

# Industry Associations Climate Review Update



Shell intends to remain at the forefront of the drive for greater corporate transparency around advocacy related to climate change.

In April 2019, we published our Industry Associations Climate Review, which assessed Shell's alignment with 19 key industry associations on climate-related policy. The report also detailed new governance principles to improve how Shell manages our memberships of industry associations on climate-related topics.

Since then, we have continued to work to ensure our memberships of industry associations support the Paris Agreement goal to limit the rise in global average temperatures this century to well below two degrees Celsius (2°C) above pre-industrial levels.

In this update, we highlight actions we have taken over the past year to address differences in climate-related policy with the nine industry associations where we found some misalignment.

For the first time, we also detail the payments Shell made in 2019 to all the industry associations featured in our Industry Associations Climate Review, excluding American Fuel & Petrochemical Manufacturers (AFPM), which we left at the end of 2019.

Finally, this update shows the steps we have taken to strengthen internal governance of our memberships of industry associations over the past 12 months.

We plan to publish our next industry associations report in 2021.



# PAYMENTS TO INDUSTRY ASSOCIATIONS

Industry associations play an important role in developing and implementing industry standards and best practices in areas such as health, safety, security and the protection of the environment. They also provide a valuable platform for engagement with governments, regulators and communities. They advocate on a range of issues, including climate change, trade, transport, taxes and the environment.

One of the ways Shell contributes to the work of industry associations is by paying annual membership fees. These may be calculated as either fixed fees for all members, or as a proportion of the annual turnover or production volumes of members. Shell may also make additional payments to industry associations to sponsor research or an event, for example. Table 1 below provides an overview of payments we made to 18 industry associations in 2019.

In the European Union (EU) and the USA, we also report on costs relating to lobbying activities in line with the requirements and guidelines set out in the EU Transparency Register and the US Lobbying Disclosure Act. These submissions are publicly available.<sup>1</sup> There are different rules for which costs should be reported in these two submissions.

For the EU Transparency Register, Shell reports direct lobbying costs, such as staff and office costs, as well as indirect lobbying costs, such as those relating to industry associations. In accordance with the guidelines, Shell declares the estimated percentage of the membership fees used for lobbying.<sup>2</sup>

For the US Lobbying Disclosure Act submission, Shell is required to report its direct lobbying costs only, so indirect costs relating to industry associations are not included.

**Table 1: Shell payments to industry associations in 2019**

USD range	Industry Associations
12.5 - <15 million	<ul style="list-style-type: none"> <li>■ American Petroleum Institute (API)</li> </ul>
10 - <12.5 million	N/A
7.5 - <10 million	N/A
5 - <7.5 million	N/A
2.5 - <5 million	N/A
1 - <2.5 million	<ul style="list-style-type: none"> <li>■ American Chemistry Council (ACC)</li> <li>■ European Chemical Industry Council (Cefic)</li> <li>■ European Petroleum Refiners Association (including FuelsEurope and Concawe)</li> <li>■ US Chamber of Commerce (USC)</li> <li>■ Western States Petroleum Association (WSPA)</li> </ul>
500,000 - <1 million	<ul style="list-style-type: none"> <li>■ Canadian Association of Petroleum Producers (CAPP)</li> <li>■ International Association of Oil &amp; Gas Producers (IOGP)</li> <li>■ National Association of Manufacturers (NAM)</li> </ul>
100,000 - <500,000	<ul style="list-style-type: none"> <li>■ Australian Petroleum Production &amp; Exploration Association (APPEA)</li> <li>■ International Air Transport Association (IATA)</li> <li>■ IPIECA</li> <li>■ World Business Council for Sustainable Development (WBCSD)</li> </ul>
50,000 - <100,000	<ul style="list-style-type: none"> <li>■ Business Council of Australia (BCA)</li> <li>■ European Round Table for Industry (ERT)</li> <li>■ International Emissions Trading Association (IETA)</li> </ul>
0 - <50,000	<ul style="list-style-type: none"> <li>■ Australian Industry Greenhouse Network (AIGN)</li> <li>■ BusinessEurope</li> </ul>

Note: These figures relate to payments made to the industry associations. They include membership fees and, where relevant, additional payments to sponsor research or events, for example. They do not include the cost of seconding Shell employees to work at an industry association for a temporary period. Any payments made in local currencies are converted to US dollars using Shell standard conversion rates that we use for planning purposes. Data shown exclude applicable taxes and may not be exhaustive.

