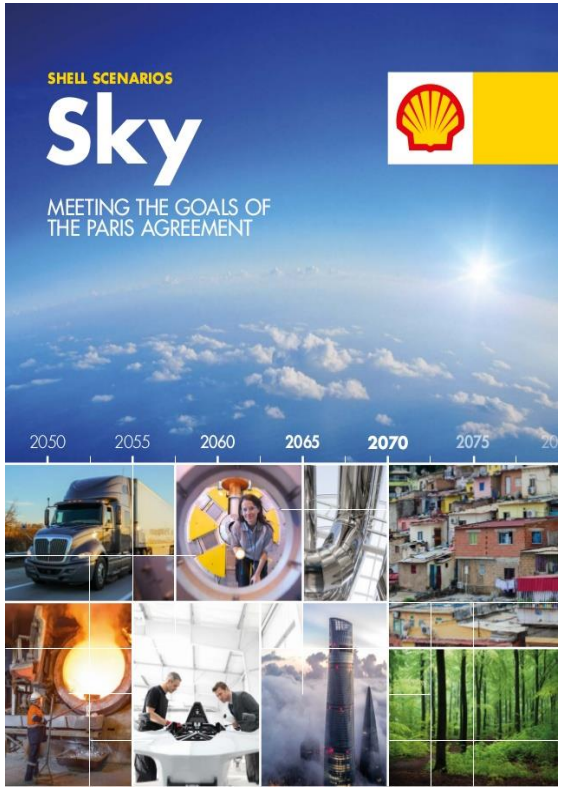
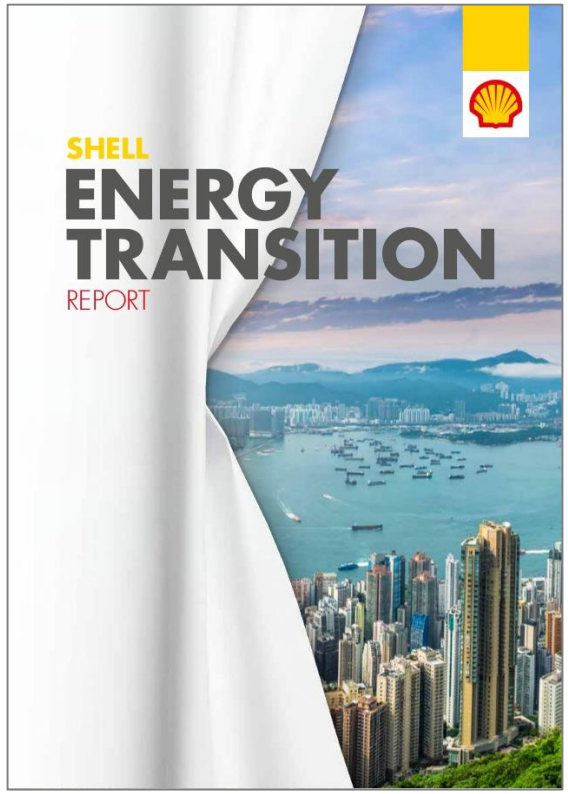
OILCHANGE INTERNATIONAL

Assessing Shell's Climate Plans

Greg Muttitt, 16 January 2019

Contents





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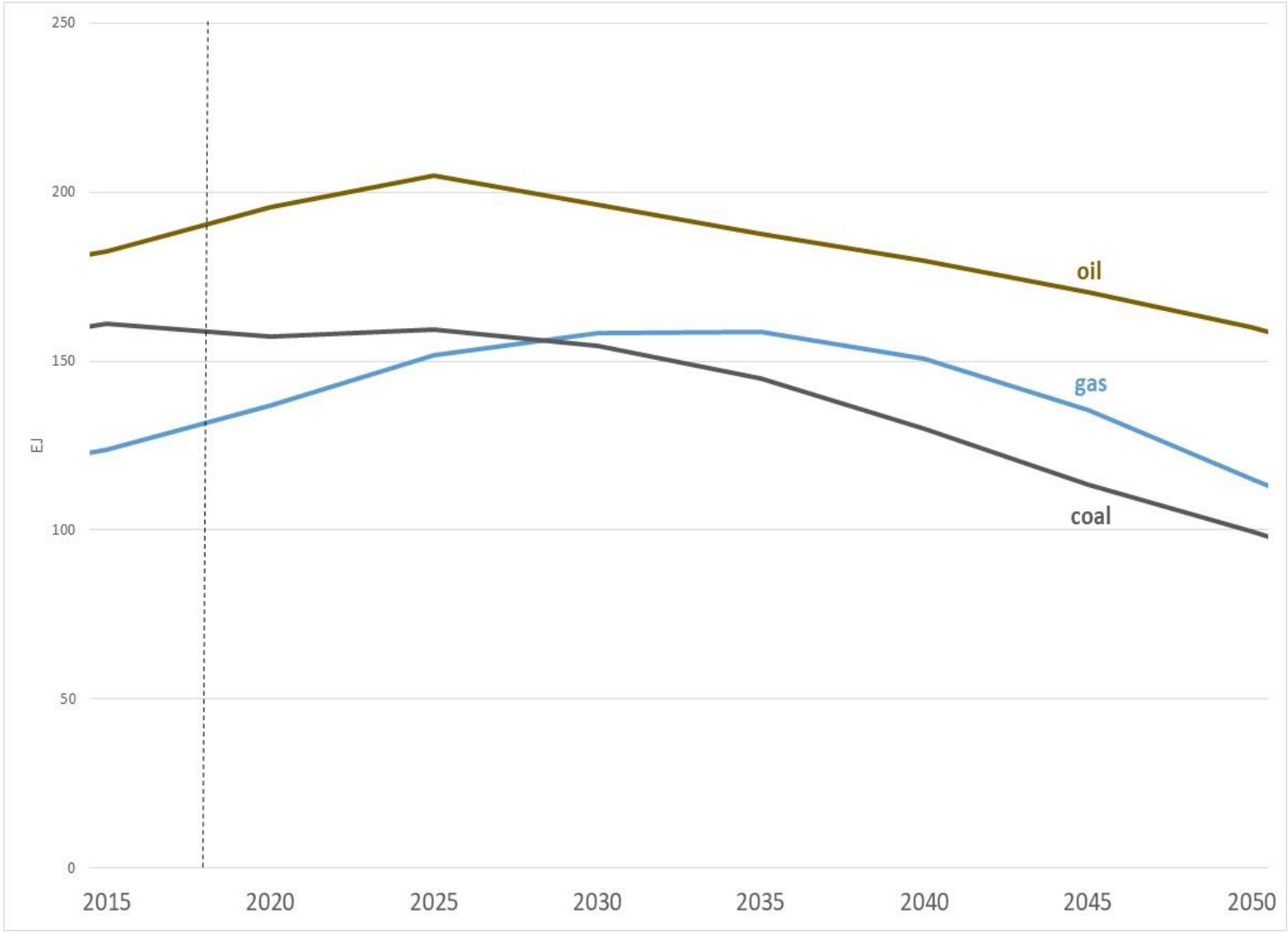
“Sky” scenario: good for Shell…



