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## A BETTER LIFE WITH A HEALTHY PLANET

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# Definitions & cautionary note

The New Lens Scenarios are part of an ongoing process used in shell for 40 years to challenge executives' perspectives on the future business environment. We base them on plausible assumptions and quantification, and they are designed to stretch management to consider even events that may be only remotely possible. Scenarios, therefore, are not intended to be predictions of likely future events or outcomes and investors should not rely on them when making an investment decision with regard to Royal Dutch Shell plc securities.

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# Industry context

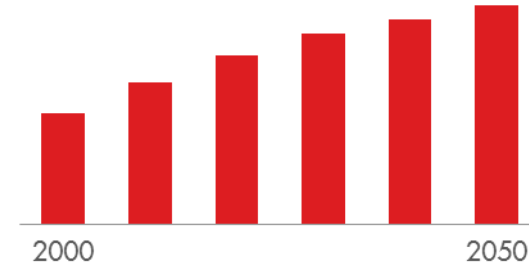
## Substantial + long lasting shifts in energy landscape

### Global population



From **7 to nearly 10** billion by 2050 **67%** will live in cities

### Growth in oil & gas demand



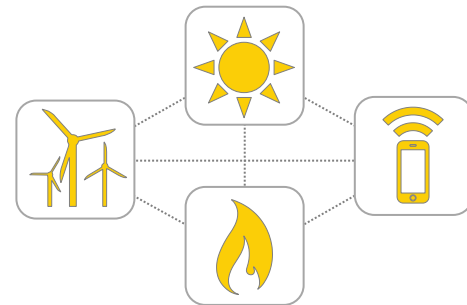
Global **energy demand to double** between 2000 & 2050

