Registration number: 2386676

Shell Trinidad and Tobago Limited

Annual Report

and

Financial Statements

For the year ended 31 December 2022

Shell Trinidad and Tobago Limited

Contents

Shell Trinidad and Tobago Limited

Strategic report for the year ended 31 December 2022

The Directors present their Strategic report on Shell Trinidad and Tobago Limited (also referred to as the "Company") for the year ended 31 December 2022.

The Company is one of the entities within the "Shell Group". In this context the term "Shell Group" and "Companies of the Shell Group" or "Group companies" means companies where Shell plc (formerly Royal Dutch Shell plc), either directly or indirectly, is exposed to, or has rights to, variable returns from its involvement with the Company and has the ability to affect those returns through its power over the Company. Companies in which Group companies have significant influence but not control are classified as "Associated companies". Shell plc, a company incorporated in England and Wales, is known as the "Parent Company" of the Shell Group. In this Report "Shell", "Shell Group" and "Shell plc" are sometimes used for convenience where references are made to Shell plc and its subsidiaries in general. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

Business review

Shell Trinidad and Tobago Limited was incorporated on 19 May 1989 and is a wholly owned subsidiary of BG North Sea Holdings Limited.

The Company retains interests in two blocks, both held under separate Production Sharing Contracts. These interests comprise (i) 63.1875% interest in the NCMA (North Coast Marine Area) 1 block, located off the north coast of Trinidad and Tobago which contains the Hibiscus, Poinsettia, Chaconia, Ixora, Heliconia and Bougainvillea Field; and (ii) 50% interest in Block 6, located off the east coast of Trinidad and Tobago, which includes the Dolphin Field and Manatee Field. During 2022, the Company continued to supply both the domestic and export markets.

Production volumes from the Dolphin field were 2.55 mmboe in 2022 (2021: 2.45 mmboe), and production from the NCMA 1 block was 4.49 mmboe (2021: 7.41 mmboe).

During the year, the Company made a profit of $46,481,000 compared to $50,203,000 in 2021. The decrease in profit is mainly due to higher enhanced revenue cost in current year by $88,512,000, increase in tax expense by $98,514,000 and increase in the currency translation loss by $52,611,000 offset with the increase in the revenue by $200,590,000.

The Directors consider that the year end financial position of the Company was satisfactory.

Impairment reversals

As a result of the annual impairment review, management has identified impairment reversal indicators in oil and gas properties. It has assessed the value in use for East coast marine area to be $63,352,000 and recorded an impairment reversal of $39,777,000 on East coast marine area assets. The main drivers for the impairment reversal have been due to increase in price premises. Further, the value in use for North coast marine area remains negative. Hence, resulted in an impairment charge of $21,528,000 on North coast marine area assets.

In 2022, the Company has applied a post-tax WACC as the basis to discount the estimated risk adjusted future cash flows. The post-tax WACC applied in 2022 was 6.5% for all businesses except for Power (5%).

Principal risks and uncertainties

The Shell Group has a single risk based control framework - The Shell Control Framework - to identify and manage risks. The Shell Control Framework applies to all wholly owned Shell companies and to those ventures and other companies in which Shell plc has directly or indirectly a controlling interest. From the perspective of the Company, the principal risks and uncertainties affecting the Company are considered to be those that affect the Shell Group. Accordingly, the principal risks and uncertainties of the Shell Group, which are discussed on pages 15 to 26 of Shell's Annual Report and Form 20-F for the year ended 31 December 2022 (the "Group Report"), include those of the Company. The Group Report does not form part of this report.

Key Performance Indicators

Companies of the Shell Group comprise the Upstream, Integrated Gas and Renewables and Energy Solutions (formerly New Energies), and Downstream. The Company's key performance indicators, that give an understanding of the development, performance and position of the business, are aligned with those of the Shell Group. The development, performance and position of the various businesses is discussed on pages 27 to 77 of the Group Report and the key performance indicators through which the Group's performance is measured are as set out on pages 27 to 28 of the Group Report.

Going concern

In determining the appropriate basis of preparation of the Financial Statements, the Directors are required to consider whether the Company can continue in operational existence over the period to 31 December 2024 (the 'going concern period'). The Directors have considered the recovery from COVID-19, the potential risks and uncertainties relating to ongoing geo-political events and its related economic impact on the Company's business, credit, market, and liquidity position. Based on the above, together with the Directors' knowledge and experience of the market, the Directors consider it appropriate to prepare the financial statements for the year ended 31 December 2022 on a going concern basis.

Section 172(1) statement/Statement of stakeholder interests

The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (a) to (f) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interests of other stakeholders which may affect the long-term success of the company.

This Section 172 Statement, explains how the Directors have acted in the way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

- the likely consequences of any decision in the long term and the impact of the Company's operations on the community and the environment,
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- employee interests, the need to foster the Company's business relationships with suppliers, customers, and others, and the effect of that regard, including on the principal decisions taken by the Company during the financial year.

Ahead of matters being put to the Company Board for consideration, significant levels of engagement are often undertaken by the broader business ahead of many of Shell projects or activities. This engagement is often governed by formulated policies, control frameworks, regulation, legislation and may differ by region. Dependent on the project or activity, Board members may participate in this engagement.

The Company is a member of the Shell Group, an organisation which follows a highly developed and formalised governance and oversight framework, which includes but is not limited to Group policies such as the Shell General Business Principles (which sets out the Shell Group's responsibilities to shareholders, customers, employees, business partners and society) and the Shell Code of Conduct.

The strategy of the Company is considered to be derived from those of the Shell Group, which is discussed on pages 6 - 14 of the Group Report. The Shell Group internally organises its activities principally along business and function lines but transacts its business through legal entities. This organisation structure is designed to achieve Shell's overall business objectives, whilst respecting the separate legal identity of the individual Shell companies through which it is implemented and the independence of each legal entity's Board of Directors.

PRINCIPAL DECISIONS

We define Principal decisions taken by the Board as those decisions in 2022, that are of a strategic nature and/or that are significant to any of our key stakeholder groups.

To remain concise, we have categorised our key stakeholders into six groups. Where appropriate, each group is considered to include both current and potential stakeholders.

Key stakeholder groups

A. Shareholders
B. Employees/Workforce/Pensioners
C. Regulators/Governments/NGOs
D. Communities
E. Customers
F. Suppliers /Strategic Partners

Principal Decisions in 2022

Upon review of the Board activity in 2022 we have determined that no principal decisions were taken by the Board during the year under review. All matters considered by the Board were either standing board updates or the approval of administrative matters.