Source: Shell “Sky” scenario

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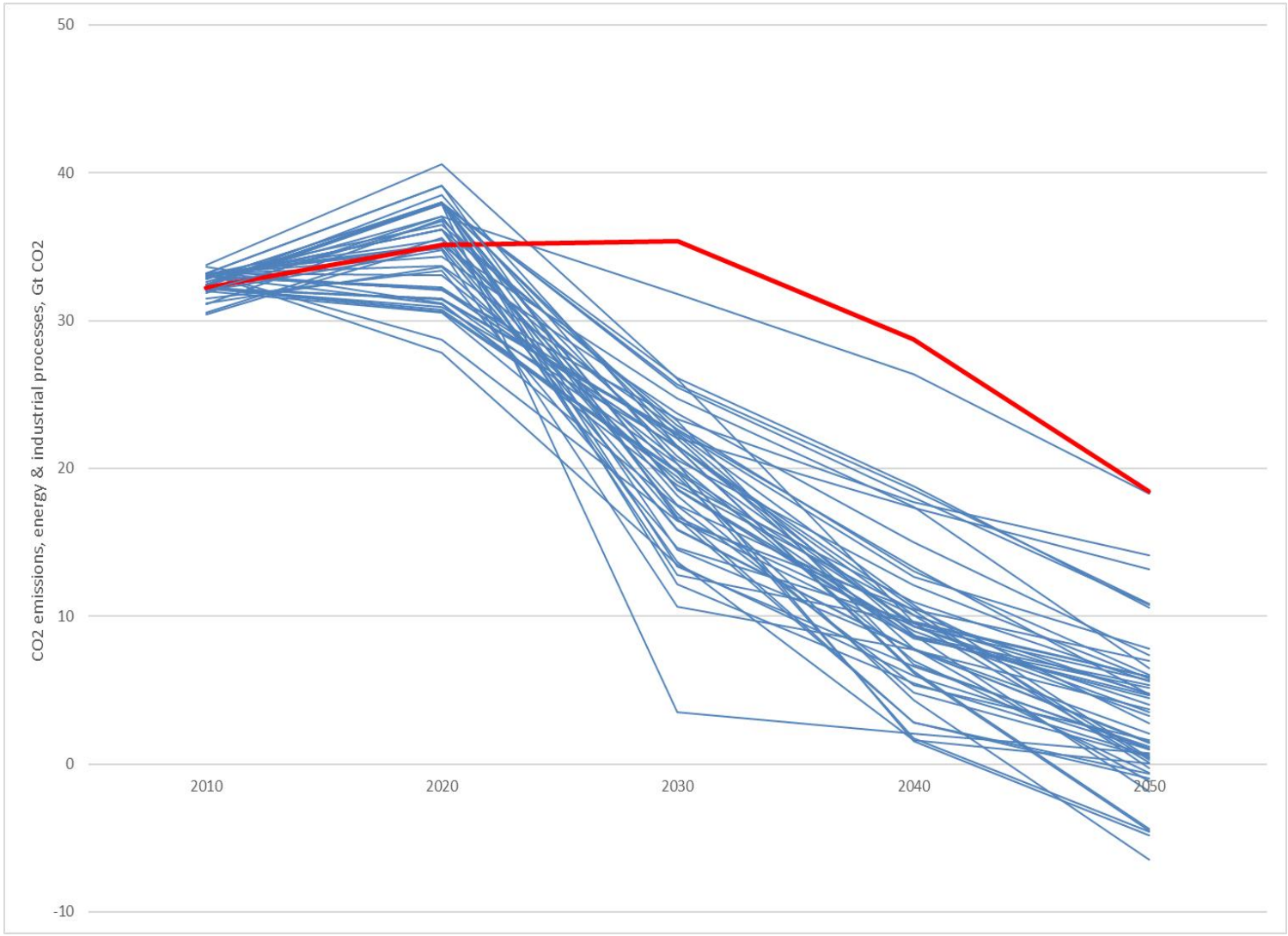
“Sky” scenario vs IPCC scenarios



