

# SHELL IN THE UK

Shell has had a home in the United Kingdom since the founding of Shell Transport and Trading in 1897. While our UK business is smaller than it was 10 or 20 years ago, we are still a very significant British company and the UK remains important for Shell. We are capable of meeting 35% of UK gas demand and we employ some 6,300 skilled staff.



As the UK's largest listed company, Shell makes a major contribution to the UK, not just through delivering energy and providing products and services to our customers, but also through employment, tax revenues and investment, which boosts the economy. Approximately £1 in every £10 of FTSE 100 dividends has come from Shell over the past few years.

Finally, the UK is one of our biggest sources of talent and I'm sure that it will continue to be so for years to come. We have about 2,000 British nationals working for Shell overseas in more than 50 countries, mostly in Upstream and in Projects & Technology where they bring specialist skills to our oil, gas and chemicals projects and operations.

I hope you enjoy reading about Shell. You can find out more at [www.shell.co.uk](http://www.shell.co.uk)

## Erik Bonino

A handwritten signature in black ink, appearing to read 'Erik Bonino', written over a light blue horizontal line.

Chairman for Shell UK  
February 2016

## OVERVIEW

Shell aspires to be a forward-thinking energy company, providing a competitive shareholder return, while also helping to meet global energy demand in an affordable and responsible way.

In **Upstream**, we focus on exploring for new global oil and gas reserves, and developing major projects where our technology and know-how add value to the resource holders.

**Downstream** refines, supplies, trades and ships crude oil worldwide, manufactures and markets a range of products and produces petrochemicals for industrial customers. Our emphasis remains on sustained cash generation from our existing assets and selective investments in growth markets.

**Projects & Technology** manages the delivery of Shell's major projects and drives the research and innovation to create technology solutions around the world.

Related business functions and services support our three core businesses above.



## UPSTREAM

Shell has been a leading player in the North Sea for more than 30 years, using cutting-edge technology to maximise production from existing oil and gas fields and to develop new resources.

In the UK sector of the North Sea, Shell produces around 11% of UK oil and gas on behalf of Shell and its joint venture partners. Shell has interests in more than 50 fields, operating more than 30 offshore installations, 30 subsea installations, two FPSOs (Floating Production Storage and Offtake vessels), three onshore gas plants and a marine terminal for the distribution of Natural Gas Liquids globally.

Gas is the cleanest-burning fossil fuel. It is abundant, affordable and part of the long-term energy solution – and it is accessible to us here in the UK. Shell holds a key strategic position in enabling security of energy supply to the UK through our infrastructure, which is capable of meeting 35% of UK gas demand. Our strong energy links across Europe and the Ormen Lange pipeline from Norway have the potential to meet 20% of the UK's gas needs. Much of the North Sea's hydrocarbons are processed onshore at Shell's gas plants at St Fergus, Bacton and Mossmorran.

### UPSTREAM AT A GLANCE

- Produces 11% of UK oil and gas on behalf of Shell and its joint venture partners
- Operates an infrastructure that is capable of carrying 35% of gas in the UK
- Operates more than 30 platforms and 30 subsea installations
- Three onshore gas plants at St Fergus, Mossmorran and Bacton
- One marine terminal
- Two FPSO vessels



# DOWNSTREAM

Headquartered in London, our Downstream business is passionate about our fuels and commercial products, and we make our mark in the following ways:

- **Shell UK Retail** has more than 1,000 Shell-branded service stations serving 4 million customers a week. We are using our expertise to help make every drop of fuel go further, with products such as Shell FuelSave and by sharing insights on how motorists can save money by driving smarter.
- Shell **fuels and lubricants**, including Shell FuelSave, Shell V-Power Nitro+ and Helix, are backed by unique technological expertise and decades of research and development by some of the best scientists from around the world, all working to help customers get the most out of every drop.
- Customers with both large and small – and national or international – fleets can choose a euroShell **Fuel Card** that is right for their business. With tight controls and the provision of relevant information, they can help drive down your expenditure and reduce administration.
- Shell also offers Shell **Drivers' Club**, our loyalty programme, which earns customers points that they can redeem for discounts off fuel and other benefits.
- **Shell Chemicals** is one of the world's largest petrochemical operations, and has been producing petrochemicals in the UK for more than 80 years. Ethylene derived from our North Sea gas production supports petrochemicals manufacturing by companies in the UK and Europe, making the building blocks for a host of everyday products from plastic bags and bubble bath to car parts and insulation.
- A network of **Shell distributors** supplies bulk fuels and lubricants to domestic, farming and commercial customers, including airports, around the UK.
- **Shell Trading** trades crude oil, refined products, natural gas, electrical power, chemical feedstocks and environmental products, such as CO<sub>2</sub> allowances.
- The **Shell Shipping** organisation within Shell Trading is based in London and is networked to maritime professionals across the globe. It safeguards Shell's standards and reputation regarding maritime safety, environment, vessel quality assurance, oil spill preparedness, port and berth assessments and emergency management.
- For **Shell Aviation**, the UK market is crucial to the European business. Shell currently supplies major airports across the British Isles, including Heathrow and Birmingham, and provides fuel for about 600 aircraft each day.
- Shell began major **Bitumen** production in the UK in 1920 with the opening of the Shell Haven refinery. Today, we manufacture bitumen at refineries around the world and are one of the leaders in research into new bitumen and asphalt applications.