Approved by the Board on 29-Sep-2023 and signed on its behalf by:

DocuSigned by:
Nicholas Blaker
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N W H Blaker
Director

Shell Trinidad and Tobago Limited

Directors' report for the year ended 31 December 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

The Directors' report and audited financial statements of the Company have been prepared in accordance with the Companies Act 2006.

Dividend

No dividends were paid during the year (2021: $nil).

Future Outlook

No significant change in the business of the Company has taken place during the year or is expected in the immediately foreseeable future.

Directors of the company

The Directors, who held office during the year, and to the date of this report (except as noted) were as follows:

M J Ashworth

N W H Blaker

Shell Corporate Director Limited

E C Okpere

J C Joseph (resigned 31 March 2023)

A J Verdel

The following director was appointed after the year end:

A Sadar (appointed 31 March 2023)

Financial risk management

The Company's Directors are required to follow the requirements of Shell Group risk management policies, which include specific guidelines on the management of market, credit and liquidity risk, and advice on the use of financial instruments to manage them. Shell Group risk management policies can be found in the Group Report (see pages 215 to 217 and note 25).

Streamlined Energy and Carbon Reporting

The Directors are aware of the requirements for large UK companies to report on their UK energy use and carbon emissions. The Company's energy usage and greenhouse gas emissions form part of the overall Shell Group results. The climate change and energy transition strategy and disclosures are discussed on pages 78 to 105 of the Group Report with greenhouse gas emissions and energy usage being set out on pages 104 to 105.

Employee involvement

The Company has a comprehensive policy concerning information provision and consultation with employees. Its objective is to meet their needs for information and involvement in issues affecting them, and to contribute to the management of change in the organisation.

The primary responsibility for information and consultation rests with management. It is supplemented by representative bodies at some employment locations. In addition, there is a well-established system by which the senior management in the Company makes presentations to employees on business results and plans. This is in turn supplemented by in-house journals, briefing papers, management letters and video presentations.

All of the formal employee representative bodies held regular meetings throughout the year.

Equal opportunities

Shell Trinidad and Tobago Limited aims to have leading equal opportunities policies and practices. The Company has a published equal opportunities policy and a detailed code of practice in support of this. Progress is regularly monitored. The Company's policy continues to be the application of equal opportunity principles to the selection, training and career development of all applicants and employees, irrespective of gender, race, ethnic origin, marital status, religion or disability.

With respect to disabled people, the Company's medical officers provide appropriate advice to help with the successful achievement of these objectives, particularly regarding physical facilities, which need to be made available at the workplace. Shell Group is part of the Business Disability Forum, which promotes best practice among private sector employers. Shell Trinidad and Tobago Limited is also committed to providing continuing employment of employees who become disabled whilst working for the Company.

The Company offers a range of flexible working conditions to assist employees in balancing work and outside commitments. There are also schemes such as career breaks, six months paid parental leave and a range of childcare support initiatives to support employees with families.

Statement of Directors' responsibilities

The Directors acknowledge their responsibilities for preparing the Strategic report, Directors' report and the Company's financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Under applicable laws and regulations, the Directors are also responsible for preparing a Strategic report and Directors' report that comply with the relevant laws and regulations.

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 29-Sep-2023 and signed on its behalf by:

DocuSigned by:
Nicholas Blaker
550B74DE4968467

N W H Blaker
Director

Independent Auditor's report to the Member of Shell Trinidad and Tobago Limited

Opinion

We have audited the financial statements of Shell Trinidad and Tobago Limited (the "Company") for the year ended 31 December 2022, which comprise the Profit and loss account, the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity, and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period up to 31 December 2024.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's report to the Member of Shell Trinidad and Tobago Limited (continued)

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 7, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 "Reduced Disclosure Framework", Companies Act 2006, Bribery Act 2010, Companies (Miscellaneous Reporting) Regulation 2018, Petroleum Act 1998, Oil & Gas Authority regulations, those laws and regulations relating to health and safety and employee matters and relevant tax compliance regulations in the jurisdictions in which the Company operates, including the United Kingdom.
- We understood how the Company is complying with those frameworks and Shell Group policies by making enquiries of management, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through the review of the following documentation:

Independent Auditor's report to the Member of Shell Trinidad and Tobago Limited (continued)

- all minutes of board meetings held during the year;
- the Shell Group's code of conduct setting out the key principles and requirements for all staff in relation to compliance with laws and regulations;
- any relevant correspondence with local tax authorities;
- and any relevant correspondence received from regulatory bodies.

- We assessed that revenue was a judgemental area of the audit which might be more susceptible to fraud. We obtained an understanding of the controls over the process for the recognition of revenue and tested in particular the existence of the revenue recorded in the financial statements and any manual adjustments to the revenue.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the controls that the Company established to address risks identified by the entity or that otherwise seek to prevent, deter or detect fraud. We gained an understanding of the entity level controls and policies that the Company applies being part of the Shell Group.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved testing of journal entries, with a focus on journals indicating large or unusual transactions or meeting our defined risk criteria based on our understanding of the business, enquiries of legal counsel and management, review of internal audit reports and of the volume and nature of complaints received by the whistleblowing hotline during the year relevant to the Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Ernst & Young LLP

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Oxana Dorrington (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

29 September 2023
Date:.............................

Shell Trinidad and Tobago Limited

Profit and loss account for the year ended 31 December 2022

Continuing operations

	Note	2022 $ 000	2021 $ 000
Turnover	3	459,066	258,476
Cost of sales		(135,372)	(38,168)
GROSS PROFIT		**323,694**	**220,308**
Administrative expenses		(50,102)	(53,795)
Exploration expenses		(23)	(78)
Impairment of tangible assets	11	11,964	-
Impairment of right of use assets	17	6,285	(5,957)
Other expense		(9,926)	(22,121)
OPERATING PROFIT	6	**281,892**	**138,357**
PROFIT BEFORE INTEREST AND TAXATION		**281,892**	**138,357**
Interest receivable and similar income	4	536	238
Interest payable and similar charges	5	(74,594)	(25,553)
PROFIT BEFORE TAXATION		**207,834**	**113,042**
Tax on profit	9	(161,353)	(62,839)
PROFIT FOR THE YEAR		**46,481**	**50,203**

