to 25 CCS facilities the size of our Quest site in Canada.

By 2030, we will end routine flaring of gas, which generates carbon emissions, from the assets we operate.

By 2025, we expect to have kept the methane emissions intensity of Shell-operated assets to below 0.2%.

Contributing to the UN Sustainable Development Goals
Powering lives through our products and activities, and by supporting an inclusive society.
Shell helps to power lives by providing vital energy for homes, businesses and transport, for cooking, heating and lighting.

The supply of affordable, reliable and sustainable energy is also crucial for addressing global challenges, including those related to poverty and inequality. That is why we are working to provide more energy to those who do not have it today.

Our operations support countries and communities. We employ people in more than 70 countries, providing income and other benefits such as health care and pensions.

Every year, we spend tens of billions of dollars on goods and services in the communities where we operate. Our activities also generate revenues for governments through the taxes and royalties we pay and the sales taxes we collect on their behalf. This helps fund health care, education, transport and other essential services.

We make a positive difference to countries and communities by providing training and skills. This supports local economic development and livelihoods. And we strengthen local economies by promoting entrepreneurship, innovation and meaningful employment through programmes including Shell LiveWire, our enterprise development programme.

We are working to become one of the most diverse and inclusive organisations in the world, a place where everyone feels valued and respected. We are focusing on four areas: gender, race and ethnicity, LGBT+ and disability.

We are also creating an increasingly inclusive experience for our customers. Our partnership with the fuelService app, for example, allows drivers with a disability to request assistance at our retail sites before they start their journeys, and pay from their cars.

We respect human rights in all parts of our business. Our approach is informed by the UN Guiding Principles on Business and Human Rights.
Our ambition, by 2030, is to provide reliable electricity to 100 million people in Africa and Asia who do not yet have it.

We aim to increase racial and ethnic representation across our workforce so that we better reflect the communities in which we work and live, starting in the UK and the USA and followed by the Netherlands.

We will work to achieve 30% representation of women in our top 1,400 leaders at Shell by the end of 2021, 35% by 2025 and 40% by 2030, compared to 26.4% at the end of 2019.

By 2030, we will make our global network of service stations more inclusive and accessible to customers with physical disabilities.

We will provide a safe, caring and inclusive environment for LGBT+ staff so that they can be themselves and reach their full potential.
RESPECTING NATURE

Protecting the environment, reducing waste and making a positive contribution to biodiversity.
For many years we have had guiding principles and standards that seek to protect the environment. Now we are stepping up our environmental ambitions and shaping them to contribute to the UN Sustainable Development Goals.

Our environmental ambitions include protecting and enhancing biodiversity – the plant and animal life that is vital for the planet. We are also focusing on using water and other resources more efficiently across all our activities, reusing as much of them as we can.

We are reducing waste from our operations and increasing recycling of plastics. We are helping to improve air quality by reducing emissions from our operations and providing cleaner ways to power transport and industry.

Working with our partners and suppliers and developing new collaborations is key. We will join with others across industry, governments, our customers and supply chains to protect nature.

We have set environmental ambitions for 2030 and later, as well as shorter-term goals. We will continue to look for opportunities to go further and will report our progress in a transparent way.
HOW SHELL IS RESPECTING NATURE

- By 2030, we will increase the amount of recycled plastic in our packaging to 30% and ensure that the packaging we use for our products is reusable or recyclable.

- We are aiming for zero waste by increasing reuse and recycling in our business and supply chains.

- We will reduce the amount of fresh water consumed in our facilities, starting by reducing fresh-water consumption by 15% by 2025 compared with 2018 levels in areas where there is high pressure on fresh-water resources.

- We will demonstrate an overall positive impact on biodiversity from our new projects in areas rich in biodiversity, called critical habitats. This will include investing in conservation and taking steps to safeguard and, where possible, enhance local environments.
OUR CORE VALUES

Living by our core values and our relentless focus on safety.
Powering Progress is underpinned by our core values of honesty, integrity and respect for people and our relentless focus on safety.

The Shell General Business Principles, Code of Conduct and Ethics and Compliance Manual help everyone at Shell act in line with these values and comply with relevant laws and regulations.

We have introduced a new decision-making framework to ensure that we continue to make ethical decisions in line with our Code of Conduct.

We do business in a clear, open way, and we promote transparency where possible throughout our industry.

Keeping employees, contractors and local communities safe is our top priority. We aim to do no harm to people and to have no leaks across our operations.