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THE UK IS A VERY IMPORTANT MARKET FOR SHELL – A MARKET THAT IS CORE FOR OUR FUTURE PROFITABILITY AS A GLOBAL RETAIL BUSINESS. OUR INVESTMENTS IN DELI2GO, COUPLED WITH PARTNERSHIPS WITH COSTA AND WAITROSE, ARE A REFLECTION OF OUR COMMITMENT TO THE BRITISH MOTORIST.

DAVID MOSS  
GENERAL MANAGER RETAIL UK

# PROJECTS & TECHNOLOGY

Our Projects & Technology organisation – including teams based in Aberdeen and London – provides technical services and technology capability in Upstream and Downstream activities.

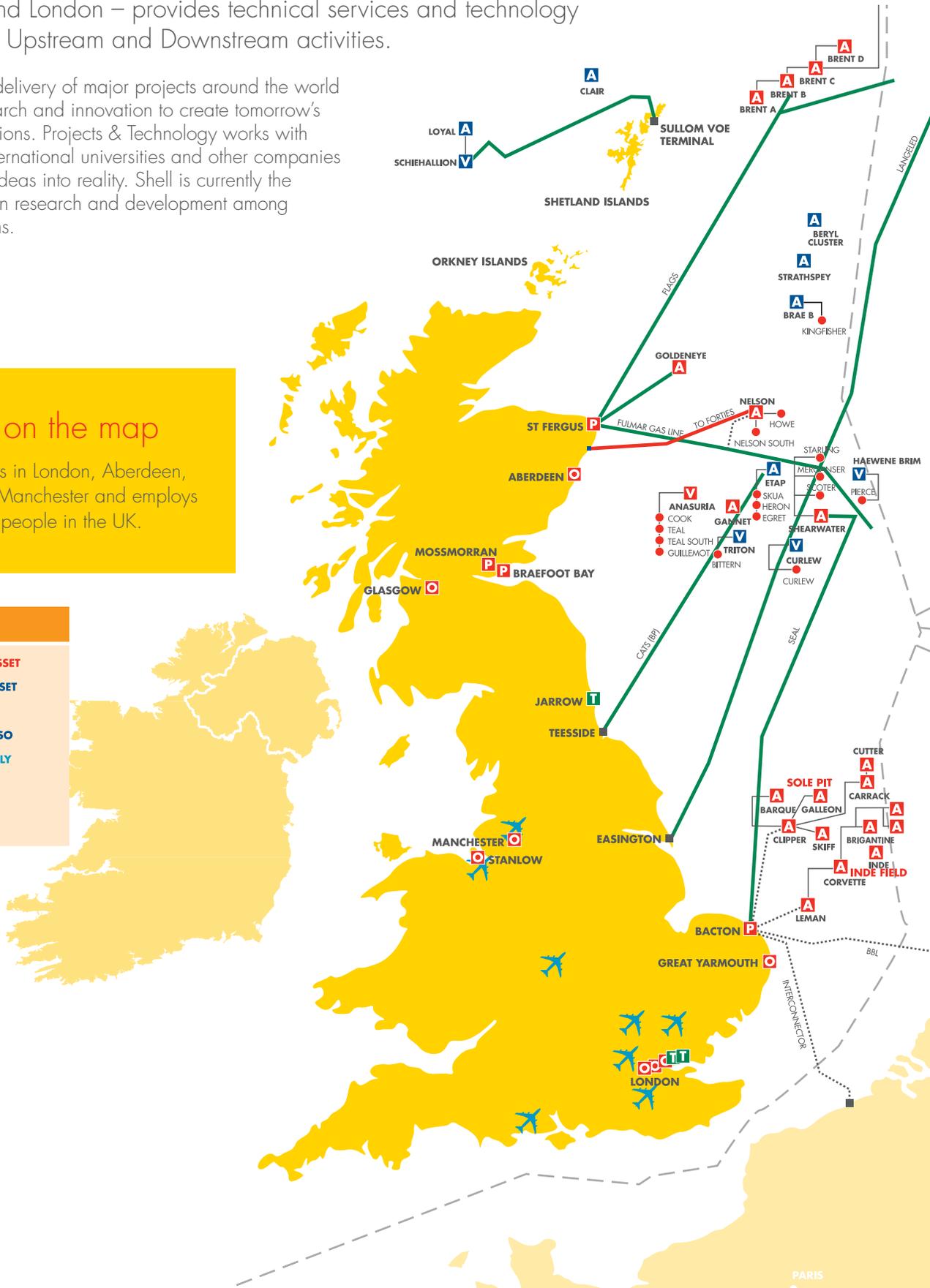
It manages the delivery of major projects around the world and drives research and innovation to create tomorrow's technology solutions. Projects & Technology works with national and international universities and other companies to turn the best ideas into reality. Shell is currently the largest investor in research and development among the major oil firms.