Shell Trinidad and Tobago Limited

Statement of comprehensive income for the year ended 31 December 2022

	Note	2022 $ 000	2021 $ 000
Profit for the year		**46,481**	**50,203**
Items that will not be reclassified subsequently to profit or loss			
Remeasurement (loss)/gain on pension scheme	18	(2,109)	4,698
Other comprehensive (loss)/income for the year, net of tax		**(2,109)**	**4,698**
Total comprehensive income for the year		**44,372**	**54,901**

Shell Trinidad and Tobago Limited

(Registration number: 2386676)
Balance sheet as at 31 December 2022

	Note	2022 $ 000	2021 $ 000
Fixed assets			
Intangible assets	10	12,986	7,519
Tangible assets	11	57,668	657
Right of use assets	17	22,083	11,208
Investments	12	2	2
Deferred tax	9	229,449	190,091
		322,188	**209,477**
Current assets			
Stock	13	5,075	3,168
Debtors	14	951,828	1,101,599
Cash at bank and in hand		2,174	2,010
		959,077	1,106,777
Creditors: Amounts falling due within one year	15	(378,797)	(418,149)
Short term provisions	19	(12,040)	(24,127)
Net current assets		**568,240**	**664,501**
Total assets less current liabilities		**890,428**	**873,978**
Creditors: Amounts falling due after more than one year	16	(25,099)	(33,949)
Long term provisions	19	(208,722)	(231,310)
Net assets excluding pension surplus		**656,607**	**608,719**
Pension surplus	18	6,643	8,198
Net assets		**663,250**	**616,917**
Equity			
Called up share capital	20	1,307,000	1,307,000
Share premium reserve		96,341	96,341
Profit and loss account		(740,091)	(786,424)
Total equity		**663,250**	**616,917**

The financial statements on pages 12 to 57 were authorised for issue by the Board of Directors on .... and signed on its behalf by:

29-Sep-2023

Shell Trinidad and Tobago Limited

(Registration number: 2386676)
Balance sheet as at 31 December 2022 (continued)

DocuSigned by:
Nicholas Blaker
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N W H Blaker
Director

Shell Trinidad and Tobago Limited

Statement of changes in equity for the year ended 31 December 2022

	Called up share capital $ 000	Share premium $ 000	Profit and loss account $ 000	Total $ 000
Balance as at 01 January 2021	**1,157,000**	**96,341**	**(842,827)**	**410,514**
Profit for the year	-	-	50,203	50,203
Other comprehensive income for the year	-	-	4,698	4,698
Total comprehensive income for the year	**-**	**-**	**54,901**	**54,901**
Share based payments - notional	-	-	2,539	2,539
Share based payments - charge from parent	-	-	(1,037)	(1,037)
Proceeds from shares issued	150,000	-	-	150,000
Balance as at 31 December 2021	**1,307,000**	**96,341**	**(786,424)**	**616,917**
Balance as at 01 January 2022	1,307,000	96,341	(786,424)	616,917
Profit for the year	-	-	46,481	46,481
Other comprehensive income for the year	-	-	(2,109)	(2,109)
Total comprehensive income for the year	**-**	**-**	**44,372**	**44,372**
Share based payments - notional	-	-	3,938	3,938
Share based payments - charge from parent	-	-	(1,977)	(1,977)
Balance as at 31 December 2022	**1,307,000**	**96,341**	**(740,091)**	**663,250**

General information

The Company is a private company limited by share capital incorporated and domiciled in England and Wales.

The address of its registered office is: Shell Centre, London, SE1 7NA, United Kingdom.

1 Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. The financial statements have been prepared under the historical cost convention, except for certain items measured at fair value, and in accordance with the Companies Act 2006.

The accounting policies have been consistently applied.

Going concern

As at the date of approving the financial statements, the Directors have considered the recovery from COVID-19, the potential risks and uncertainties relating to ongoing geo-political events and its related economic impact on the Company's business, credit, market, and liquidity position. Based on the above analysis, the Directors have assessed that the Company is expected to have adequate resources to meet its liabilities and commitments over the going concern period to 31 December 2024. The Directors have assessed that the Company has adequate resources to continue in operation for the period to 31 December 2024.

New standards applied

New and amended standards and interpretations

1 Accounting policies (continued)

Onerous contracts - costs of fulfilling a contract - amendments to IAS 37

An onerous contract is a contract under which the unavoidable costs of meeting the obligations under the contract (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are applicable for financial periods beginning 1 January 2022

The Company applied the amendments to the contracts for which it had not fulfilled its obligations at the beginning of the reporting period and has assessed that there is no material impact due to the changes in the amendment. Therefore, no adjustments are made to the opening financial period.

Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16 Leases

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

In accordance with the transitional provisions, the Company applies the amendments retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application).

These amendments had no impact on the financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

1 Accounting policies (continued)

IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application).

These amendments had no impact on the financial statements of the Company as there were no modification to the financial liabilities during the period.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

1 Accounting policies (continued)

The following exemptions from the disclosure requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined);
- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  (i) paragraph 79(a)(iv) of IAS 1 'Presentation of financial statements';
  (ii) paragraph 73(e) of IAS 16 'Property, plant and equipment';
  (iii) paragraph 118(e) of IAS 38 'Intangible assets' (reconciliation between the carrying amount at the beginning and end of the period);
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  (i) 10(d), (statement of cash flows);
  (ii) 10(f) (a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
  (iii) 16 (statement of compliance with all IFRS);
  (iv) 38A (requirement to present a minimum of two statements for each of the primary financial statements, including cash flow statements and related notes);
  (v) 38B-D (additional comparative information);
  (vi) 40A-D (requirements for a third balance sheet);
  (vii) 111 (cash flow statement information); and
  (viii) 134-136 (capital management disclosures)
- The following paragraphs of IFRS 15, 'Revenue from Contracts with Customers';
  (i) the requirements of the second sentence of paragraph 110 (qualitative and quantitative information about contracts with customers, significant judgements, changes in judgements in applying this standard to those contracts, and assets recognised from the costs to obtain or fulfil a contract);
  (ii) paragraph 113(a) (revenue recognised from contracts with customers);
  (iii) paragraphs 114 and 115 (disaggregation of revenue);
  (iv) paragraph 118 (changes in contract asset and liability);
  (v) paragraphs 119(a) to (c) and 120 to 127 (performance obligations); and
  (vi) paragraph 129 (practical expedients);

1 Accounting policies (continued)

- IAS 7, 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraphs 17 and 18A of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned members of a group.

