



# **SHELL USE OF 'COMPLEMENTARY MEASURES' FOR DECARBONISATION**

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# Shell Strategy on Climate Change + Low Carbon Activity

## Gas



## Energy Efficiency



## Biofuels



## Carbon Capture & Storage



# Tools for portfolio CO<sub>2</sub> management

## Basis for influencing CO<sub>2</sub> resilience

Robust  
assets

Competitive  
products

### Current tools and where they apply

CO<sub>2</sub> Performance  
Standards

\$40 CO<sub>2</sub> PSV

Business CO<sub>2</sub>  
strategies

Largest new projects

Largest existing assets

# \$40/tonne CO<sub>2</sub> PSV key to ensuring a CO<sub>2</sub>-resilient portfolio

## Intent is to:

- Quantify long-term explicit *and* implicit cost signals from governments.
- Prompt a deeper discussion on risk with most exposed projects.
- Drive design choices to develop a resilient portfolio ...and assure investors of that.

### What it is

Ensure portfolio is resilient

Mandatory in base case economics

Risk of our assets' operations

Owned by Group CO<sub>2</sub>

### What it is not

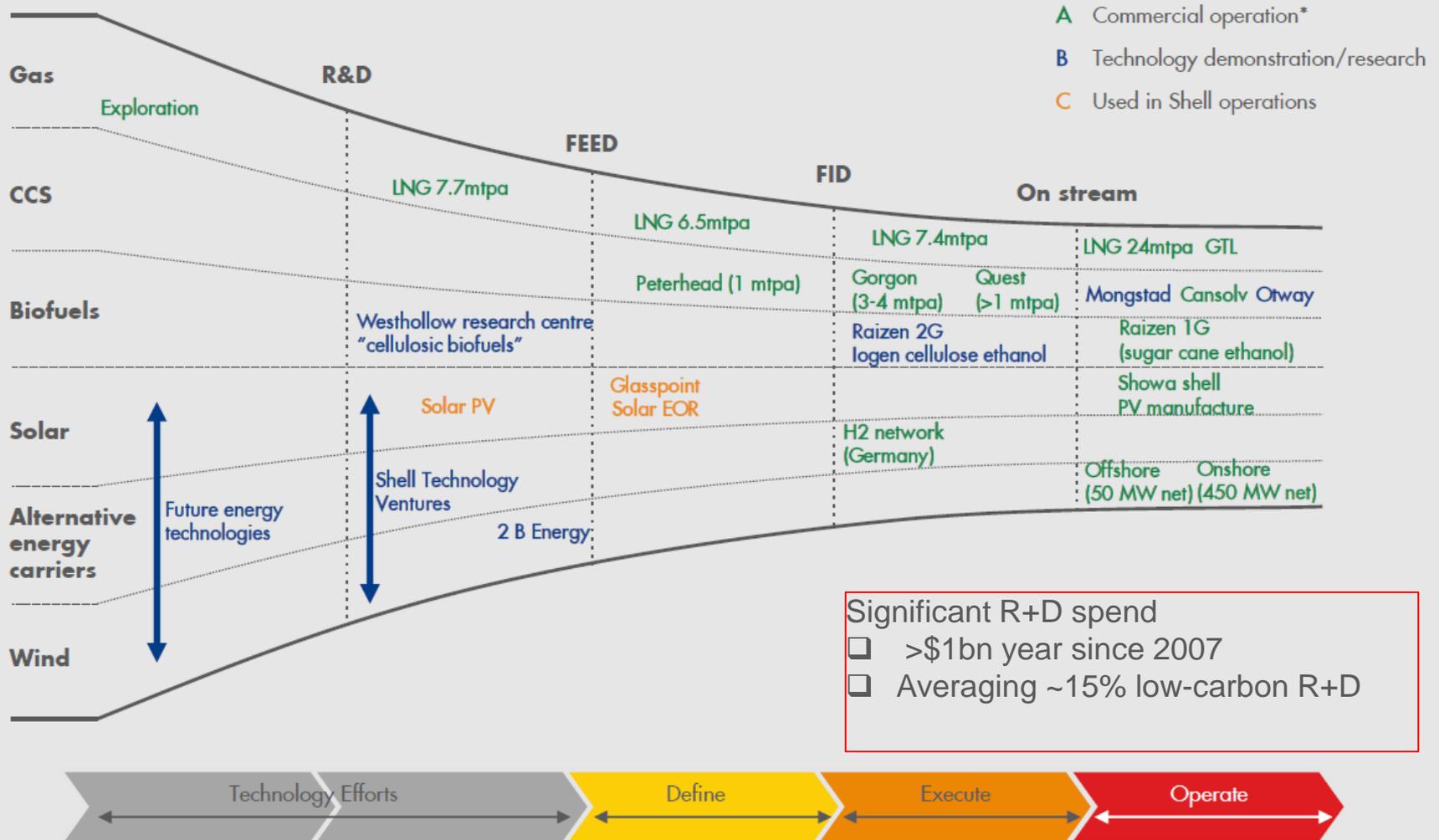
Price forecast

Optional sensitivity case

Risks from our products

Negotiable by projects

# Low Carbon R+D and Investment Strategies



\* Volumes in Shell share

# Public Policy Position and Memberships

Pro-active advocacy:

- A meaningful price on carbon
- Government support for early stage low carbon technologies
- Explore plausible futures in Shell scenarios
- Work with governments on energy transitions

Member of / supported:

- World Bank Carbon Pricing statement (2014)
- World Bank Zero routine flaring initiative
- International Emissions Trading Association
- Prince of Wales Corporate Leaders Group
- Zero Emissions Platform
- WEF Oil & Gas Climate Initiative



