Drive Carbon Neutral Ts&Cs

1. What is meant by 'carbon neutral driving'?

For customers who fill up via the Shell Go+ programme and have opted in to Drive Carbon Neutral through the Shell App, Shell will pay to offset the carbon emissions from that fuel, until March 2022, then all opted-in members will pay 0.5p per litre extra for the service. Known as the fuel's lifecycle emissions, this includes carbon emissions generated by the customer when the car is being driven as well as from the process before it gets to the forecourt, for example the production and distribution of the oil.

2. What is the offer?

The terms "Carbon neutral" indicates that Shell has engaged in a transaction where an amount of CO_2 equivalent to the CO_2e amount associated with the raw material extraction, transport, production, distribution and usage of the fuel has been avoided as emissions through the protection of natural ecosystems or removed from the atmosphere through a nature-based process. CO_2e (CO_2 equivalent) refers to CO_2 , CH_4 , N_2O .

3. How can customers at Shell stations in the UK offset the carbon emissions from their fuel?

Customers need to join the Shell Go+ programme, and manually opt in to Drive Carbon Neutral by toggling the switch within the Shell App. Once opted in, customers simply scan their Shell Go+ card, app or fob with every fuel transaction at a UK Shell station and the CO₂ emissions will be offset by Shell at no cost to the customer until March 2022. Shell will calculate the amount of CO₂ emissions generated by the fuel purchased and will purchase an appropriate amount of carbon credits to compensate for these lifecycle emissions. In March 2022, customers will share the cost with Shell, both paying 0.5p per litre to offset the carbon emissions.

4. How long will this deal last for?

This offer will be available every time a customer who has manually opted in to Drive Carbon Neutral uses Shell Go+ with their fuel transaction. In March 2022, customers will share the cost with Shell, both paying 0.5p per litre extra to offset the CO₂ emissions.

5. How do I sign up for Shell Go+?

It is free to become a Shell Go+ member and you can sign up quickly and easily via the Shell App or online at <u>https://www.goplus.shell.com</u>.

6. How do I opt in to Drive Carbon Neutral?

Once you have downloaded the Shell App, click onto the 'Rewards' tab at the bottom of the screen, then at the top of the page click on the 'Opt-in to Drive Carbon Neutral' box. Once within this page, click on the toggle next to the question 'do you want to Drive Carbon Neutral for free until March 2022?', and that is it!

7. What do I need to do to continue to Drive Carbon Neutral?

Once you have opted in, you do not need to do anything further. In March 2022, we will automatically share the cost on every fuel transaction when you scan your Shell Go+ card, app or fob.

8. If I don't sign up for Shell Go+ is there another way to offset my carbon emissions with Shell?

No, the only way to offset your CO₂ emissions with Shell in the UK is by opting in via Shell Go+. This loyalty programme also provides many benefits to customers beyond carbon offsetting. For those customers who visit us just for fuel, Shell Go+ provides a fuel reward for every ten visits. And if refilling with Shell V-Power, members receive an extra £3 off per 300 litres. But Shell Go+ also rewards customers who don't visit Shell stations for fuel. For example, members will receive 10% off products including hot drinks such as Costa Coffee, and food such as Jamie Oliver deli by Shell. So we would recommend signing up.

9. What happens if I forget to use my app?

Unfortunately, Shell can only offset the carbon emissions of your fuel purchase if you scan your Shell Go+ app or card. If you prefer not to use the Shell Go+ app you can always order a physical membership card or fob online at <u>https://www.goplus.shell.com</u>.

10. How will I be able to tell that Shell really is offsetting my carbon emissions?

Every tenth visit you will receive a carbon statement via email which will tell you how much fuel you bought and how much Shell contributed to offset this fuel for you. Any transactions made using Pay at Pump will be excluded from this statement.

11. If I use the Shell Go+ programme with Pay at Pump, will my carbon emissions be offset?

Yes all Shell Go+ Pay at Pump transactions made by customers who have opted in will be offset, however, they won't be included in the email carbon statement.

12. Is this offer available on all fuel?

This offer is available for all Shell Go+ members who have opted in to Drive Carbon Neutral via the Shell App from all purchases of petrol, diesel and LPG.

13. Why can't I offset my electric vehicle charging?

This offer is only available on Shell Go+ purchases by customers who have opted in to drive carbon neutral and purchase petrol, diesel and LPG. However, all the electricity provided to EV drivers via our Shell Recharge EV charging service is from 100% certified renewable sources.

14. Is this offer available at all Shell sites?

The offer is available at all stations that are part of Shell Go+ which is approximately 95% of Shell Service Stations in the UK. The final remaining stations will also be able to provide this offer as their IT systems are upgraded.

15. Can B2B (fuel card) customers benefit from Shell Go+ and also offset via the Shell fuel card, i.e. is there a risk of double counting?

No, B2B customers cannot benefit from the carbon offsetting service tied to Shell Go+. Both Shell and other fuel cards accepted at Shell Service Stations (third-party cards), have been excluded from this offer. This is so that Shell fuel card customers can make use of a specialist fuel card offer and to ensure there is no double counting of third-party cards which are accepted at Shell Service Stations and potentially included in another provider's offsetting service. For Shell Card customers, we do offer a carbon offsetting option so that fleets can opt in to have the carbon emissions of their fuel purchases offset.