### Energy system in transition

World needs **more energy;**  
**less CO<sub>2</sub>**

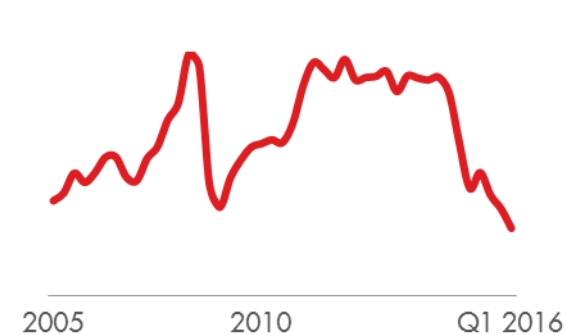


### Customer choice



New **sources**  
New **energy carriers**  
New **business models**

### Continued oil price volatility



OPEC, shales, shorter price cycles

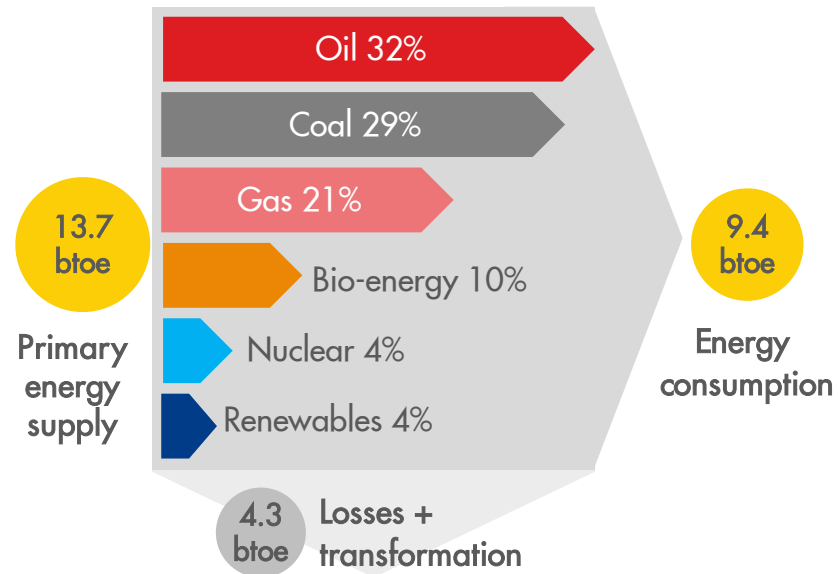
### Changing resources access



Requires new **value creation** models

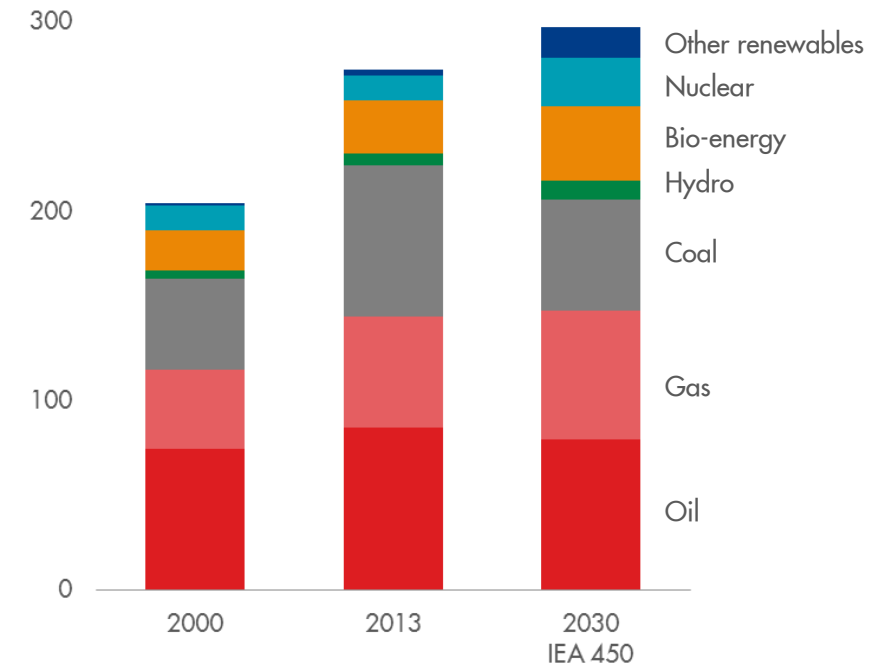
# "2 degree world"