## Shell UK on the map

Shell has offices in London, Aberdeen, Glasgow and Manchester and employs around 6,300 people in the UK.

### KEY

- A SHELL OPERATED ASSET
- A NON OPERATED ASSET
- V SHELL FPSO
- V NON OPERATED FPSO
- ✈ AIRPORTS WE SUPPLY
- T TERMINAL
- O OFFICE
- P SHELL PLANT



# SHELL IN THE UK

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## OPERATIONS

The Shared Business Service Centre (SBSC) Glasgow is one of six global business service centres that collectively provide a broad range of business services, including Finance, IT, Customer Services, Contract & Procurement and HR.

Today, about 500 employees work at the Glasgow site.

## KEEPING PEOPLE SAFE

**Keeping our employees and contractors safe is our top priority.**

**Goal Zero** captures the belief that we can operate without fatalities or significant incidents despite the often difficult conditions in which we operate. To support this aim, we continue to roll out initiatives to strengthen our safety culture. This includes improving the safety leadership skills of staff, simplifying our requirements and rewarding successful performance.

## VALUES

As a global energy company, we set high standards of performance and ethical behaviours. Back in 1976, we were one of the first FTSE 100 companies to introduce Business Principles. We are judged by how we act – our reputation is upheld by how we live up to our core values of honesty, integrity and respect for people. The Shell General Business Principles, Code of Conduct and Code of Ethics help everyone at Shell act in line with these values and comply with all relevant legislation and regulations.

## THE ENERGY CHALLENGE

We're working hard to make energy cleaner – that's why we have a focus on natural gas. It is the cleanest hydrocarbon and there is an abundant supply of it. Today natural gas makes up more than half of our total production. Globally, we are pioneering new technologies to reach gas that would otherwise be stranded, plus we continue to invest in Liquefied Natural Gas, allowing us to ship gas from all over the world to meet the UK's needs.

New gas-fired plants emit about half the CO<sub>2</sub> of new coal-fired plants and 60–70% less than old coal plants; they are also cheaper to build, thus reducing the cost to consumers. We believe we can remove even more emissions by using Carbon Capture and Storage (CCS) technologies, and emissions could be reduced further if gas and CCS were used together.

## SOCIAL INVESTMENT

Shell's approach to social investment goes beyond our commitment to corporate social responsibility, which is embedded in the way we carry out our day-to-day business. Our social investment programmes focus on inspiring young people to study STEM (Science, Technology, Engineering and Maths) subjects and supporting start-up businesses and young entrepreneurs. We believe that these will play a central role in the UK's ability to meet many of the most pressing challenges facing our society, not least to meet the growing energy demand in sustainable ways.

### Our national Social Investment programmes include:

- **Shell LiveWIRE** – monthly start-up awards, coaching and online business support to young entrepreneurs innovating for a more sustainable energy future.
- **Shell Springboard** – supporting enterprises with commercially viable and innovative business ideas that help reduce carbon emissions.
- **Tomorrow's Engineers** – Shell has invested over £1 million to launch The Energy Quest – a national programme that provides careers information and hands-on engineering experiences to over 70,000 students.
- **The Bright Ideas Challenge** – our national schools competition challenging students to explore questions such as 'What will cities look like in 2050? How will they be powered to be vibrant, healthy and clean places to live?'

WE EMPLOY

**6,300+**

**SKILLED STAFF  
IN THE UK**



**1,000+** **SHELL-BRANDED  
SERVICE STATIONS  
NATIONWIDE**



THROUGH OUR NATIONAL  
SOCIAL INVESTMENT  
PROGRAMMES,  
**SHELL LIVEWIRE** AND  
**SHELL SPRINGBOARD**,  
MORE THAN **£8 MILLION**  
HAS BEEN AWARDED TO  
SUPPORT ENTREPRENEURS  
IN THE UK

**2,000**

BRITISH NATIONALS  
WORK FOR SHELL  
OVERSEAS IN MORE  
THAN 50 COUNTRIES



For further information see  
[www.shell.co.uk](http://www.shell.co.uk)

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