## Evolving Policy Positions

Society's expectations regarding the response to climate change continue to evolve and Shell's views are also evolving. We have recently updated our list of the global climate-related policies we support and this is published on our global website, Shell.com.<sup>3</sup>

We also provide examples of Shell's positions on specific climate-related policies, legislation or regulations in different parts of the world on our website.<sup>4</sup> For example:

- Shell supports the EU Green Deal's target to achieve net-zero emissions<sup>5</sup> in the EU by 2050.<sup>6</sup>
- We continue to advocate stronger regulation of methane emissions. In the USA, we support the direct regulation of methane emissions as a risk to climate, instead of the indirect regulation of methane emissions as part of regulations to reduce air pollution.<sup>7</sup>
- In the EU, Shell supports regulations that achieve ambitious reductions in methane emissions across the full natural gas supply chain.<sup>8</sup>

## Actions to address climate-related misalignment

In our Industry Associations Climate Review,<sup>9</sup> we found that we were aligned on climate-related policy with nine industry associations, had some misalignment with nine, and material misalignment with one, AFPM, which we left at the end of 2019.

Over the past year, Shell has continued to advocate our climate-related policies<sup>10</sup> with the nine industry associations where we found some misalignment (see table 2). We have remained in these industry associations because there is evidence that their positions are changing, we believe we can have a greater impact within the associations than outside them, and because we see a broader value in our memberships.

Several of the industry associations where we found some misalignment have developed their positions since April 2019 in support of policies to tackle climate change. For example:

- The American Petroleum Institute (API)<sup>11</sup> has published its first climate position and principles that include stating support for global action to reduce greenhouse gas emissions.
- The US Chamber of Commerce (USC),<sup>12</sup> National Association of Manufacturers (NAM)<sup>13</sup> and American Chemistry Council (ACC)<sup>14</sup> have updated their climate positions in support of the goal of the Paris Agreement.

- Business Europe,<sup>15</sup> European Chemical Industry Council (Cefic)<sup>16</sup> and FuelsEurope<sup>17</sup> have supported the EU Green Deal's target to achieve net-zero emissions by 2050, a target that Shell also supports.

However, there remain areas of misalignment and we have set out our next steps in table 2.

In line with our principles for participation in industry associations,<sup>18</sup> we will take one or more steps when we identify misalignment. These include remaining in the association and increasing our engagement in areas where we have different views, pursuing our advocacy independently or through other coalitions, and reassessing our membership where we identify the risk of material misalignment in our climate-related policy positions.

## Strengthened governance

Shell has started to implement our principles for participation in industry associations, which build on the Shell General Business Principles and our Code of Conduct,<sup>19</sup> to strengthen governance and ensure our memberships of industry associations do not undermine our support for the Paris Agreement. We have embedded the principles in the Shell Control Framework, which sets the requirements for how all Shell entities operate.

## Next steps in improving transparency around our climate advocacy

In 2021, we plan to publish our next industry associations report. This will assess our alignment with the 18 industry associations featured here, as well as others. We will select additional industry associations because their climate-related policies have brought them to the attention of investors and non-governmental organisations, and because they operate in regions or countries where we have significant business activities.

We also plan to publish further information about our corporate climate advocacy on our global website.

We will continue to engage with other companies, investors and non-governmental organisations as we further develop our approach to greater transparency around climate lobbying and reporting.

**Table 2: Update on industry associations with some misalignment in Shell’s Industry Associations Climate Review Report, April 2019**

Industry association	Actions taken	Key changes to industry association’s climate positions	Next steps
American Chemistry Council (ACC)	Shell encouraged ACC to adopt positions more aligned with those that we support.	ACC published its climate policy principles in June 2019. <sup>20</sup> The principles acknowledge the Paris Agreement, call for market signals to reduce greenhouse emissions and call for US policy to support innovation.	Shell will remain in ACC and continue to engage on climate policy.
American Petroleum Institute (API)	Shell participated in API’s climate working group in 2019 and encouraged API to adopt positions more aligned with those that we support.	API published its first climate change position and climate policy principles in January 2020. <sup>21</sup> API’s climate position states support for global action to reduce greenhouse emissions. API has said it will use its climate policy principles to evaluate specific public policies that address the risks of climate change.	<p>Shell will remain in API and continue our engagement with the association in areas where we have different views.</p> <p>This includes advocating API supports:</p> <ul style="list-style-type: none"> <li>■ The goal of the Paris Agreement</li> <li>■ Government-led carbon pricing mechanisms</li> <li>■ The direct regulation of methane emissions as a risk to the climate system</li> </ul> <p>We also continue to work with API on policy frameworks for low-carbon technologies.</p>
BusinessEurope	Shell attended BusinessEurope’s energy and climate working group in 2019. Shell has observer status in BusinessEurope.	<p>BusinessEurope is aligned with Shell’s climate-related policy positions published in our April 2019 report.<sup>22</sup></p> <p>BusinessEurope supports the EU Green Deal’s target to achieve net-zero emissions by 2050.<sup>23</sup></p>	<p>Shell will remain in BusinessEurope and continue to engage on climate policy.</p> <p>Shell will work with BusinessEurope to support the development of an enabling policy framework to achieve net-zero emissions in the EU by 2050.</p>

