The Church of England Pensions Board are a Shell shareholder, and part of Climate Action 100+. We were, until 2021, the designated co-lead investor for the CA100+ engagement with Shell.

In 2021, the Pensions Board attended the AGM and stated our support for Shell's Climate Transition Plan, which was put to a shareholder vote for the first time at that meeting. We noted Shell was a first mover on a number of fronts, including on scope 3 emissions, climate lobbying and was one of the first global companies to offer a shareholder vote on a transition plan. While the plan was not perfect it was positioning Shell as a constructive actor in shaping the long term transition.

However, today, we see a different path being taken.

Despite Shell posting record profits in 2022 and having the highest capital expenditure of $25 billion among its peers, its capital expenditure into renewables and low carbon energy is far lower than would be expected by a company seeking to shape a future in the transition.

These investments are lower than your most comparable peer, BP.

You are investing the most of your European peers in upstream oil and gas production.

Whilst acknowledging the importance of your 2050 target, your short and medium term targets remain insufficient, according to independent analysis.

It has been widely reported that you are reviewing your plan to reduce oil output during this decade, and the Chair of Shell Australia has spoken out against more ambitious climate policy in that jurisdiction.

Taken together this is deeply concerning.

As a long term institutional investor our duty is to our pension fund members and their long term interests as well as the world they will retire into. These interests are not being served by the short term approach that the company appears to be taking.

Although we were willing to offer you our support in the past, today we cannot and it is with regret that we have voted against the re-election of all Shell directors, and we have also voted in support of the Follow This resolution. Today we have used our vote, but as we indicated in 2021, we are also prepared to restrict investment in the company if we do not see a change in direction.

We believe the Company has a choice. We would encourage the Board to reflect upon the future that society is demanding set out in the Paris Agreement, and what role Shell is really playing in shaping it.

Therefore my question to the Board of Directors and Chair, is will you return to the path you were on? Prioritise the long-term and commit to phase out capex into oil and gas production, increase your short and medium term emissions reduction targets and double down on being a constructive actor in shaping an orderly energy transition.

Environment

Net zero carbon

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