## Global energy mix



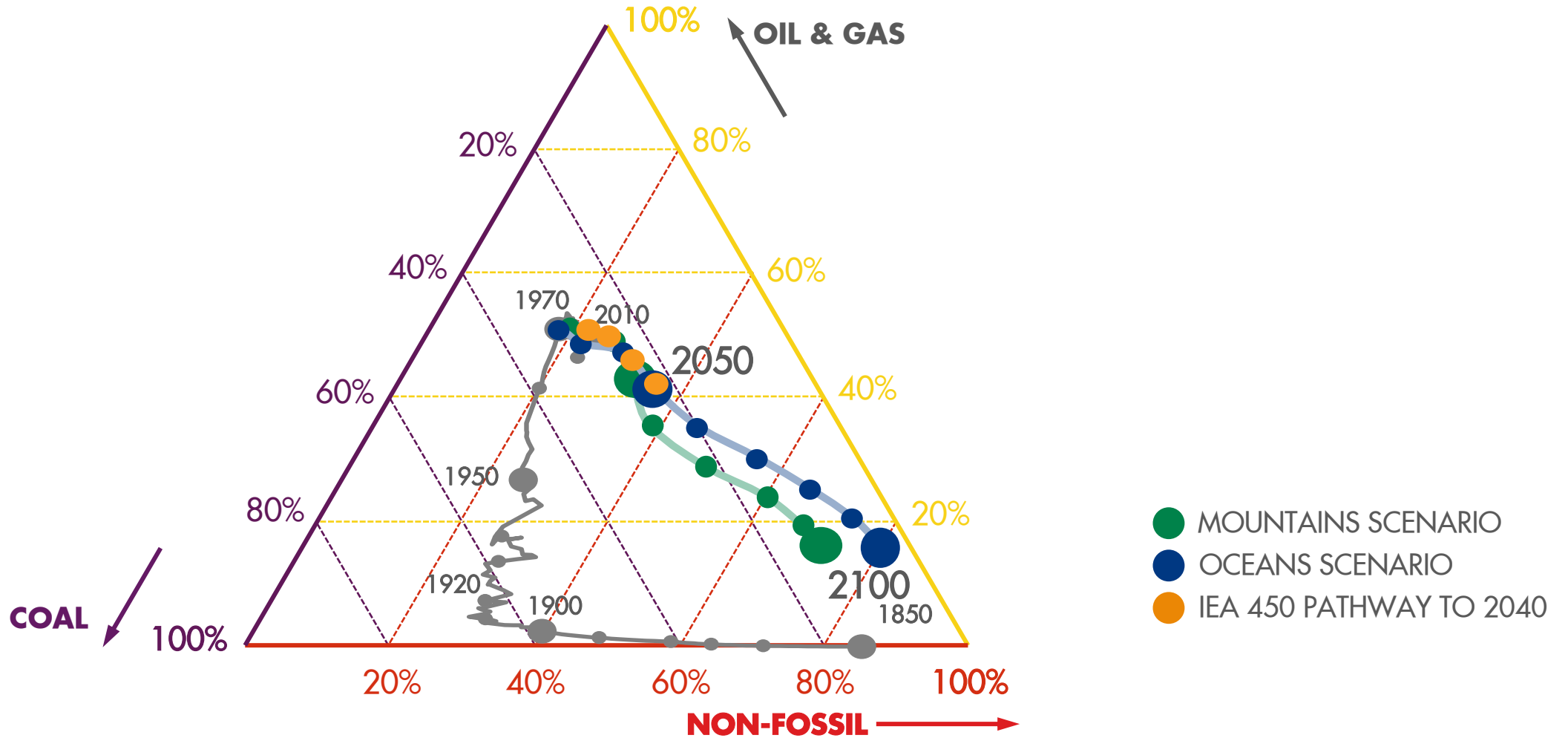
## IEA '450' scenario

Global energy demand, million boe per day



- Managing our emissions
- Continued investing in gas
- New energies business

# An unfolding global energy transition



**DRIVEN BY TECHNOLOGY, POLICY & END-USER CHOICES**

# Towards a lower-carbon future

Shell is working to meet the energy challenge in many different ways