Source: IPCC/IAMC 1.5°C Scenario Explorer and Data hosted by IIASA

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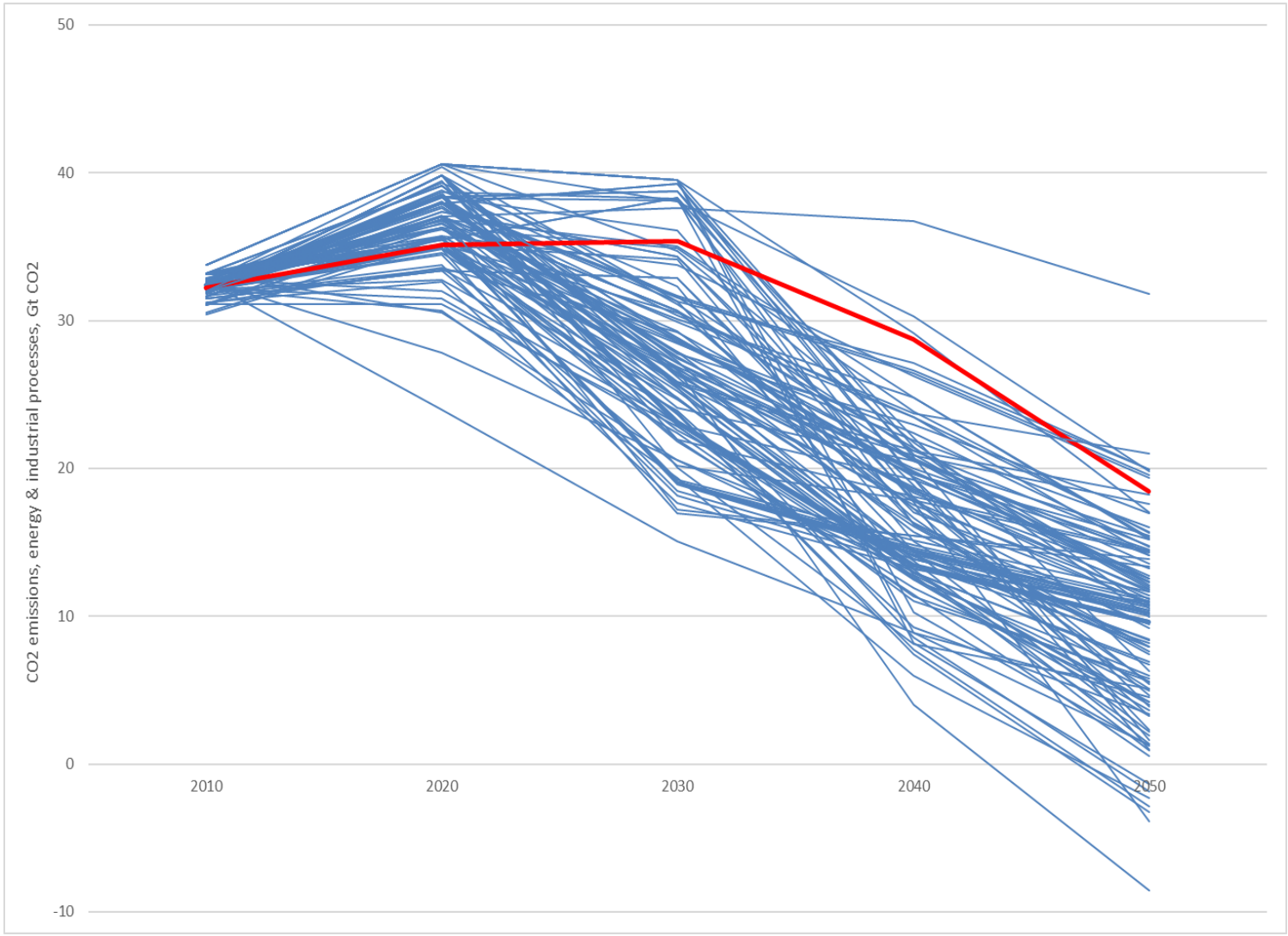
“Sky” scenario vs IPCC 2°C scenarios