1 Accounting policies (continued)

- The following paragraphs of IFRS 16, 'Leases':
  (i) paragraph 58 (separate maturity analysis for lease liabilities);
  (ii) paragraphs 90 and 91 (table of lease income from operating leases, including separate disclosure of income from variable lease payments not dependant on an index or a rate);
  (iii) paragraph 93 (qualitative and quantitative explanation of the significant changes in the carrying amount of the net investment in finance leases).

Consolidation

The financial statements contain information about Shell Trinidad and Tobago Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Shell plc, a company incorporated in England and Wales.

The immediate parent company is BG North Sea Holdings Limited.

The ultimate parent company and controlling party is Shell plc, which is incorporated in England and Wales. Shell plc is the parent undertaking of the smallest and largest group to consolidate these accounts.

The consolidated financial statements of Shell plc are available from:

Shell plc
Tel: +44 800 731 8888
email: order@shell.com
Registered office: Shell Centre, London, SE1 7NA

Taxation

Tax is recognised in profit or loss, except that tax attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income or directly in equity.

1 Accounting policies (continued)

Current tax

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date for tax payable to HM Revenue and Customs, or for group relief to surrender to or to be received from other Group undertakings, and for which payment may be requested. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation by Shell and tax authorities differently and establishes provisions where appropriate.

Provisions for uncertain income tax positions/treatments are measured at the most likely amount or the expected value, whichever method is more appropriate. Generally, uncertain tax treatments are assessed on an individual basis, except where they are expected to be settled collectively. It is assumed that taxing authorities will examine positions taken if they have the right to do so and that they have full knowledge of the relevant information.

Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and credits carried forward can be utilized.

Deferred tax assets and liabilities is measured at the using corporation tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets against deferred tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Amounts relating to deferred tax are undiscounted.

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in US Dollars ($), which is also the Company's functional currency.

1 Accounting policies (continued)

(ii) Transaction and balances

Income and expense items denominated in foreign currencies are translated into $ at the rate ruling on their transaction date.

Monetary assets and liabilities recorded in foreign currencies have been translated in $ at the rates of exchange ruling at the year end. Differences on translation are included in the profit and loss account. Non-monetary assets and liabilities denominated in a foreign currency are translated using exchange rates at the date of the transaction. No subsequent translations are made once this has occurred.

Tangible fixed assets and depreciation

Tangible assets is stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of Tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	**Depreciation method and rate**
Oil and gas properties	Unit of production method
Motor vehicles and office equipment	Straight line basis (up to 10 years)

The cost of licences is carried forward either until a licence is relinquished or the associated costs written off, or until production of oil or gas starts, when the cost is depleted on a unit-of-production basis related to total proved reserves.

Platforms and infield pipelines are depleted from the date field production commences on a unit-of-production basis over the proved developed reserves of the field concerned. Successful exploration, appraisal, production and injection wells are depleted on a unit-of-production basis over the proved developed reserves of the field concerned.

Changes in estimates are accounted for prospectively over the remaining reserves of the field.

1 Accounting policies (continued)

Decommissioning and restoration costs

The Company follows the requirements of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". The total estimated cost of decommissioning and restoration, discounted to its net present value, is provided for and also recognised as a cost of each field, onshore terminal or main trunkline and capitalised within tangible fixed assets. The capitalised cost is amortised over the life of the field on a unit-of-production basis for offshore facilities and on a straight-line basis for onshore terminals and main trunklines. The unwinding of the discount in the net present value of the total expected cost is treated as an interest expense. Changes in estimates result in an equal and opposite movement in the provision and the associated asset. If a decrease in the provision exceeds the asset's carrying amount, the excess is recognised in the profit and loss account. Changes in estimates of assets are depreciated prospectively over the remaining reserves of the field or the remaining life of the onshore terminal or pipeline as appropriate.

Onerous provision

Provisions are recognised for contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The present obligation under the contract is recognised as a provision. Before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

Intangible fixed assets

Intangible fixed assets are valued at cost less accumulated amortisation less any impairment applicable. The cost price of these assets are amortised on a straight-line basis over its estimated useful economic life.

1 Accounting policies (continued)

Financial instruments

Financial assets

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification of financial assets is determined by the contractual cash flows and where applicable the business model for managing the financial assets.

A financial asset is measured at amortised cost if the objective of the business model is to hold the financial asset in order to collect contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. Financial assets at amortised cost are initially recognised at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Subsequently the financial asset is measured using the effective interest method less any impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. All equity instruments and other debt instruments are recognised at fair value. For equity instruments, on initial recognition, an irrevocable election (on an instrument-by-instrument basis) can be made to designate these as at FVOCI (without recycling to profit and loss) instead of FVTPL. Dividends received on equity instruments are recognised as other income in profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

Impairment of financial assets

The impairment requirements for expected credit losses are applied to financial assets measured at amortised cost, financial assets measured at FVOCI and financial guarantees contracts to which IFRS 9 is applied and that are not accounted for at FVTPL. If the credit risk on the financial asset has increased significantly since initial recognition, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses. In other instances, the loss allowance for the financial asset is measured at an amount equal to the twelve month expected credit losses (ECLs). Changes in loss allowances are recognised in profit and loss. For trade debtors that do not contain a significant financing component, the simplified approach is applied recognising expected lifetime credit losses from initial recognition.

As a result of COVID-19 and geo-political events, there continues to be uncertainty in the macroeconomic conditions with an expected negative impact on global economic environment. Therefore, this has an impact on our customers who are also exposed to the same macroeconomic changes. The Company however has Credit -risk policies in place to ensure that sales are made to customers with appropriate creditworthiness, and include detailed credit analysis and monitoring of customers against counterparty credit limits. Where appropriate, netting arrangements, credit insurance, prepayments and collateral are used to manage credit risk. Therefore, the Company's risk of exposure to bad debts is not significant.

1 Accounting policies (continued)

Financial liabilities

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL, such as instruments held for trading, or the Company has opted to measure them at FVTPL. Debt and trade creditors are recognised initially at fair value based on amounts exchanged, net of transaction costs, and subsequently at amortised cost. Interest expense on debt is accounted for using the effective interest method and is recognised in income.

Investment in subsidiaries and participating undertakings

These comprise investments in shares and loans that the Company intends to hold on a continuing basis. The investments in subsidiaries and participating undertakings are stated at cost, less provisions for impairment. The Company carries out a review for the potential impairment of an investment if events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. Such impairment reviews are performed in accordance with IAS 36. Any impairments are recorded in the profit and loss account.

