



# Public Letter from the co-filers of Shell Resolution 23

## Strategy disclosure for declining oil and gas demand

We, the co-filers of Resolution 23 at Shell's 2026 Annual General Meeting, write to share our rationale for this request with all shareholders in oil and gas companies.

Resolution 23 asks a straightforward question: how would Shell create shareholder value if demand for oil and gas declines? Shell's current disclosures do not address it.

The resolution does not bind the Company to any specific strategy or scenario; it requests disclosure of the kind increasingly expected across capital markets. The question it poses is one the Board should welcome, not resist. A company confident in the resilience of its strategy has every reason to demonstrate it.

The Company states that it can manage declining demand on the basis that it maintains a breakeven of \$35 per barrel for new investments. The Company's disclosures thereby test for price sensitivity; they do not address what happens when the market itself contracts. These are fundamentally different risks. A price shock is cyclical. A structural decline in demand reshapes volumes, intensifies competition, and determines which assets remain viable. Shell's reporting assumes produced volumes will find buyers. That assumption is precisely what shareholders need tested.

The International Energy Agency, governments, and regulators have for years projected a peak and subsequent decline in global oil and gas demand. Whether that decline arrives sooner or later, the question of how Shell would navigate it is not speculative; it is a material strategic concern. Investors allocating capital on a multi-decade horizon are entitled to understand how the Company's strategy performs under these conditions. The disclosure this resolution requests is material to any assessment of Shell's strategy, resilience, and long-term value.



The issues this resolution raises extend beyond Shell alone. As diversified, long-term investors, our returns are driven primarily by the stability of the broader economy; unmanaged transition risks in the energy system pose material threats to portfolio-wide value. Transparent disclosure of how Shell would navigate declining demand scenarios is therefore essential not only for assessing company-level resilience, but also for understanding risks to shareholders' diversified holdings.

The precedent is instructive. In 2020, a temporary demand shock led Shell to cut its dividend by 66%. A sustained structural decline would present a challenge of a fundamentally different order. Shareholders who lived through that experience have cause to ask what comes next.

We believe transparency on this question is in the best interests of the Company and its shareholders. We intend to vote accordingly, and we encourage investors who share our concern for the future of the company to consider doing the same.

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