Source: IPCC/IAMC 1.5°C Scenario Explorer and Data hosted by IIASA

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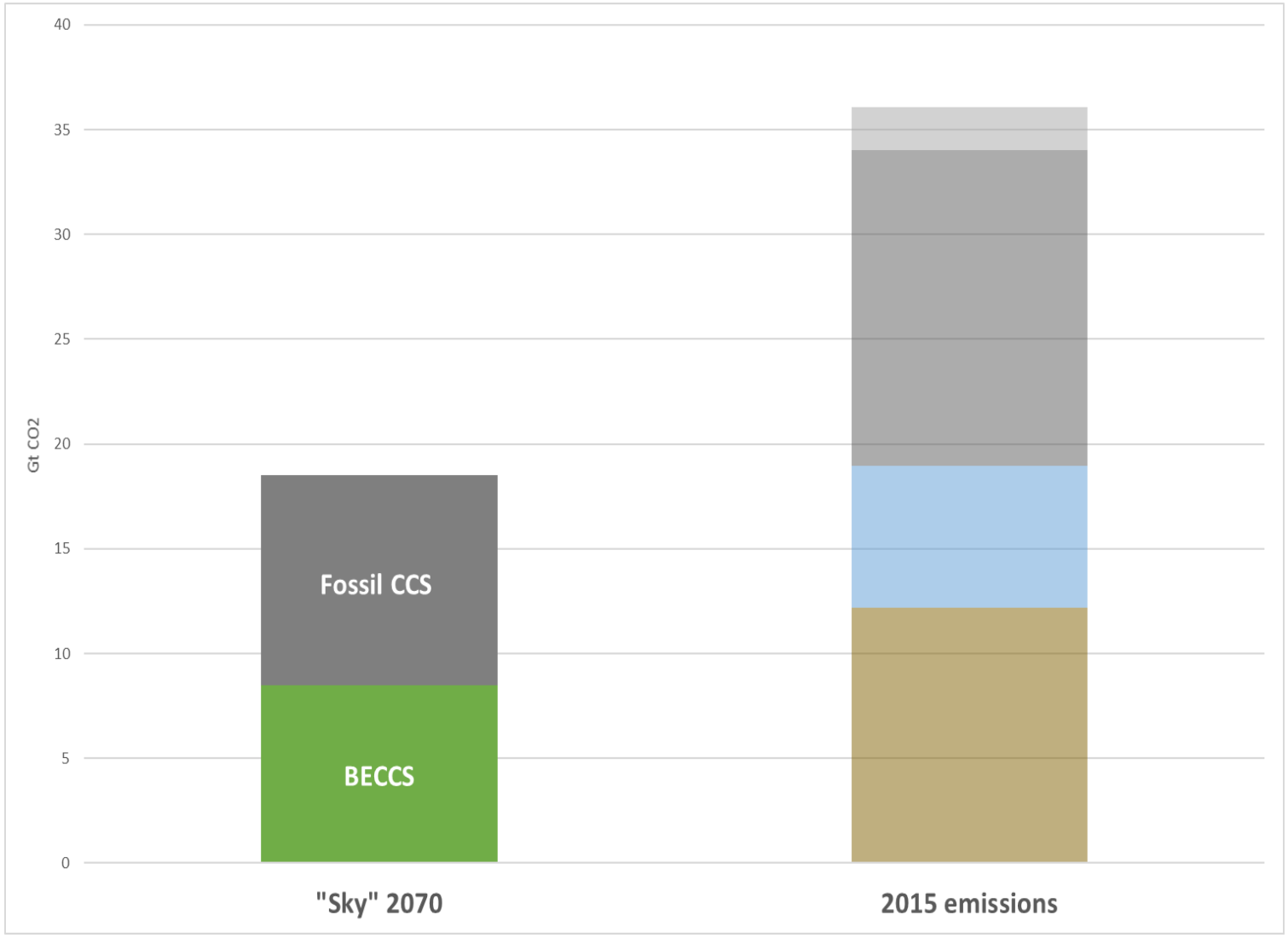
CCS and negative emissions



Sources: Shell "Sky" scenario, Global Carbon Project

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“Shell intends to thrive as the world transitions to lower-carbon energy.”

Sources: Shell “Net Carbon Footprint”

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Locking in emissions

"A legacy of successful development is the potential for lock-in of the resource on which the current system was built. This potential for lock-in stems from the resistance to stranding the original capital investments and losing the jobs that have been created…

"From 2018 to around 2030, there is clear recognition that the potential for dramatic short-term change in the energy system is limited, given the installed base of capital."

- Shell, *Sky*

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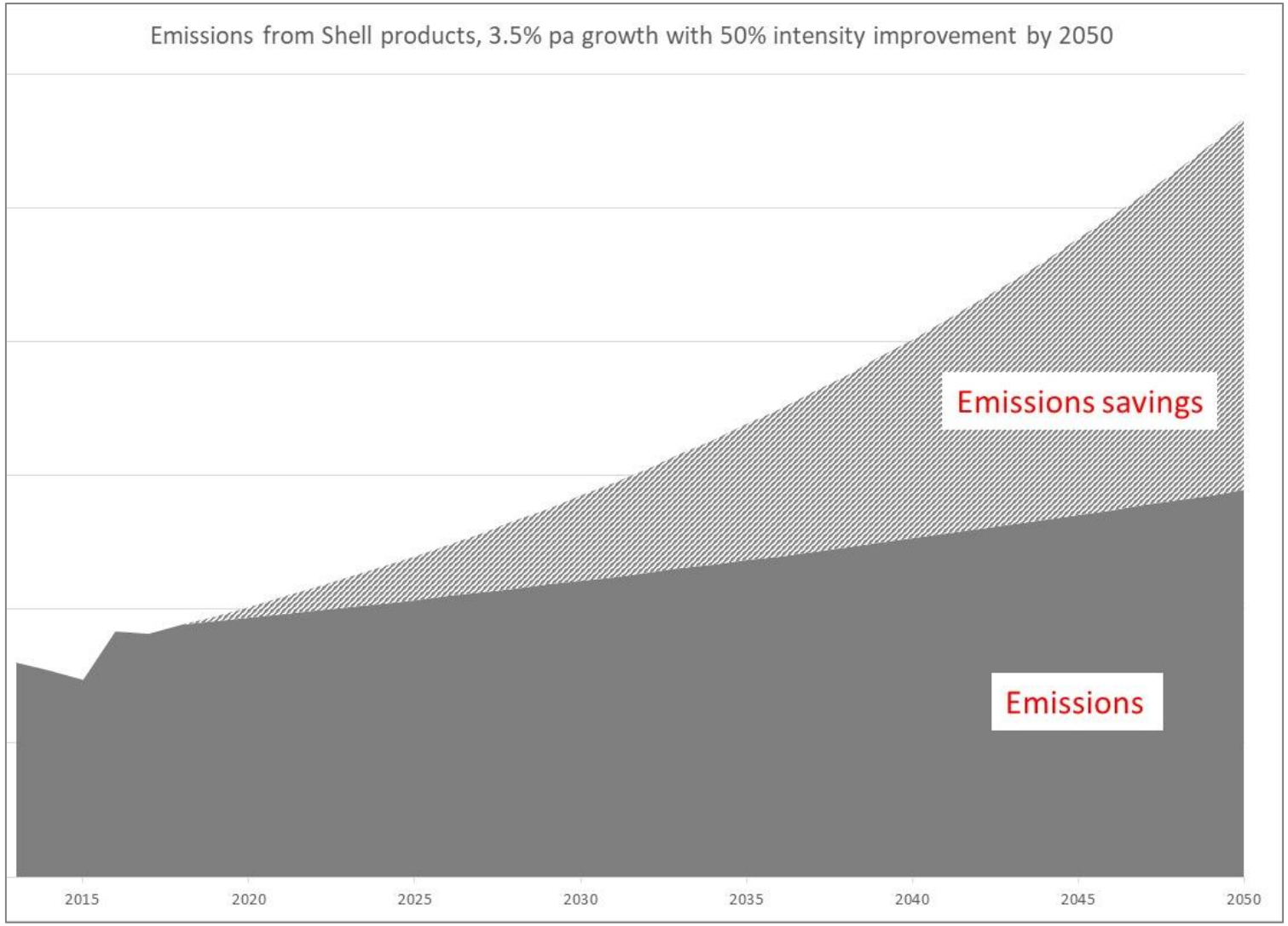
Shell's plan to increase its emissions