If, after an impairment loss has been recognised, the recoverable amount of an investment increases because of a change in economic conditions or in the expected use of the asset, the resulting reversal of the impairment loss is recognised in the current year to the extent that it increases the carrying amount of the investment up to the amount it would have been had the original impairment not occurred.

Stock

Stocks are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Provision is made for obsolete, slow moving and defective stocks to write stocks now to their net realisable value, wherever necessary.

Underlift and overlift of gas

Underlift and overlift of gas is valued at market prices. The resulting impact is recognised within cost of sales in the profit and loss account.

Turnover

Recognition

Turnover from contracts with customers is recognised over time, or at a point in time, when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

1 Accounting policies (continued)

For contracts that contain separate performance obligations the transaction price is allocated to those separate performance obligations by reference to their relative standalone selling prices. Turnover is recognised as the performance obligations are fulfilled.

Sale of goods

Turnover from sales of oil, natural gas, chemicals and other products is recognised at the price at which the Company is expected to be entitled to, after deducting sales taxes, excise duties and similar levies, and when the control of the products have been transferred, which is when the customer has the ability to direct the use of the products and obtain substantially all of the remaining benefits from the products.

Turnover from refining operations, it is either when product is placed onboard a vessel or offloaded from the vessel, depending on the contractually agreed terms.

Turnover from sales of oil products and chemicals, it is either at the point of delivery or the point of receipt, depending on contractual conditions.

Turnover from sales by Upstream and Integrated Gas operations generally occurs when product is physically transferred into a vessel, pipe or other delivery mechanism.

Turnover from sales resulting from hydrocarbon production from properties in which Shell has an interest with partners in joint arrangements is recognised on the basis of Shell's volumes lifted and sold. Turnover resulting from the production of oil and natural gas under production-sharing contracts ("PSCs") is recognised for those amounts relating to Shell's cost recoveries and Shell's share of the remaining production.

For turnover resulting from arrangements that do not meet the revenue from contract with customer criteria, turnover is classified as from other sources.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

1 Accounting policies (continued)

Accounting as Lessee:

Classification and measurement:

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognises a right of use asset and a lease liability at the lease commencement date for non-cancellable leases. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company's uses its incremental borrowing rate as the discount rate.

The Company determines the incremental borrowing rate representing the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. The incremental borrowing rate applied to each lease was determined taking into account the risk-free rate, adjusted for factors such as the credit rating of the Company and the terms and conditions of the lease.

Lease payments included in the measurement of the lease liability comprise the following:

1. fixed payments, including in-substance fixed payments;
2. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
3. amounts expected to be payable under a residual value guarantee; and
4. the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Right of use assets are presented separately in the statement of financial position.

1 Accounting policies (continued)

Subsequent measurement

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right of use asset reflects that the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability such as variable lease payments or change in terms.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. For remeasurements to lease liabilities, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right of use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Goodwill is not subject to amortisation but is tested for impairment.

Negative goodwill arising on an acquisition is recognised directly in the profit and loss account. On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognised in the profit and loss account on disposal.

1 Accounting policies (continued)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value at a rate intended to reflect the time value of money where the effect of time value of money is material.

Defined benefit pension plan

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Service costs and net interest are charged to the profit and loss account. Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Defined benefit plan surpluses are recognised as assets to the extent that they are considered recoverable, which is generally by way of a refund or lower future employer contributions.

Past-service costs are recognised immediately in profit and loss account.

Netting off policy

Balances with counterparties are stated gross, unless both of the following conditions are met:

- Currently there is a legally enforceable right to set off the recognised amounts; and
- There is intent either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Share based payments

1 Accounting policies (continued)

The fair value of share-based compensation for performance share plans is estimated using a Monte Carlo pricing model.

The fair value of the performance share plans is recognised in the profit and loss account from the date of grant over the vesting period, with a corresponding increase recognised directly in equity. At each subsequent balance sheet date, the Company revises its estimate of the number of awards that are expected to vest (in relation to non-market based performance conditions) and recognises the impact of the revision to original estimates, if any, in the profit and loss account, with a corresponding adjustment to equity.

The market value of vested schemes is subsequently invoiced by issuing Company to employing entities in the year of delivery. This entry is offset by recognising an adjustment to the equity.

1 Accounting policies (continued)

Joint arrangements

The Company's exploration, development and production activities are generally conducted in joint arrangements with other companies. The Company recognises its assets and liabilities relating to its interests in joint operations, including its share of assets held jointly and liabilities incurred jointly with other parties.

2 Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic life of tangible fixed assets

Depreciation of tangible fixed assets is calculated using management's assessment of the useful economic lives of the underlying assets. Upon purchase or construction of an asset, useful economic life is assessed by reference to a number of underlying assumptions, including the economic lives of other similar assets. As the economic benefit of the assets is consumed over the course of its life, revisions to the useful life of the asset may be made upon assessment of changes in the operating environment or the condition of the asset itself.

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

Impairment of investments

Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable. For the purposes of determining whether impairment of investments has occurred, and the extent of any impairment or its reversal, management review a range of measures relating to, the underlying entity's performance, changes to net assets of investee entity, including the net present value of future cash flows. In computing the net present value, the estimated risk adjusted future cash flows are discounted to their present value using a post-tax discount rate that reflects Shell's post-tax WACC. The discount rate applied does not reflect specific local risks for which future cash flow estimates have been adjusted.

In assessing these measures, management make a number of assumptions relating (but not restricted) to future oil and gas prices, expected production volumes and refining margins appropriate to the local circumstances and environment. These assumptions and the judgements of management that are based on them are subject to change as new information becomes available. Changes in economic conditions can also affect the rate used to discount future cash flow estimates.

Impairment of tangible fixed assets and intangible fixed assets

For the purposes of determining whether impairment of tangible fixed assets and intangible fixed assets has occurred, and the extent of any impairment or its reversal, the key assumptions management uses in estimating risk-adjusted future cash flows for value-in-use measures are future oil and gas prices and refining margins. In addition, management uses other assumptions such as potential costs associated with operational GHG emissions and expected production volumes appropriate to the local circumstances and environment. These assumptions and the judgements of management that are based on them are subject to change as new information becomes available. Changes in economic conditions can also affect the rate used to discount future cash flow estimates or the risk adjustment in the future cash flows.