Bringing lower-carbon natural gas to a wider market



Industry leader in carbon capture and storage



A biofuels business

Investment in lower-carbon technologies, such as hydrogen and wind power



Continued investment in oil and gas to meet growing demand



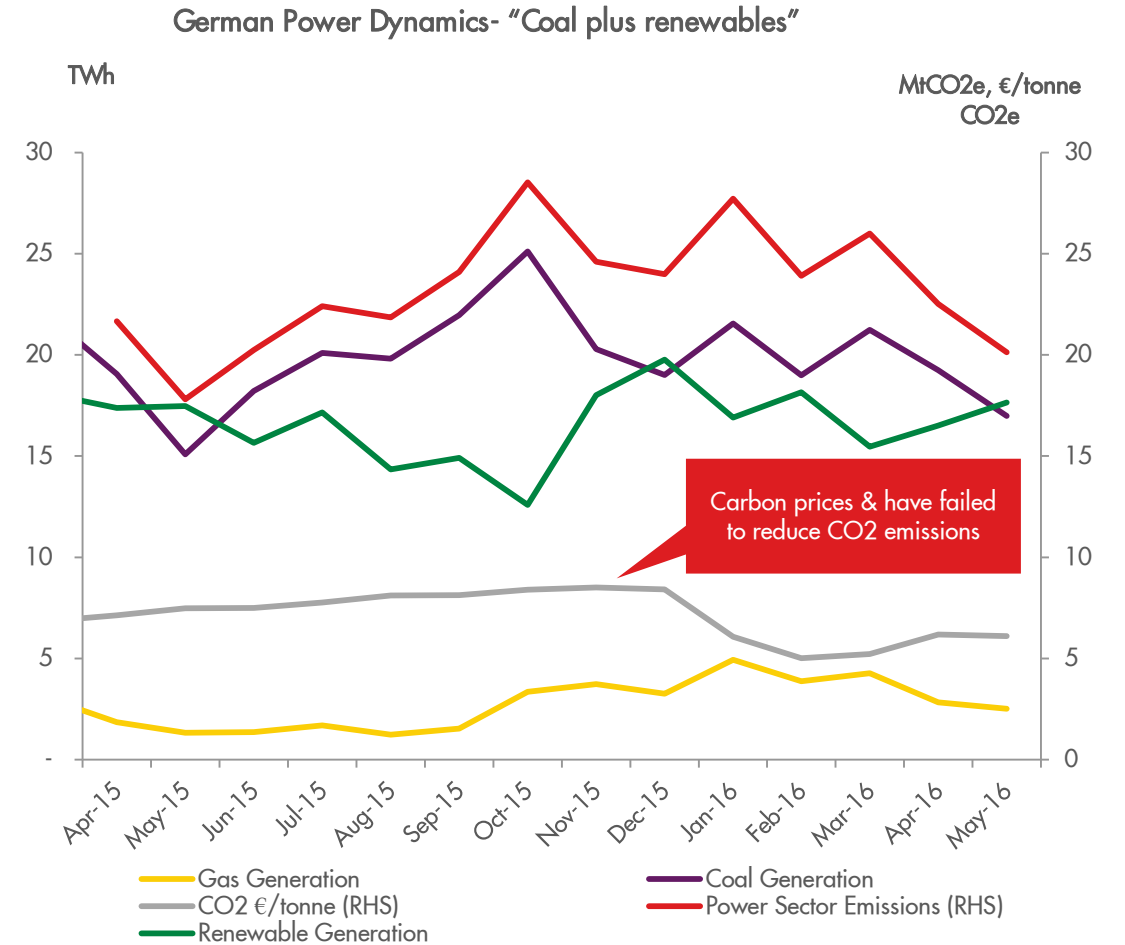
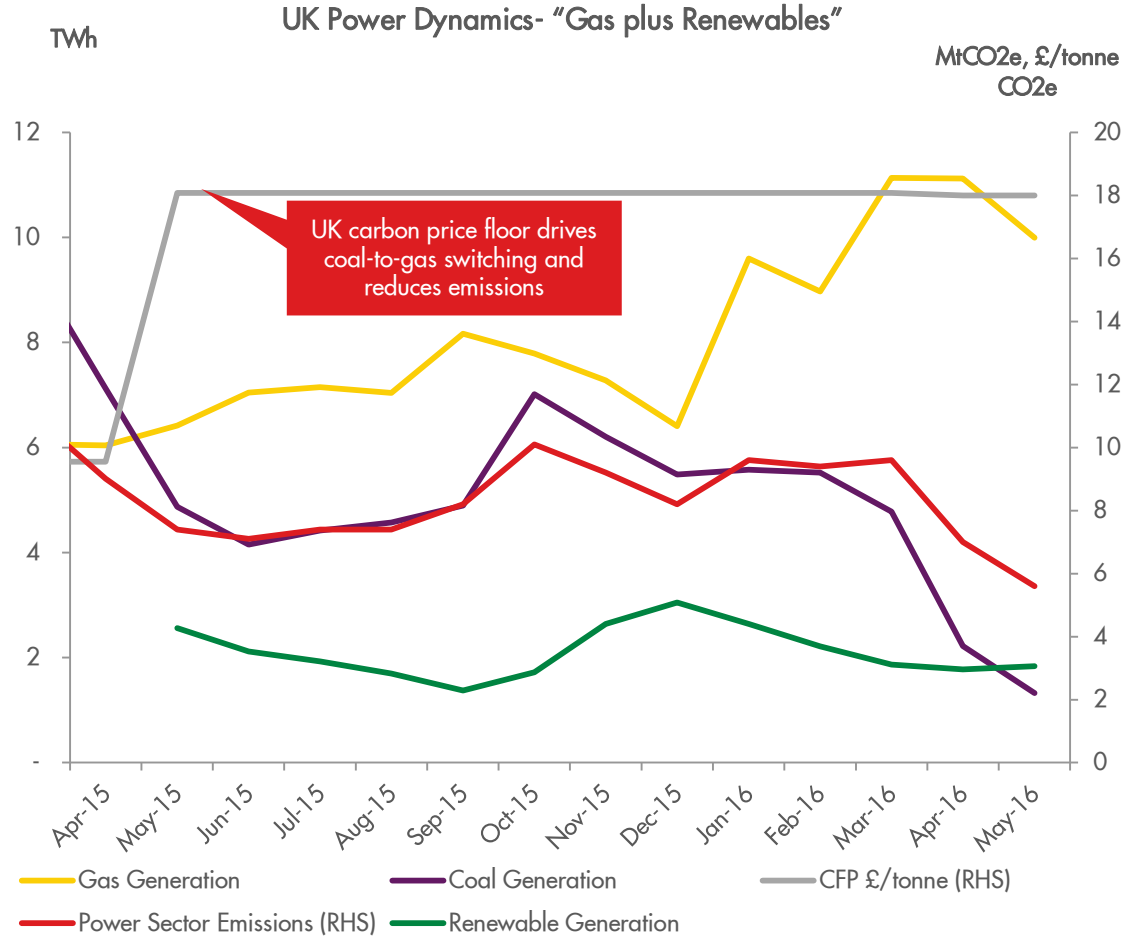
Advocating government-led carbon-pricing mechanisms