**Table 2: Update on industry associations with some misalignment in Shell’s Industry Associations Climate Review Report, April 2019**

Industry association	Actions taken	Key changes to industry association’s climate positions	Next steps
Canadian Association of Petroleum Producers (CAPP)	Shell remained active with the CAPP board of governors, senior policy groups and working-level committees. We continued to promote support of the goal of the Paris Agreement and government-led carbon pricing.	<p>In December 2019, CAPP expressed disappointment that COP25 did not reach agreement on Article 6 of the Paris Agreement which aims to establish an international carbon market.<sup>24</sup></p> <p>In 2020, CAPP created a Climate Strategy Priority Steering Group.<sup>25</sup></p>	<p>Shell will remain in CAPP and continue our engagement with the association in areas where we have different views.</p> <p>This includes advocating CAPP supports:</p> <ul style="list-style-type: none"> <li>■ The goal of the Paris Agreement</li> <li>■ Carbon-pricing mechanisms</li> </ul> <p>Shell will continue to be an active member of CAPP committees involving communications and climate strategy.</p>
European Chemical Industry Council (Cefic)	Shell engaged with Cefic to identify policies to enable the chemicals industry’s contribution to the EU Green Deal, including support for the EU’s target to achieve net-zero emissions by 2050.	<p>Cefic is aligned with Shell’s climate-related policy positions published in our April 2019 report.<sup>26</sup></p> <p>Cefic supports the EU Green Deal’s target to achieve net-zero emissions by 2050.<sup>27</sup></p>	<p>Shell will remain in Cefic and continue to engage on climate policy.</p> <p>Shell will work with Cefic to support the development of an enabling policy framework to achieve net-zero emissions in the EU by 2050.</p>
FuelsEurope	Shell engaged with FuelsEurope to identify policies to enable the refining industry’s contribution to the EU Green Deal, including support for the EU’s target to achieve net-zero emissions by 2050.	<p>FuelsEurope is aligned with Shell’s climate-related policy positions published in our April 2019 report.<sup>28</sup></p> <p>FuelsEurope supports the EU Green Deal’s target to achieve net-zero emissions by 2050.<sup>29</sup></p>	<p>Shell will remain in FuelsEurope and continue to engage on climate policy.</p> <p>Shell will work with FuelsEurope to support the development of an enabling policy framework to achieve net-zero emissions in the EU by 2050.</p>

**Table 2: Update on industry associations with some misalignment in Shell’s Industry Associations Climate Review Report, April 2019**

Industry association	Actions taken	Key changes to industry association’s climate positions	Next steps
National Association of Manufacturers (NAM)	Shell participated in NAM’s climate working group and contributed to NAM’s energy and environment policy consultation in 2019, including on climate policy. Shell encouraged NAM to adopt positions more aligned with those that we support.	NAM updated its climate policy principles to state its support for the objectives of the Paris Agreement. <sup>30</sup> The principles also call for market signals to be adopted to reduce greenhouse emissions.	Shell will remain in NAM and continue our engagement with the association in areas where we have different views.  This includes advocating NAM supports:  ■ Government-led carbon pricing mechanisms  Shell will continue to participate in NAM’s climate working group.
US Chamber of Commerce (USC) <sup>31</sup>	Shell participated in USC’s task force on climate actions <sup>32</sup> (within USC’s Global Energy Institute), which aims to inform USC’s climate policy positions, with a focus on carbon pricing. Shell also participated in several USC climate events before the task force was established. Shell encouraged USC to adopt positions more aligned with those that we support.	USC updated its climate position in November 2019 to state support for US participation in the Paris Agreement. <sup>33</sup>	Shell will remain in USC and continue our engagement with the association in areas where we have different views.  This includes advocating USC supports:  ■ Government-led carbon pricing mechanisms  Shell will continue to participate in USC’s task force on climate actions.
Western States Petroleum Association (WSPA)	Shell held a policy alignment meeting in 2019 with senior WSPA leaders.	WSPA published its updated climate position in January 2020. <sup>34</sup> WSPA’s position states support for market-based approaches such as cap-and-trade programmes and carbon taxes.	Shell will remain in WSPA and continue our engagement with the association in areas where we have different views.  This includes advocating WSPA supports:  ■ The goal of the Paris Agreement  We also encourage WSPA to take a more proactive approach to advocating government-led carbon pricing mechanisms.