Sources: Oil Change International analysis with data from Rystad Ucube, announcements from Shell

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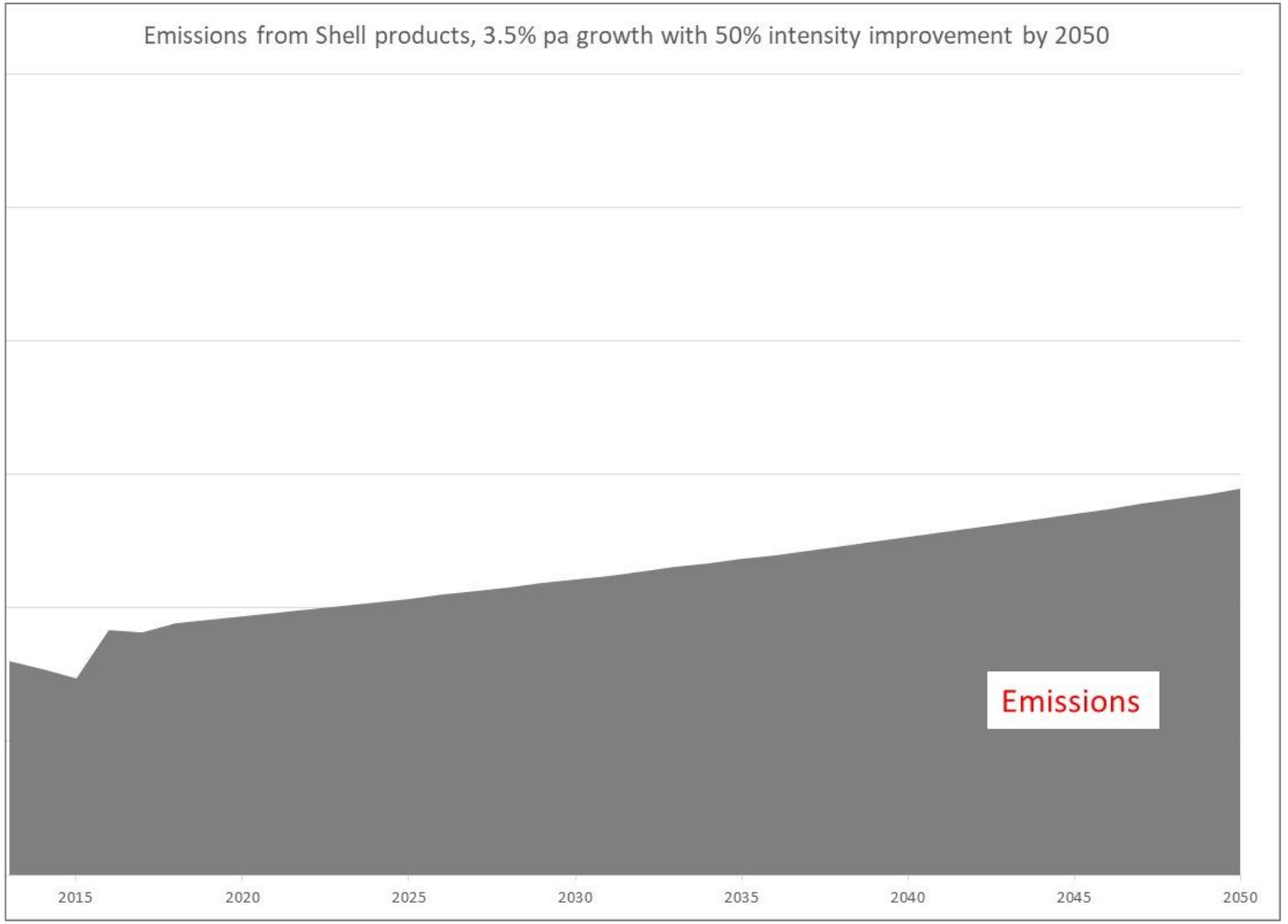
Shell's plan to increase its emissions