If Fleet Managers choose this option for their fleets, they will also have clear visibility of the carbon offsetting service charges on their invoices. Additionally, customers will receive an annual 'Verified Carbon Reduction Certificate' detailing the carbon offsetting completed for the fleet. For Shell fuel card customers interested in offsetting the emissions of their fleet, visit <u>https://www.shell.co.uk/fuelcardco2</u>.

16. What are Nature-Based Solutions?

Ecosystems like forests, grasslands or wetlands naturally remove carbon dioxide (CO₂) from the atmosphere every year. And nature-based solutions, or natural climate solutions, are projects which protect, transform or restore these natural ecosystems so that they can absorb even more CO₂ emissions from the atmosphere. This can include emissions saved through avoiding deforestation and helping to sequester carbon into so-called 'carbon sinks'.

17. How can you guarantee that the carbon offset projects you work with do what they say they'll do?

There is a robust programme of third-party independent standards, verification processes and registries to help ensure the quality and integrity of carbon offsets. The Verified Carbon Standard, the Gold Standard and the Climate Action Reserve are examples of well-known standards in the market. In order to be validated to these standards, projects are checked by independent Designated Operational Entities (DOEs) – which are qualified to ensure the projects meet crucial quality criteria and deliver genuine reductions. In addition, the DOEs check the projects on a regular basis to ensure they are continuing to deliver what is claimed.

18. How can you ensure the carbon credits Shell purchase support these nature based projects?

Transparency is key to the success of any carbon offsetting programme. Each CO₂ credit has its own number and can only be used once. The projects we work with are certified by standards such as Verified Carbon Standard, currently the largest source of nature-based projects globally, and the Climate, community and Biodiversity Standard, which verifies that projects not only address climate change, but also support local communities and conserve biodiversity.

19. What are carbon credits?

A carbon credit represents the avoidance or removal of 1 tonne of carbon dioxide. These credits are purchased by businesses and customers who are looking for ways to tackle their carbon footprint. In order to ensure the quality and integrity of carbon credits, there is a robust programme of third-party standards, verification processes and registries.

20. How do these carbon offset projects guarantee their emission reductions?

To ensure the quality and integrity of carbon offsets, there is a robust programme of third-party independent standards, verification processes and registries. The Verified Carbon Standard (VCS), the Gold Standard and the Climate Action Reserve (CAR) are examples of well-known standards in the market ensuring the quality and credibility of offset projects.

To be validated to these standards, projects are checked by independent Designated Operational Entities (DOEs) – certified independent auditors – which are qualified to ensure the projects meet quality criteria and deliver genuine reductions. In addition, the DOEs check the projects on a regular basis to ensure they are continuing to deliver what is claimed. Key criteria in evaluating the credibility and quality of an offset project are: P4.NBS.21.11

Additionality – this refers to the requirement that emission reductions or removals should not have happened without the incentive of carbon credits.

Leakage – this studies whether any increase of GHG emissions outside of the boundaries of a project or program can be attributed to the project or program itself. The avoidance of leakage therefore ensures the deforestation is not merely displaced into different areas.

Permanence – this reflects the need for an emission reduction to represent a long-term mitigation benefit. Therefore, projects need to ensure emissions are kept out of the atmosphere for a reasonable length of time.

21. Which projects is Shell supporting?

Shell is buying carbon credits from projects that protect, enhance or restore natural ecosystems. Shell invests in nature-based projects that do more than simply reduce or avoid the release of CO₂ emissions – they also benefit local communities by funding activities such as new schools or fresh water supplies.

Shell has built a broad portfolio of projects. For the UK Shell Go+ Drive Carbon Neutral programme Shell has sourced carbon credits from nature-based projects globally, including Cordillera Azul National Park Project in Peru and the Katingan Peatland Restoration and Conservation Project in Indonesia.

22. What is the Cordillera Azul project in Peru?

The project supports a rich ecosystem of indigenous biodiversity and high carbon stock forests. A multicultural population of more than 250,000 people organised in 400 communities live in the buffer zone around the Park boundaries and, by the end of 2021, it aims to have protected 1.6 million hectares of threatened forest and 28 high conservation value species, supported 716 jobs and created or supported 24 sustainable enterprises.

23. What is the Katingan Mentaya project in Indonesia?

One of the places that Shell is buying carbon credits from for the Shell UK nature-based solutions programme is the Katingan Mentaya project in Central Kalimantan, Indonesia. The project protects peatland habitats, preventing forest clearance which would have led to the draining of underlying peat. The threatened land is home to several critically-endangered species, including up to 10% of the surviving Bornean orangutans, southern Bornean gibbons and proboscis monkeys. The project protects 149,800 hectares of peat swamp forest and vital habitats for five critically endangered species.

24. Why can't I only support projects closer to home?

It's understandable that customers may prefer local projects, but it's important to note that the environmental impact of a tonne of CO₂ reduced or saved from avoiding deforestation is the same whether the forest is closer to home, or overseas. In addition, projects that occur in developing countries often provide greater opportunities for positive environmental and social impacts, as well as the carbon benefits. As well as buying carbon offsets from projects around the globe, however, Shell is also providing support to Forestry and Land Scotland in the UK to establish around a million trees across the forest estate over the course of five years. Forestry and Land Scotland manage and protect 640,000 hectares of Scotland's national forest estate on behalf of the Scottish government. The estate makes up approximately 9% of Scotland's total land area which is equivalent to 25 times the size of Edinburgh. This support does not contribute towards the Drive Carbon Neutral programme at this time.