# Case for gas

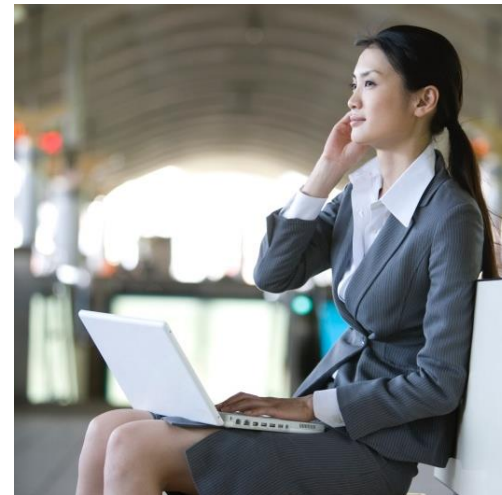


# A 'gas plus renewables' pathway decarbonises while 'coal plus renewables' does not





# Perfect partners: Gas + Renewables



Downstream LNG

## LNG to transport

### Marine



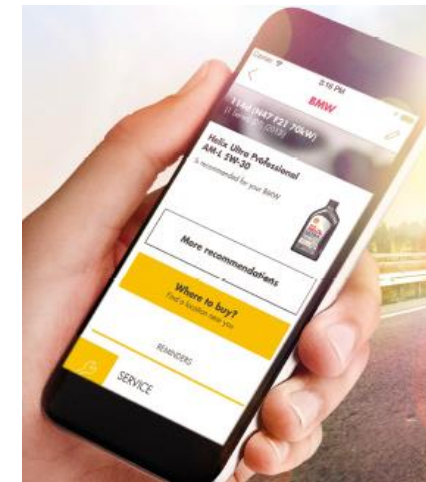
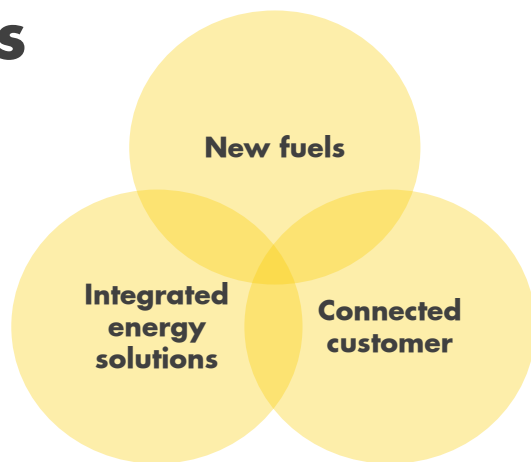
### Heavy-duty road transport



- Economic and environmental benefits
- Cleaner than diesel and heavy fuel oil
- Reduce well-to-wheel GHG emissions
- Offers a compelling case to customers
- Working across value chain to unlock demand

# New Energies

Exploring new opportunities



- Winning company in the energy transition
- Established credentials: exploring options

## New fuels

- Cleaner transportation
- Biofuels + hydrogen

## Integrated energy solutions

- NL + USA wind
- Solar for enhanced oil recovery in Oman

## Connected customer

- Connected mobility
- Connected energy

# Carbon capture and storage (CCS)

- CCS is key to delivering low carbon energy to meet growing demand
- CCS technology is proven and is operational today
- CCS can be cost competitive with other low carbon energy sources
- CCS faces challenges – including political, societal, financial
- Collaboration is key to ensuring CCS implementation across industry

Quest CCS started up at our oil sands operations in 2015 in Canada

Quest captures and stores more than one million tonnes of CO<sub>2</sub> each year – equivalent to the emissions of about 250,000 cars

Shell and our joint-venture partners are freely sharing any data or intellectual property generated by the Quest project to help others advance CCS projects and demonstrate its value on an industrial scale



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# Collaborating with others to shape our energy future

## Pro-active advocacy

- A robust price on carbon through government imposed carbon pricing mechanisms
- Government support for early stage low carbon technologies
- Explore plausible futures in Shell scenarios
- Work with governments on energy transitions



