


To: Sir Andrew Mackenzie, Chairman of the Shell Board of Directors,
Wael Sawan, Shell Chief Executive Officer
Shell plc Executive Committee – Sinead Gorman, Philippa Bounds, Robin Mooldijk,
Rachel Solway, Huibert Vigeveno, Zoë Yujnovich

Date: 03 June 2025

Subject: Follow-Up on Shell AGM Engagement – SPDC Divestment in the Niger Delta

Contact: Ana Xambre Pereira, a.xambrepereira@bothends.org
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Dear Sir Andrew Mackenzie, Mr. Sawan and members of Shell plc Executive Committee,

On behalf of Both ENDS, we are writing to follow up on our engagement during the Shell Annual General Meeting held on May 20th in London. During the meeting, we raised several questions regarding Shell plc's divestment from the Shell Petroleum Development Company (SPDC) in the Niger Delta. At that time, you committed to providing a detailed written response to the following questions:

1. Questions about the potential risk of liabilities remaining with Shell plc after the sale of SPDC shares to the Renaissance group in the Niger Delta

In the Shell Annual Report, on March 13, 2025, Shell writes that it completed the sale of SPDC to Renaissance. On page 43, it is stated that as part of the SPDC transaction "Shell provided loan facilities for amounts up to \$2.5 billion" to Renaissance.



What is the interest rate and the purpose of this loan that Shell plc provided as part of the SPDC shares sale agreement? Are there any agreements that require Renaissance to sell its oil or gas production to Shell, or to first offer such production to Shell's related entities?

Additionally, on page 113, Shell mentioned "(...) the transaction has been designed to ensure that the company can continue to perform its role as operator and to meet its share of commitments within the joint venture, including those relating to health, safety, security and environment."

So far, shareholders are not aware of funds set aside to fulfil those commitments. *Are there any agreements between SPDC and Renaissance regarding the costs of decommissioning or environmental remediation activities related to SPDC assets? If so, when will you disclose those plans to shareholders or make them publicly available?*

2. Question about the due diligence conducted by Shell as part of the sale of SPDC shares to Renaissance.

Shareholders are concerned about the financial risk that may arise from future litigation, historic pollution and liability risks associated with this transaction. The approval of the shares transfer has been challenged in Nigeria for failures to comply with Nigerian Law. So, we would like to know about the Shell's compliance with Nigerian law, international

human rights law, and the Extractive Industry Transparency Initiative, especially due to Shell plc important leadership role as a Board member of the EITI.

Firstly, prior to divestment, Shell would've been required to conduct Environmental Evaluation Studies (EES) under Part 1, Regulation 8 of the Upstream Petroleum Environmental Regulation, from 2022. *Were these studies submitted to NUPRC, the Nigerian Upstream Petroleum Resource Commission, and will Shell publish these studies to ease our concerns as shareholders?*

Secondly, *what other due diligence did Shell plc undertake prior to the sale of SPDC shares to guarantee that Renaissance had the proper technical and financial capacity to undertake the pollution remediation and end-of-life decommissioning obligations, in order to comply with its obligations under Nigerian law, international human rights law and EITI Standards?*

Finally, *will Shell release the report from S&P Global that was provided to NUPRC, before their decision to refuse the sale, as required under the EITI?*




3. Question about the litigation risk to shareholders regarding SPDC's pollution legacy and its negative impacts on the public health of local communities in the Niger Delta.

The report by the organisation Kebekatche, "[Impacts of Oil extraction of Women's Health in Bayelsa - A Case Study of Otuabagi community](#)", showed hydrocarbon levels 8000 times above the World Health Organisation permissible limits in blood samples of 80 women. Those women are experiencing respiratory diseases, higher cancer incidence, reduced fertility and eye sight impairment.

The '[Bayelsa State Oil and Environment Commission Report](#)', from May 2023, found similar unhealthy hydrocarbon levels in the blood of 1600 people. Also, the international team of researchers found that it will take at least US\$12billion "to repair, remediate and restore the environmental and public health damage caused by oil and gas and to lay the foundations for Bayelsa's just transition." This value is referent to only 1 state out of 9 states in the Niger Delta.

What actions are Shell planning to take to remediate the public health impacts on the Niger Delta communities affected by decades of oil pollution and mitigate related litigation risks?



Both ENDS hopes that Shell plc takes its commitments to corporate accountability, transparency and stakeholder engagement seriously. Given the serious consequences of SPDC divestment for local communities public health and environmental remediation, **we expect a comprehensive written response to our questions within 30 days of this letter.**

We remain available for any clarification you may require.

Sincerely,

Ana Xambre Pereira

Annabelle Willeme