Future price assumptions tend to be stable because management does not consider short-term increases or decreases in prices as being indicative of long-term levels, but they are nonetheless subject to change. Expected production volumes, which comprise proved reserves and unproved volumes, are used for impairment testing because management believes this to be the most appropriate indicator of expected future cash flows. As discussed in "Estimation of proved oil and gas reserves", reserves estimates are inherently imprecise. Furthermore, projections about unproved volumes are based on information that is necessarily less robust than that available for mature reservoirs. Due to the nature and geographical spread of the business activity in which those assets are used, it is typically not practicable to estimate the likelihood or extent of impairments under different sets of assumptions. The discount rate applied is reviewed annually.

Changes in assumptions could affect the carrying amounts of assets, and impairment charges and reversals will affect income.

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

Climate change and energy transition

In 2021, Shell launched its Powering Progress strategy to become a net-zero emissions business by 2050. The strategy includes targets to reduce absolute emissions from its operations and the energy it buys to run them, compared with 2016 levels. Shell's targets include reducing Scope 1 and 2 emissions by 50% by 2030 and reducing the carbon intensity of energy products sold (Scope 1, 2 and 3 emissions) by 6-8% by 2023, 9-12% by 2024, 9-13% by 2025, 20% by 2030, 45% by 2035, and 100% by 2050. Shell plc's Annual Report in pages 252- 253 under note 4 describes how Shell has considered climate-related impacts in some key areas of the financial statements and how this translates into the valuation of assets and measurement of liabilities as Shell makes progress in the energy transition.

Estimation of proved oil and gas reserves

Unit-of-production depreciation, depletion and amortisation charges are principally measured based on management's estimates of proved developed oil and gas reserves. Also, exploration drilling costs are capitalised pending the results of further exploration or appraisal activity, which may take several years to complete and before any related proved reserves can be booked.

Proved reserves are estimated by reference to available geological and engineering data and only include volumes for which access to market is assured with reasonable certainty. Estimates of proved reserves are inherently imprecise, require the application of judgement and are subject to regular revision, either upward or downward, based on new information such as from the drilling of additional wells, observation of long-term reservoir performance under producing conditions and changes in economic factors, including product prices, contract terms or development plans.

Changes to estimates of proved developed reserves affect prospectively the amounts of depreciation, depletion and amortisation charged and, consequently, the carrying amounts of exploration and production assets. It is expected, however, that in the normal course of business the diversity of the asset portfolio will limit the effect of such revisions. The outcome of, or assessment of plans for, exploration or appraisal activity may result in the related capitalised exploration drilling costs being recognised in income in that period.

Provision for expected credit losses of trade debtors

The Company computes probability of default rates for third party debtors based on historical loss experience adjusted for current and forward looking information. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. For intra-group debtors, the Company uses an internal credit rating to determine the probability of default. Internal credit ratings are based on methodologies adopted by independent credit rating agencies.

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

Determining lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Decommissioning and restoration provisions

Provisions are recognised for the future decommissioning and restoration of hydrocarbon production facilities and pipelines at the end of their economic lives. The estimated cost is recognised in income over the life of the proved developed reserves on a unit-of-production basis or on a straight-line basis, as applicable. Changes in the estimates of costs to be incurred, proved developed reserves, or in the rate of production will therefore impact income, generally over the remaining economic life of the related assets.

Estimates of the amounts of provisions recognised are based on current legal and constructive requirements, technology and price levels. Because actual outflows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are regularly reviewed and adjusted to take account of such changes. The discount rate applied is reviewed annually.

Onerous provision

Estimates of provisions for Onerous contract is recognised on shortfall volumes supplied to Atlantic liquified natural gas liquification unit. In determining the provision, assumptions and estimates are made in relation to discount rates, expected shortfall in volumes and penalty rates. Because actual cash outflows can differ from estimates due to changes in discount rates, actual shortfall volumes and penalty rates, the carrying amounts of provisions are regularly reviewed and adjusted to take account of such changes

Fair value of financial assets and liabilities

Where the fair value of financial assets and liabilities cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is derived from observable markets where available, but where this is not feasible, a degree of judgement is required in determining assumptions used in the models. Changes in assumptions used in the models could affect the reported fair value of financial assets and liabilities.

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

Determining lease discount rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. The Company estimates the IBR using observable inputs like the risk-free rate and adjust it for factors such as the credit rating of the Company and the terms and conditions of the lease.

If implicit interest rate can be determined from the lease contract then, the same should be used to measure lease liability. Implicit interest rate is defined as the rate of interest that causes the present value of (a) the lease payments and (b) the unguaranteed residual value to equal the sum of (i) the fair value of the underlying asset and (ii) any initial direct costs of the lessor.

In practice, it is not easy to identify the implicit rate from a lease contract, therefore therefore it is suggested to use the entity's incremental borrowing rate.

3 Turnover

The analysis of the Company's turnover for the year from operations in Trinidad and Tobago is as follows:

	2022 $ 000	2021 $ 000
Sale of gas	459,066	258,476
	459,066	**258,476**

4 Interest receivable and similar income

	2022 $ 000	2021 $ 000
Other finance income	536	238
	536	**238**

5 Interest payable and similar charges

	2022 $ 000	2021 $ 000
Interest payable to Group undertakings:		
Fellow subsidiary undertakings	4,162	3,523
Interest expense on leases	2,726	3,369
Loss on currency translation	60,778	8,167
Unwinding of discount on long term provisions (note 19)	6,928	10,494
	74,594	**25,553**

6 Operating profit

Arrived at after charging:

	2022 $ 000	2021 $ 000
Depreciation:		
On owned assets	184	1,166
On lease assets	2,727	4,450

7 Staff costs

The aggregate payroll costs were as follows:

	2022 $ 000	2021 $ 000
Wages and salaries	79,191	79,657
Social security costs	769	815
Pension costs	3,609	5,014
Share-based payment expenses (note 21)	3,938	2,278
	87,507	**87,764**

The average number of persons employed by the Company (including Directors) during the year, analysed by category was as follows:

	2022 No.	2021 No.
Oil and gas exploration	416	465

8 Auditor's remuneration

The Auditor's remuneration of $53,867 (2021: $45,643) in respect of the statutory audit was borne by the immediate parent company for both the current and preceding years.

