



SHELL INVESTS IN NEW FURNACES TO REDUCE EMISSIONS FROM ITS MOERDIJK CHEMICALS PLANT

Sep 4, 2020

Shell today announces that it will replace the ethylene steam cracker furnaces at its Moerdijk petrochemicals complex, The Netherlands, in a move that will reduce its greenhouse gas emissions.

Shell will install eight new furnaces in place of 16 older units without reducing capacity at the facility. The investment significantly reduces both the site's energy consumption and its operational greenhouse gas emissions. The CO₂ emissions reduction is about 10 percent of Shell Moerdijk's annual total.

The cracker unit produces base chemicals which are used to make finished products that people use every day, from smart phones, clothing, packaging and medical equipment to insulation and light-weight components in cars and planes. The new furnaces will be shipped to the site in modules, enabling the cracker to continue to operate throughout the upgrade project. Work is expected to be completed in 2025.

Thomas Casparie, Executive Vice President of Shell's global chemicals business, said: "We continue to invest in innovation, even in difficult economic times. Steam cracking makes base chemicals, which are transformed into a range of finished products that help society live, work and respond to climate change. This investment at Moerdijk contributes to the reduction of carbon emissions from our manufacture of chemicals and to Shell's ambition of becoming a net-zero emissions energy business by 2050 or sooner. We aim to achieve our ambition in step with society."



Shell invests in new furnaces at Moerdijk.

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Investing in innovation to reduce emissions | Shell Moerdijk



Shell Moerdijk is investing in a sustainable future

[Read the transcript](#)

Notes to Editors

About Shell Chemicals

Shell's global chemicals business supplies customers with a range of base, intermediate and performance chemicals used to make products that people use every day. These finished products contribute to society's ability to live, work, care and respond to climate change. As global demand for chemicals increases, we plan to grow our business, by understanding and providing for our customers' needs. Our business is versatile and resilient. We have strong market positions, integrated world-scale assets, leading technologies and a commitment to a sustainable future. References to the expressions "Shell", "Shell's chemicals business" or "Shell's chemical plants" refer to multiple companies that are part of the Shell Group that are engaged in chemical or related businesses. For more information, please visit www.shell.com/chemicals.

Cautionary Note

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this release "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 subsidiaries in general or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this release refer to companies 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 a venture, partnership or company, after exclusion of all third-party interest.

This release contains forward-looking statements 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 "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 release, 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; and (m) changes in trading conditions. There can be no assurance that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this release 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 20-F for the year ended December 31, 2019 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly qualify all forward looking statements contained in this release and should be considered by the reader. Each forward-looking statement speaks only as of the date of this release, 4 September 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 release.

With respect to operating costs synergies indicated, such savings and efficiencies in procurement spend include economies of scale, specification standardisation and operating efficiencies across operating, capital and raw material cost areas.

We may have used certain terms, such as resources, in this release that United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. U.S. 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.

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This release contains data and analysis from Shell’s Sky scenario. Unlike Shell’s previously published Mountains and Oceans exploratory scenarios, the Sky scenario is based on the assumption that society reaches the Paris Agreement’s goal of holding the rise in global average temperatures this century to well below two degrees Celsius (2°C) above pre-industrial levels. Unlike Shell’s Mountains and Oceans scenarios, which unfolded in an open-ended way based upon plausible assumptions and quantifications, the Sky scenario was specifically designed to reach the Paris Agreement’s goal in a technically possible manner. These scenarios are a part of an ongoing process used in Shell for over 40 years to challenge executives’ perspectives on the future business environment. They are designed to stretch management to consider even events that may only be remotely possible. Scenarios, therefore, are not intended to be predictions of likely future events or outcomes.

Additionally, it is important to note that as of July 7, 2020, Shell’s operating plans and budgets do not reflect Shell’s Net-Zero Emissions ambition. Shell’s aim is that, in the future, its operating plans and budgets will change to reflect this movement towards its new Net-Zero Emissions ambition. However, these plans and budgets need to be in step with the movement towards a Net-Zero Emissions economy within society and among Shell’s customers.

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About Shell chemicals

Shell companies first entered the chemicals industry in 1929, via a partnership in the Netherlands called NV Mekog, which manufactured ammonia from coke-oven gas.

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