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Vereniging Milieudefensie
Milieudefensie Jong
For the attention of Mr D. Pols and Ms W. Oussoren
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The Netherlands

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13 June 2025

Dear Mr Pols, Ms Oussoren,

Subject: Letter of Response

I refer to your pre-action letter of 13 May 2025.

Your letter threatens the commencement of further proceedings against Shell plc in relation to its continued investment in oil and gas development and the adequacy of its climate policies for the period leading up to 2050. The allegations you have raised are fundamentally misplaced. Over the coming years, demand for oil and gas is expected to fall at a slower rate than the natural decline of the world's oil and gas fields, which is 4% to 5% a year. Significant investment in oil and gas development will therefore be needed to help to ensure energy security and affordability, while low-carbon alternatives are developed and made commercially available. These are not inconsistent actions.

Over the past few years, the world has experienced how critical the supply of reliable and affordable energy is for the global economy and people's lives. At the same time, the world's population is expected to increase by an estimated 2 billion people by 2050 and governments will need to extend the benefits of energy to the hundreds of millions who do not have it today. An energy transition that balances affordability, security of supply and sustainability will help to ensure continued access to energy as the world transitions to low-carbon alternatives.

We are encouraged by the progress being made in the energy transition and believe that the world can achieve its climate and energy transition goals through collaboration between governments, companies and customers.¹ Governments have responded to the events of recent years with comprehensive policies to maintain energy

¹ The companies in which Shell plc directly and indirectly owns investments are separate legal entities. In this content "Shell", "Shell Group" and "Group" are sometimes used for convenience to reference Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to 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.

security while their countries transition to affordable low-carbon alternatives. After all, it is governments and legislators that have the democratic legitimacy and the expertise to balance the needs of their citizens in the face of a dynamic geopolitical landscape and evolving technology. Litigation against individual companies does not enable the global cooperation required to change both the supply and demand for energy and to advance effectively the energy transition.

Shell firmly believes it has an important role to play in providing the energy the world needs today and in helping to build the low-carbon energy system of the future. It expects LNG to play a critical role in the energy transition to help displace the use of coal in industry and power generation, as well as provide flexibility to electricity grids as wind and solar power grow. Shell has also invested significantly in the energy transition. Globally, it has around USD 20 billion invested in lower carbon platforms, including low carbon fuels, hydrogen, carbon capture and storage as well as power (both renewable generation and gas fired). In the Netherlands, Shell has invested around EUR 6.5 billion in recent years, making it one of the largest private investors in the Dutch energy transition.

Shell has a target to become a net-zero emissions energy business by 2050,² which it believes supports the more ambitious goal of the Paris Agreement to limit the rise in the global average temperature by the end of this century to 1.5°C above pre-industrial levels. Shell is also making good progress in reducing its own emissions: by the end of 2024, it had achieved 60% of its target to halve Scope 1 and 2 emissions from its operations by 2030 (compared with 2016). It also continues to be one of the leaders in reducing methane emissions (reducing total methane emissions from assets under its operational control by 76% by the end of 2024, compared with 2016) and earlier this year, reached its target of eliminating routine flaring.

Further and critically, The Hague Court of Appeal recently dismissed all of your prior claims against Shell plc in its judgment of 12 November 2024 and Milieudefensie has itself appealed that judgment to the Supreme Court of the Netherlands. On this basis, your letter is clearly premature. You are also aware that Shell plc has its registered office and is headquartered in the United Kingdom. Your theory that every court in the world could assume jurisdiction over every corporation on earth for the worldwide greenhouse gas emissions it reports does not provide a proper basis for jurisdiction either.

Shell has been, and will continue to be, open to dialogue with all societal stakeholders on important issues such as the energy transition. However, should you choose to initiate legal proceedings, we will defend our position robustly. The claims outlined in your letter are rejected in their entirety and all of Shell's rights are fully reserved.

Yours sincerely,



Sean Ashley
Company Secretary, Shell plc

² Shell's operating plan and outlook are forecasted for a three-year period and ten-year period, respectively, and are updated every year. They reflect the current economic environment and what we can reasonably expect to see over the next three and ten years. Accordingly, the outlook reflects our Scope 1, Scope 2 and NCI targets over the next ten years. However, Shell's operating plan and outlook cannot reflect our 2050 net-zero emissions target, as this target is outside our planning period. Such future operating plans and outlooks could include changes to our portfolio, efficiency improvements and the use of carbon capture and storage and carbon credits. In the future, as society moves towards net-zero emissions, we expect Shell's operating plans and outlooks to reflect this movement. However, if society is not net zero in 2050, as of today, there would be significant risk that Shell may not meet this target.