Fees paid to the Company's auditor and its associates for non-audit services to the Company itself are not disclosed in the individual financial statements of the Company because the Shell plc consolidated financial statements are required to disclose such fees on a consolidated basis.

9 Tax on profit

Tax charge in the profit and loss account

The tax charge for the year of $161,353,000 (2021: $62,839,000) is made up as follows

	2022 $ 000	2021 $ 000
Current taxation		
UK corporation tax	41,489	(567)
UK corporation tax adjustment to prior periods	339	(14,349)
Double taxation relief	(42,644)	-
Foreign tax	201,527	77,507
Total current tax charge	**200,711**	**62,591**
Deferred taxation		
Arising from origination and reversal of temporary differences	(39,349)	41,027
Arising from previously unrecognised temporary difference	(9)	923
Arising from changes in tax rates and laws	-	(41,702)
Total deferred tax (credit)/charge	**(39,358)**	**248**
Tax charge in the profit and loss account	**161,353**	**62,839**

9 Tax on profit (continued)

Reconciliation of total tax charge

The tax on profit before tax for the year differs from the standard rate of corporation tax in the UK of 19.00% (2021:19.00%).

The differences are reconciled below:

	2022 $ 000	2021 $ 000
Profit before tax	**(207,834)**	**(113,042)**
Tax on profit calculated at standard rate (2022:19%) (2021:19%)	39,488	21,478
Effects of:		
Income exempt from taxation	-	(523)
Expenses not deductible	5,628	1,569
Adjustments in respect of prior periods	330	(13,426)
Tax imposed outside the UK	201,527	77,507
Currency translation adjustments	7,048	99
(Recognition)/derecognition of other deferred tax assets	(31,741)	21,597
Incremental foreign deferred tax over deferred UK tax	(21,802)	19,430
Foreign tax expense relief	(42,644)	(11,853)
Deferred tax credit relating to changes in tax rates or laws	-	(41,702)
Tax on imputed interest	4,167	1,960
Other/ remaining reconciling items	(648)	(13,297)
Total tax charge	**161,353**	**62,839**

9 Tax on profit (continued)

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as enacted by Finance Act 2016 on 15 September 2016). However, legislation introduced in the Finance Act 2020 (enacted on 22 July 2020) repealed the reduction of the corporation tax, thereby maintaining the current rate of 19%.

Deferred taxes on the balance sheet have been measured at 25% (2021 - 19%) which represents the future corporation tax rate that was enacted at the balance sheet date.

The Finance Act 2021 (enacted on 24 May 2021) increased the main rate of UK corporation tax to 25% with effect from 1 April 2023.

9 Tax on profit (continued)

Deferred tax movement during the year:

	At 1 January 2022 $ 000	Recognised in profit and loss $ 000	At 31 December 2022 $ 000
Accelerated tax depreciation	133,052	11,154	144,206
Tax losses carried forward	57,039	28,204	85,243
Net tax assets	**190,091**	**39,358**	**229,449**

Deferred tax movement during the prior year:

	At 1 January 2021 $ 000	Recognised in profit and loss $ 000	At 31 December 2021 $ 000
Accelerated tax depreciation	115,293	17,759	133,052
Tax losses carried forward	75,046	(18,007)	57,039
Net tax assets	**190,339**	**(248)**	**190,091**

Deferred tax consists of the following deferred tax assets:

	2022 $ 000	2021 $ 000
Deferred tax assets due more than 12 months	229,449	190,091
Total deferred tax	**229,449**	**190,091**

10 Intangible assets

	Computer software $ 000	Other Intangibles $ 000	Total $ 000
Cost			
Balance at 1 January 2022	-	7,519	**7,519**
Additions	5,461	6	**5,467**
Balance at 31 December 2022	**5,461**	**7,525**	**12,986**
Accumulated amortisation and impairment			
Balance at 1 January and 31 December 2022	**-**	**-**	**-**
Net book amount			
At 31 December 2022	**5,461**	**7,525**	**12,986**
At 31 December 2021	**-**	**7,519**	**7,519**

11 Tangible assets

	Oil and gas properties $ 000	Office equipment and motor vehicles $ 000	Total $ 000
Cost or valuation			
Balance at 1 January 2022	1,723,360	66,678	1,790,038
Additions	15,262	129	15,391
Change in estimates in relation to decommissioning and restoration asset	29,840	-	29,840
Balance at 31 December 2022	**1,768,462**	**66,807**	**1,835,269**
Accumulated Depreciation			
Balance at 1 January 2022	(1,723,360)	(66,021)	(1,789,381)
Charge for the year	-	(184)	(184)
Charge for impairment	(21,528)	-	(21,528)
Reversal of charge for impairment	33,492	-	33,492
Balance at 31 December 2022	**(1,711,396)**	**(66,205)**	**(1,777,601)**
Net book amount			
At 31 December 2022	**57,066**	**602**	**57,668**
At 31 December 2021	**-**	**657**	**657**

During the year, the company made an impairment reversal of $39,777,000 on East Coast Marine Area (ECMA) assets. This includes an impairment reversal of $33,492,000 to tangible assets under ECMA cash generating unit.

Further, the Value in use for NCMA remains negative. Hence, recorded an impairment charge of $21,528,000 to tangible assets under NCMA cash generating unit.

12 Investments

	Associates $ 000
Cost	
Balance at 1 January 2022	2
Balance at 31 December 2022	**2**
Amounts provided	
Balance at 31 December 2022	**-**
Carrying amount	
At 31 December 2022	**2**
At 31 December 2021	**2**

Details of the subsidiaries as at 31 December 2022 are as follows:

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
Shell Trinidad North Coast Limited	5 Saint Claire Avenue, Saint Claire, Port of Spain Trinidad and Tobago	Ordinary	100%

Details of the Participating undertakings as at 31 December 2022 are as follows:

Name of Participating undertaking	Registered office and Country of incorporation	Class of shares	% of ownership
The International School of Port of Spain Limited	1 International Drive, West moorings Trinidad and Tobago	Ordinary	25%

13 Stocks

	2022 $ 000	2021 $ 000
Raw materials and consumables	5,075	3,168

14 Debtors

Debtors: amounts due within one year

	2022 $ 000	2021 $ 000
Trade debtors	58,813	42,947
Amounts owed by Group undertakings:		
Parent undertakings	25,393	25,393
Subsidiary undertakings	-	10,470
Fellow subsidiary undertakings	779,074	904,007
Amounts owed by joint venture partners	5,629	5,810
Prepayments and accrued income	4,477	3,956
Other debtors	70,202	69,345
Tax receivable	8,240	39,671
	951,828	**1,101,599**

Other debtors include Value added tax receivable amounting to $58,706,000. The Company regularly reviews the recoverability of the value added tax and expects to receive the refund fully.