# FOOTNOTES

- 1 In the USA, Shell's reported expenses related to lobbying practices were \$7,320,000 in 2019. These can be accessed on <http://disclosures.house.gov/> using the search criteria: "Shell Oil Company". In the EU, Shell's reported "Estimated annual costs related to activities covered by the register" were €4,500,000-4,749,000 in 2019. Shell's submission to the EU Transparency Register can be accessed on <https://ec.europa.eu/transparencyregister/> by searching the ID-number: 8616.
- 2 The EU Transparency Register guidelines indicate that companies should report "the estimated annual costs that cover direct and indirect influencing of the formulation or implementation of policy and the decision making processes of EU institutions."
- 3 <https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity.html>
- 4 <https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity.html>
- 5 Net-zero emissions refers in this update to net-zero greenhouse gas emissions, which is also referred to as "climate neutrality" in the EU context.
- 6 <https://www.shell.com/media/speeches-and-articles/2019/getting-to-net-zero-emissions.html>  
[https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12108-Climate-Law/F505608?p\\_id=6229246](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12108-Climate-Law/F505608?p_id=6229246)
- 7 <https://www.linkedin.com/pulse/shell-supports-direct-regulation-methane-heres-why-gretchen-watkins/> and  
[https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/\\_jcr\\_content/par/textimage.stream/1576754005747/3178bda717b7a2aa52d400b450ba4874c47dce34/epa-methane-letter.pdf](https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/_jcr_content/par/textimage.stream/1576754005747/3178bda717b7a2aa52d400b450ba4874c47dce34/epa-methane-letter.pdf)
- 8 <https://www.linkedin.com/pulse/why-methane-emissions-reduction-must-core-focus-eus-maarten-wetselaar?articleId=6608701043658358784>
- 9 [https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/\\_jcr\\_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf](https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/_jcr_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf)
- 10 Page 11 of Shell Industry Associations Climate Review: [https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/\\_jcr\\_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf](https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/_jcr_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf)
- 11 <https://www.api.org/news-policy-and-issues/climate-change>
- 12 <https://www.uschamber.com/climate-change-position>
- 13 Section ERP-1.09 Climate Change of NAM Energy and Natural Resources Policy: <https://www.nam.org/wp-content/uploads/2020/04/Energy-and-Environment-Policies.pdf>
- 14 <https://www.americanchemistry.com/ACC-Climate-Policy-Principles.pdf>
- 15 <https://www.businesseurope.eu/publications/european-climate-law-moving-eu-towards-climate-neutrality>
- 16 [https://cefic.org/media-corner/newsroom/marco-mensink-cefic-supports-the-green-deal-and-europes-ambition-to-become-climate-neutral-by-2050/?utm\\_campaign=Climate\\_neutrality\\_announcement\\_1-2019121\\_Belgium\\_CEFIC\\_Anyone\\_Campaign\\_Reach\\_uk-en&utm\\_source=twitter&utm\\_medium=post-organic&utm\\_content=Announcement&utm\\_term=](https://cefic.org/media-corner/newsroom/marco-mensink-cefic-supports-the-green-deal-and-europes-ambition-to-become-climate-neutral-by-2050/?utm_campaign=Climate_neutrality_announcement_1-2019121_Belgium_CEFIC_Anyone_Campaign_Reach_uk-en&utm_source=twitter&utm_medium=post-organic&utm_content=Announcement&utm_term=)
- 17 <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12227-Revision-of-the-Energy-Tax-Directive/F510014>
- 18 Page 19 of Shell's Industry Associations Climate Review: [https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/\\_jcr\\_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf](https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/_jcr_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf)
- 19 <https://www.shell.com/about-us/our-values.html>
- 20 <https://www.americanchemistry.com/ACC-Climate-Policy-Principles.pdf>. ACC had previously supported the policy statements of the International Council of Chemical Associations (ICCA) on the Paris Agreement, which recognise the role of the chemical industry in achieving the goal of the Paris Agreement.
- 21 <https://www.api.org/news-policy-and-issues/climate-change>
- 22 Page 11 of Shell Industry Associations Climate Review: [https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/\\_jcr\\_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf](https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/_jcr_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf)
- 23 <https://www.businesseurope.eu/publications/european-climate-law-moving-eu-towards-climate-neutrality>
- 24 <https://www.capp.ca/news-releases/capp-responds-to-cop25-failure-to-reach-agreement-on-article-6>
- 25 <https://www.capp.ca/about/capp/>
- 26 Page 11 of Shell Industry Associations Climate Review: [https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/\\_jcr\\_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf](https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/_jcr_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf)
- 27 [https://cefic.org/media-corner/newsroom/marco-mensink-cefic-supports-the-green-deal-and-europes-ambition-to-become-climate-neutral-by-2050/?utm\\_campaign=Climate\\_neutrality\\_announcement\\_1-2019121\\_Belgium\\_CEFIC\\_Anyone\\_Campaign\\_Reach\\_uk-en&utm\\_source=twitter&utm\\_medium=post-organic&utm\\_content=Announcement&utm\\_term=](https://cefic.org/media-corner/newsroom/marco-mensink-cefic-supports-the-green-deal-and-europes-ambition-to-become-climate-neutral-by-2050/?utm_campaign=Climate_neutrality_announcement_1-2019121_Belgium_CEFIC_Anyone_Campaign_Reach_uk-en&utm_source=twitter&utm_medium=post-organic&utm_content=Announcement&utm_term=)
- 28 Page 11 of Shell Industry Associations Climate Review: [https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/\\_jcr\\_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf](https://www.shell.com/sustainability/transparency/public-advocacy-and-political-activity/_jcr_content/par/textimage.stream/1554466210642/0a46ab13e36e99f8762ebb021bd72decec2f47b2/final-industry-association-climate-review-april-2019.pdf)
- 29 <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12227-Revision-of-the-Energy-Tax-Directive/F510014>
- 30 Section ERP-1.09 Climate Change of NAM Energy and Natural Resources Policy: <https://www.nam.org/wp-content/uploads/2020/04/Energy-and-Environment-Policies.pdf>
- 31 Shell makes the following correction regarding its statement made in relation to its board membership of US Chamber of Commerce: Membership of board/ executive committee: Shell Oil Company is not a member of the board of directors.
- 32 [https://www.uschamber.com/sites/default/files/023740\\_climatetaskforce\\_onepager\\_03.pdf](https://www.uschamber.com/sites/default/files/023740_climatetaskforce_onepager_03.pdf)
- 33 <https://www.uschamber.com/climate-change-position>
- 34 [https://www.wspa.org/wp-content/uploads/WSPA\\_ClimatePrinciples-1.pdf](https://www.wspa.org/wp-content/uploads/WSPA_ClimatePrinciples-1.pdf)

