

Message

**From:** van Beurden, Ben CAM RDS-CEBB [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=3FA7748E51494A04BD51DC1D2F3A5B46-USBBE8]  
**Sent:** 9/6/2021 8:15:47 AM  
**To:** Watkins, Gretchen H SERC-UP [REDACTED]@shell.com]; Sawan, Wael RDS-EC [REDACTED]@shell.com]  
**CC:** Everts, Frans F RDS-CR [REDACTED]@shell.com]; Johnson, Krista SHLOIL-CRA [REDACTED]@shell.com]; Forde, Helen M SI-PTS [REDACTED]@shell.com]; Klap, Frits MA SEPCO-UPU [REDACTED]@shell.com]  
**Subject:** RE: Methane Press in the USA

Gretchen – thanks for the open and honest reporting. Looks indeed like another level of scrutiny is coming, which is good but also requires us to be even more alert and timely in our LDAR activities – Ben

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**From:** Watkins, Gretchen H SERC-UP <[REDACTED]@shell.com>  
**Sent:** 03 September 2021 02:45  
**To:** van Beurden, Ben CAM RDS-CEBB [REDACTED]@shell.com>; Sawan, Wael RDS-EC [REDACTED]@shell.com>  
**Cc:** Everts, Frans F RDS-CR [REDACTED]@shell.com>; Johnson, Krista SHLOIL-CRA [REDACTED]@shell.com>; Forde, Helen M SI-PTS [REDACTED]@shell.com>; Klap, Frits MA SEPCO-UPU [REDACTED]@shell.com>  
**Subject:** RE: Methane Press in the USA

Ben, Wael, please find attached a short write up on the EPA Notice of Violation I mentioned to you last week. Key messages are that this is a very new, unprecedented space for the EPA, but we are in action on preparing for further scrutiny. Also of interest is that we have now confirmed there are a number of other operators that are seeing these same violations. I will stay close to any possible press this may get. Please revert if you have any questions.

Best Regards,

Gretchen

Gretchen H. Watkins  
President Shell Oil Company  
Executive Vice President Global Shales  
Shell Oil Company

[REDACTED] United States of America  
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**From:** van Beurden, Ben CAM RDS-CEBB [REDACTED]@shell.com>  
**Sent:** Wednesday, August 25, 2021 1:38 AM  
**To:** Sawan, Wael RDS-EC [REDACTED]@shell.com>; Watkins, Gretchen H SERC-UP [REDACTED]@shell.com>  
**Cc:** Everts, Frans F RDS-CR [REDACTED]@shell.com>  
**Subject:** RE: Methane Press in the USA

Gretchen, Wael,

Agreed. This is sad, but also a new reality. We need to be more proactive and more assertive in our stance – there is no doubt in my mind. I would value a very simple overview of what was said and why we think it is misleading, as I am sure I will be challenged on this in the coming weeks/months in the lead up to COP26. To just say it is fake news will not be sufficient. I would also like to be briefed on the NOV but that can also be in the form of a simple one pager – shorter is better.

Thanks for the heads up for now,

Ben

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**From:** Sawan, Wael RDS-EC <[REDACTED]@shell.com>  
**Sent:** 25 August 2021 08:27  
**To:** Watkins, Gretchen H SERC-UP <[REDACTED]@shell.com>; van Beurden, Ben CAM RDS-CEBB  
<[REDACTED]@shell.com>  
**Cc:** Everts, Frans F RDS-CR <[REDACTED]@shell.com>  
**Subject:** RE: Methane Press in the USA

Gretchen,

Thanks for sharing this overview...clearly disappointing to see how the narrative is being shaped by others so very much agree with the need to get on the front foot while fully recognizing it moves us sharply into the eye of the storm (having said that, we are being moved in anyway!). I would value a follow-up on the Notice of Violation to better understand that – we can do that just the two of us or with Ben and/or Frans depending on appetite.

Regards,  
Wael

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**From:** Watkins, Gretchen H SERC-UP <[REDACTED]@shell.com>  
**Sent:** Tuesday, August 24, 2021 22:30  
**To:** van Beurden, Ben CAM RDS-CEBB <[REDACTED]@shell.com>; Sawan, Wael RDS-EC <[REDACTED]@shell.com>  
**Cc:** Everts, Frans F RDS-CR <[REDACTED]@shell.com>  
**Subject:** Methane Press in the USA

Dear Ben and Wael,

Within the last month, various organizations in the US have released information, opinions, and datasets that have significantly heightened media, regulatory, and public attention to methane-related emissions. These reports insinuate Shell is inaccurately measuring/reporting methane emissions and ensuing media coverage suggests the company may be experiencing difficulty managing some of its emissions and operational footprint. We have responded to the media pieces publicly with strong statements of disagreement with the misinformation presented, and in the case of the Reuter's paid article, reached out to the editorial board to share our unhappiness with what we see as a significant integrity lapse between news work and printing "adverstories" for hire which are devoid of facts. We can anticipate that stories in the methane space will continue both on the heels of the UN IPCC report released last week, as well as in anticipation of the late September release of the Biden methane rule.

Separately, we are anticipating a 31 August agreement on an EPA Notice of Violation settlement related to seven Shell Permian facilities where our understanding of the EPA enforcement regime was not consistent with the new Biden enforcement strategy. We are not the only operator to be cited and there is a possibility that our fine or the fines of all similarly situated operators may be part of an EPA public statement, or be part of a 3rd party media piece in the methane story line. We know there are other companies which are responding to the new enforcement regime so Shell will not be singled out here, but from a reputation perspective the drumbeat of stories which suggest that our performance does not match our narrative around Powering Progress has the real potential to do damage.

I can share additional detail about the two stories which you may have seen in the media clips including the fact set which actually exists. I am also happy to brief you further on the Notice of Violation (NOV) from EPA which resulted from a new enforcement approach where there is discretion to do or not do a particular thing as the regulator. I didn't want to take time in this note to do either but I'm happy to share more on either topic.

Because the NOV is a legal matter, we will not be doing any proactive media work but will wait to respond reactively. Rather than wait for the next study or data set to drop, though, we are working to identify a way to step outside the narrative being created for us and speak in our own voice.

There are provisions in the infrastructure package recently approved by the Senate which may allow us to speak proactively about methane reduction. We are working now with many of our NGO partners to identify whether we can come forward together in support of one or more of them. Doing would be newsworthy on its own and would allow us to place stories we want and shift stories designed to harm us.

While we can't know every story that may come, as everyone who can afford a FLIR camera is now a methane emission scientist as we saw with the NYT last year, we can shift the conversation. I'm working with CR and Media to find the right place and time for me to share our view on the infrastructure package externally. We will also be doing a fact checking piece for our staff which highlights the good work being done in the Permian to reduce and eliminate emissions, so our own staff are armed with facts. This piece is targeted to post on the Hub next week.

I wanted to give a quick update on where we are with this and am happy to answer questions or schedule a more full briefing if that is of interest.

Best Regards,

Gretchen

Gretchen H. Watkins  
President Shell Oil Company  
Executive Vice President Global Shales  
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