Sources: Oil Change International analysis with data from Rystad Ucube, announcements from Shell

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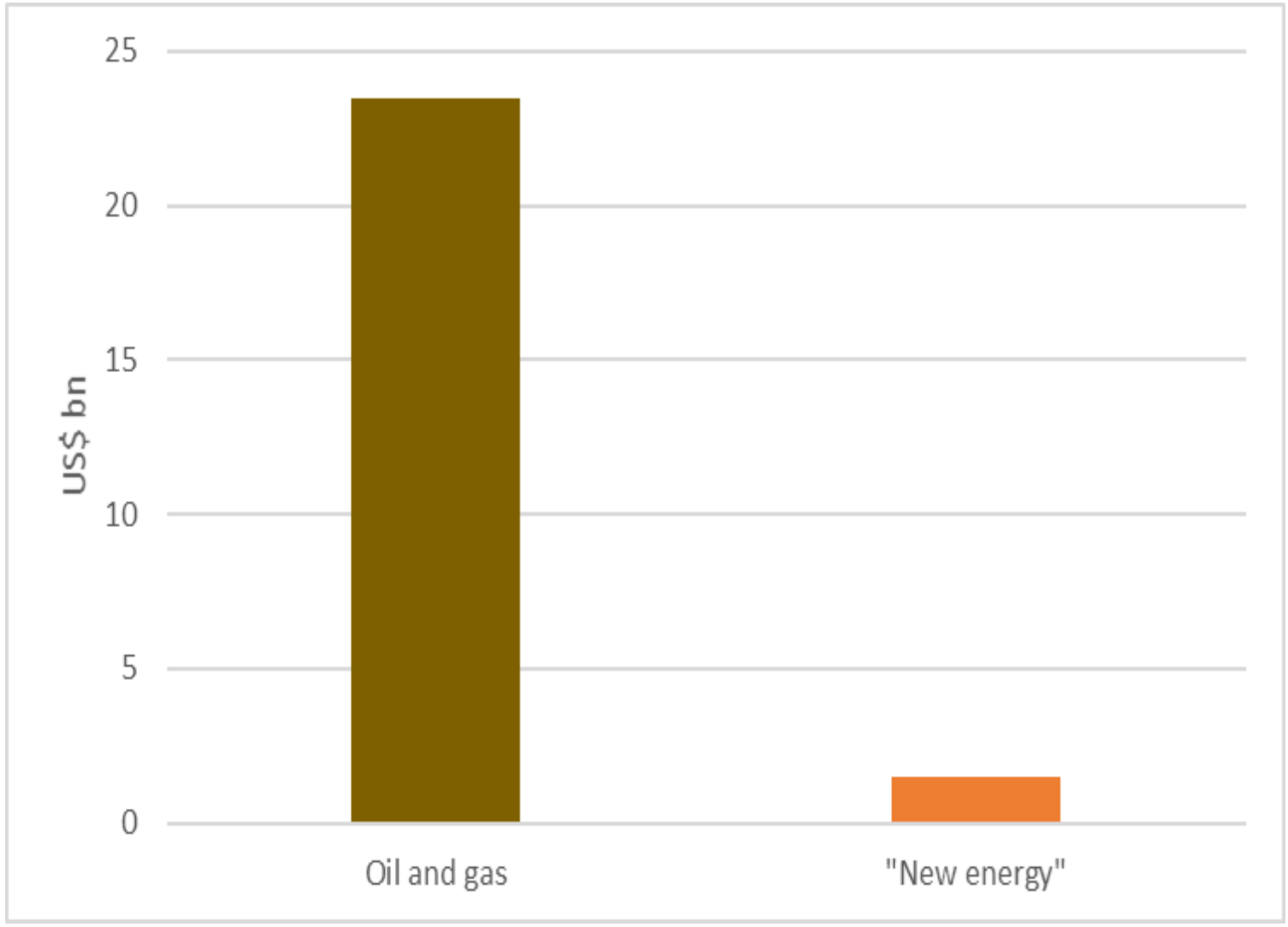
Investing in the problem, not the solution