## CAUTIONARY NOTE

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this Industry Associations Climate Review Update “Shell”, “Shell Group” and “Royal Dutch Shell” are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general. Likewise, the words “we”, “us” and “our” are also used to refer to Royal Dutch Shell plc and its subsidiaries in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular entity or entities. “Subsidiaries”, “Shell subsidiaries” and “Shell companies” as used in this Industry Associations Climate Review Update refer to entities over which Royal Dutch Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to as “joint ventures” and “joint operations”, respectively. Entities over which Shell has significant influence but neither control nor joint control are referred to as “associates”. The term “Shell interest” is used for convenience to indicate the direct and/or indirect ownership interest held by Shell in an entity or unincorporated joint arrangement, after exclusion of all third-party interest.

This Industry Associations Climate Review Update contains forward-looking statements (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995) concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as “aim”, “ambition”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “goals”, “intend”, “may”, “objectives”, “outlook”, “plan”, “probably”, “project”, “risks”, “schedule”, “seek”, “should”, “target”, “will” and similar terms and phrases. There are a number of factors that could affect the future operations of Royal Dutch Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this Industry Associations Climate Review Update, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell’s products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; (m) risks associated with the impact of pandemics, such as the COVID-19 (coronavirus) outbreak; and (n) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this Industry Associations Climate Review Update are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Royal Dutch Shell’s Form 20-F for the year ended December 31, 2019 (available at [www.shell.com/investor](http://www.shell.com/investor) and [www.sec.gov](http://www.sec.gov)). These risk factors also expressly qualify all forward-looking statements contained in this Industry Associations Climate Review Update and should be considered by the reader. Each forward-looking statement speaks only as of the date of this Industry Associations Climate Review Update, 16th April 2020. Neither Royal Dutch Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this Industry Associations Climate Review Update.

We may have used certain terms, such as resources, in this Industry Associations Climate Review Update that the United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. Investors are urged to consider closely the disclosure in our Form 20-F, File No 1-32575, available on the SEC website [www.sec.gov](http://www.sec.gov).