Source: Shell

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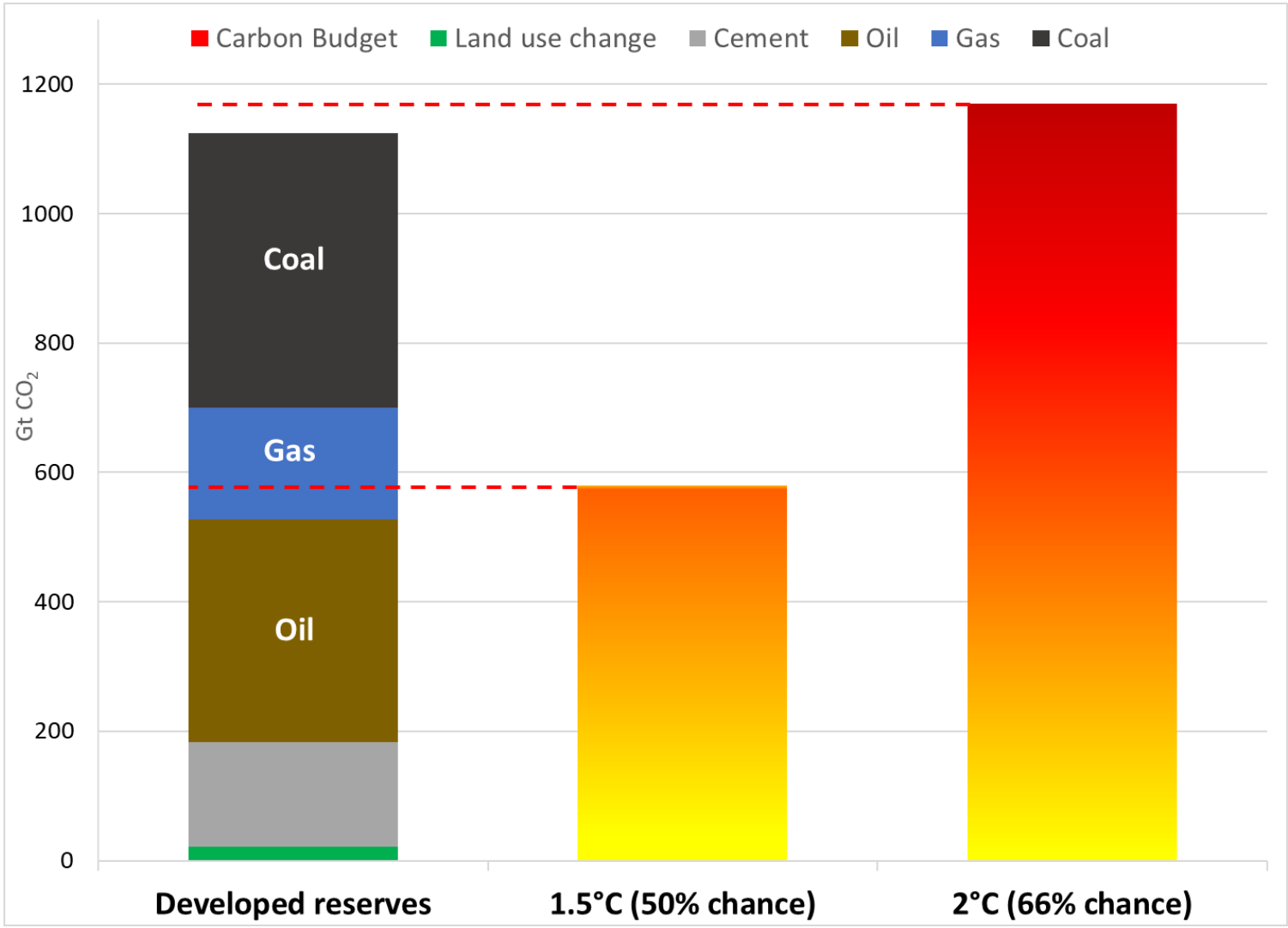
Developed reserves vs carbon budgets



Sources: Oil Change International analysis with data from Rystad UCube, IEA, IPCC

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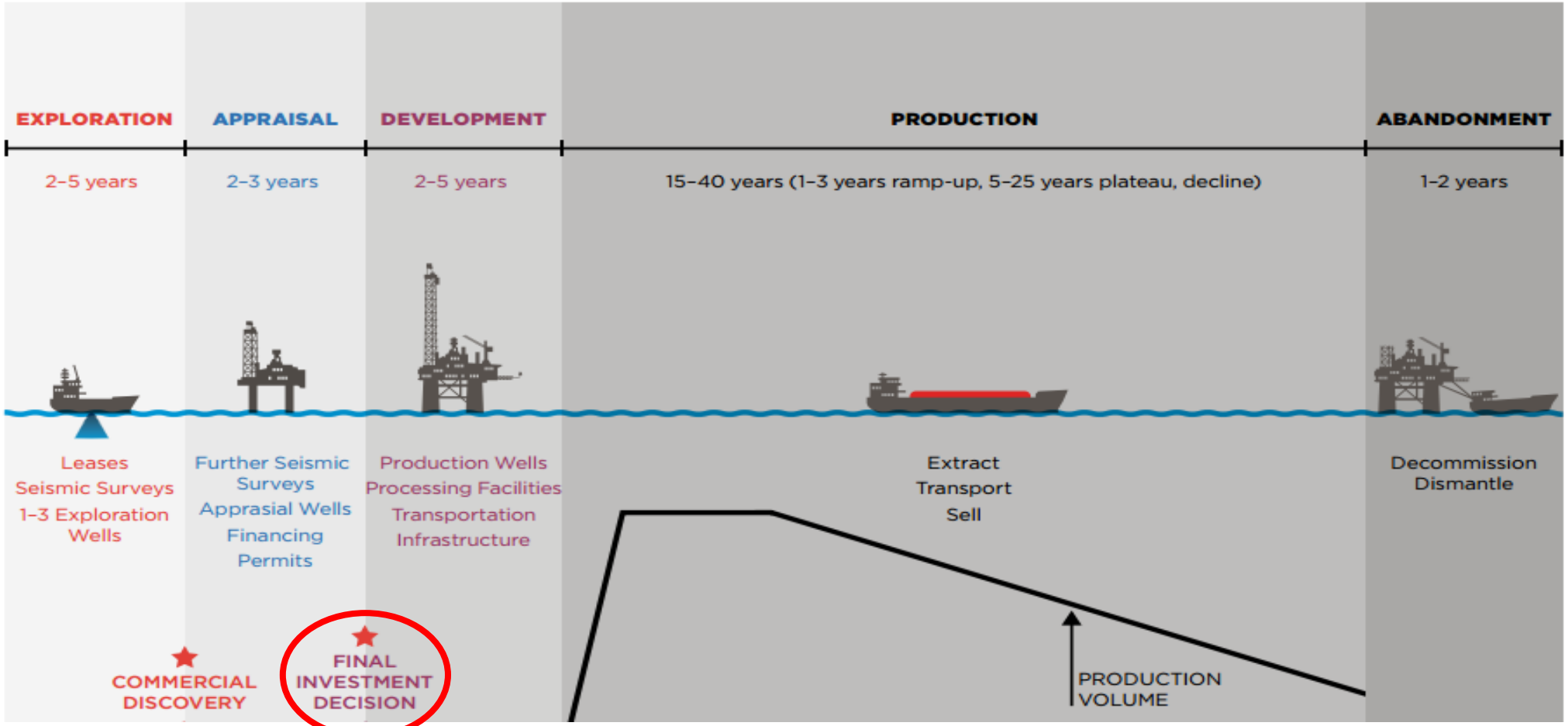
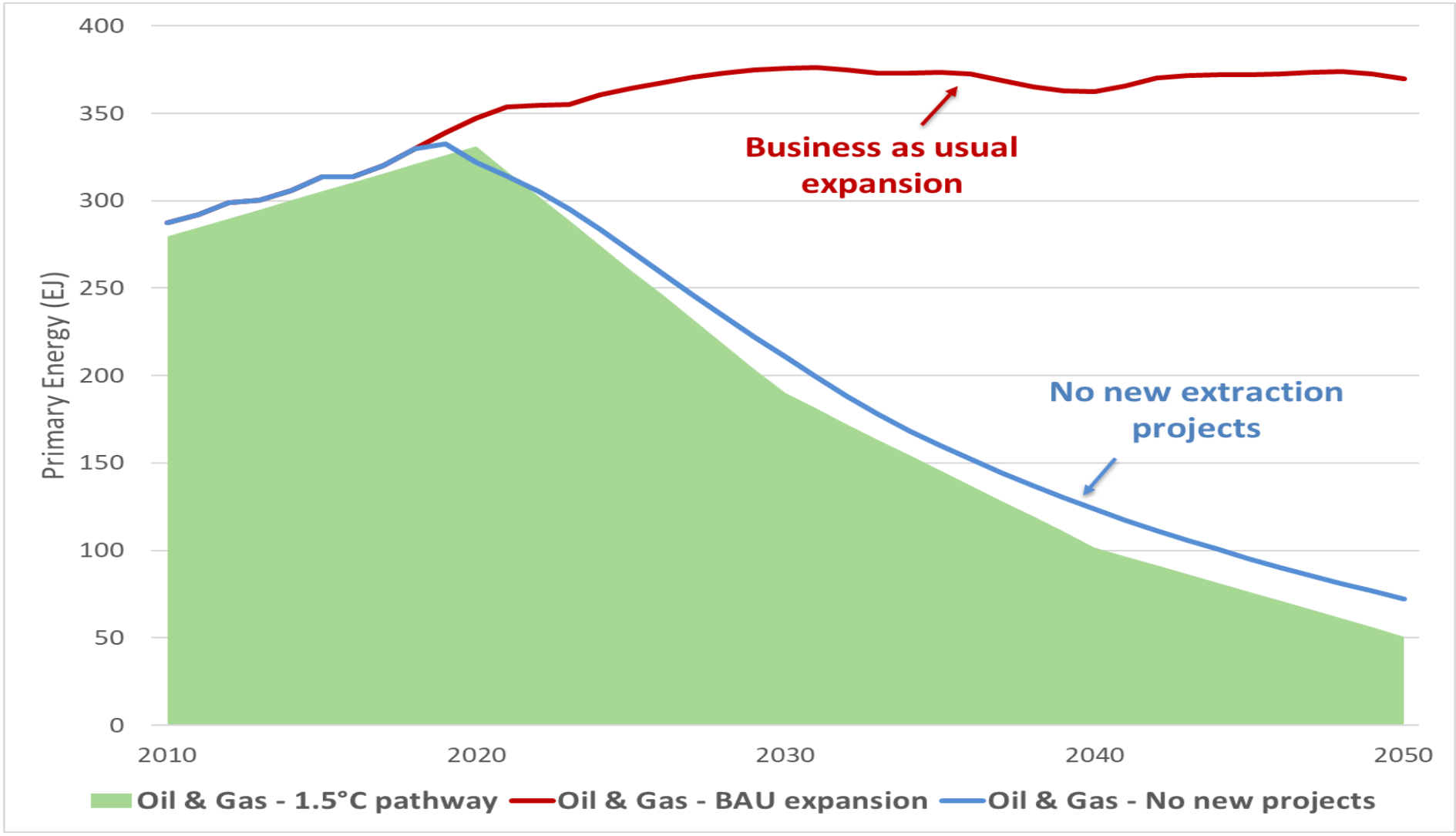
What are developed reserves?

Figure 4: Lifecycle of an Oil or Gas Field

Source: Oil Change International



Managed decline and IPCC



Sources: Rystad UCube, IPCC SR15 (P1/LED pathway)

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What would Shell have to do to align with Paris?

- Stop developing new oil and gas fields
- Direct all new investment into clean energy
- Take responsibility for emissions, not just intensity.

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