The impairment provision required under IFRS 9 was calculated using 12 month ECLs. No assets were assessed as credit impaired.

15 Creditors: amounts falling due within one year

	2022 $ 000	2021 $ 000
Trade creditors	173,189	90,056
Amount owed to Group undertakings		
Subsidiary undertakings	578	-
Fellow subsidiary undertakings	140,745	264,933
Lease liabilities	18,778	19,560
Accrued expenses	27,202	36,485
Other creditors	18,305	7,115
	378,797	**418,149**

Amounts owed to Shell Treasury Centre Limited, a fellow subsidiary, bear interest rate ranging from 0.80% to 8.09%. All other amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16 Creditors: amounts falling due after more than one year

	2022 $ 000	2021 $ 000
Lease liabilities	**25,099**	**33,949**

17 Leases

Right of use assets

The Company has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations.

Set out below are the carrying amounts of right of use assets recognised and the movements during the period:

17 Leases (continued)

	Total $ 000
Balance at 1 January 2022	11,208
Depreciation charge for the year	(2,727)
Additions during the year	7,317
Impairment reversal	6,285
Balance at 31 December 2022	**22,083**

During the year, the company made an impairment reversal of $39,777,000 on East Coast Marine Area (ECMA) assets. This includes an impairment reversal of $6,285,000 to right of use assets under ECMA cash generating unit.

18 Pension and other schemes

18(a) Defined benefit pension schemes

Shell Trinidad and Tobago Limited Pension Fund Plan (formerly British Gas Trinidad Limited Pension Fund Plan)

A number of the Company's employees participate in the Shell Trinidad and Tobago Limited Pension Fund Plan (formerly British Gas Trinidad Limited Pension Fund Plan) (the "Plan"), a defined benefit registered pension plan established under trust. The plan is funded to cover future pension liabilities in respect of service up to the balance sheet date. It is subject to an independent valuation at least every three years, on the basis of which the independent qualified actuary certifies the rate of employer contributions that, together with the specified contributions payable by employees and returns on the Plan's assets, are expected to be sufficient to fund the benefits payable.

18 Pension and other schemes (continued)

Employees contribute to the Plan at a rate of 4% of National Insurance System (NIS) salary and 6% of salary in excess of this amount. For the year ended 31 December 2022, the employer's contribution rate was 18.6% of members' salaries. Following the actuarial valuation as at 31 December 2021, it was recommended that the Company could reduce its contributions to the same rate as members from September 2022. This is being put into effect with the extra contribution paid by the Company from September to December 2022 being treated by the Plan's trustee as a prepayment of the Company's contributions for 2023.

The figures below in relation to the year ended 31 December 2022 are based on a valuation of the Plan's assets and expected liabilities as at 31 December 2022 carried out by independent actuaries in accordance with the requirements of IAS 19.

The last independent valuation showed that the value of the Plan's assets as at 31 December 2022 was $41,251,000 (2021: $41,113,000).

The scheme was most recently valued on 27 January 2023. For the defined benefit elements of the retirement benefit scheme and the provident fund, a full actuarial valuation was carried out using the projected unit method at 31 December 2022 by a qualified independent actuary.

The BG Supplementary Benefits Scheme (BGSBS) provides benefits broadly in excess of the 'lifetime allowance'. This defined benefit plan is an unfunded, non-registered arrangement. The BGSBS was closed to future accrual of benefits on 31 December 2013, the same date as benefit accrual ceased in the BGPS.

Principal actuarial assumptions

The significant actuarial assumptions used to determine the present value of the defined benefit obligation at the balance sheet date are as follows:

	2022	**2021**
	%	**%**
Discount rate	6.0	6.0
Future salary increases	6	6

The fair value of plan assets, the present value of plan liabilities and the net balance sheet surplus were as follows:

	2022	**2021**
	$000	**$000**
Fair value of plan assets	41,251	41,113
Present value of liabilities	(31,971)	(30,509)
Defined benefit pension scheme surplus	**9,280**	**10,604**

18 Pension and other schemes (continued)

Refer note 18(b) for amounts recognised for Post-retirement healthcare scheme.

18 Pension and other schemes (continued)

Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

	2022 $ 000	2021 $ 000
Present value at start of year	(30,509)	(31,809)
Current service cost	(775)	(985)
Actuarial gains and losses arising from experience adjustments	564	3,166
Foreign exchange differences	(46)	126
Interest cost	(1,806)	(1,729)
Benefits paid	930	513
Contributions by scheme participants	(329)	(367)
Effect of curtailments	-	576
Present value at end of year	(31,971)	(30,509)

Scheme assets

Changes in the fair value of scheme assets are as follows:

	2022 $ 000	2021 $ 000
Fair value at start of year	41,113	36,472
Interest income	2,484	2,029
Return on plan assets, excluding amounts included in interest income/(expense)	(2,864)	1,603
Foreign exchange differences	63	(145)
Employer contributions	1,116	1,367
Contributions by scheme participants	329	367
Benefits paid	(930)	(513)
Administrative expenses paid	(60)	(67)
Fair value at end of year	41,251	41,113

18 Pension and other schemes (continued)

The major categories of scheme assets are as follows:

	2022 $ 000	2021 $ 000
Cash and cash equivalents	5,736	5,208
Equity instruments	13,253	14,389
Government and Corporate bonds	22,262	21,516
	41,251	**41,113**

Actual return on scheme's assets

	2022 $ 000	2021 $ 000
Actual return on scheme assets	**(380)**	**3,632**

Amounts recognised in the profit and loss account

	2022 $ 000	2021 $ 000
Amounts recognised in operating profit		
Current service cost	(775)	(985)
Administrative expenses paid	(60)	(67)
Recognised in arriving at operating profit	(835)	(1,052)
Amounts recognised in interest income or costs		
Interest cost on Obligation	(1,806)	(1,729)
Interest Income on Plan assets	2,484	2,029
Recognised in other finance income/(cost)	678	300
Total recognised in the profit or loss account	**(157)**	**(752)**

Amounts taken to the statement of comprehensive income

18 Pension and other schemes (continued)

	2022 $ 000	2021 $ 000
Actuarial gains and losses arising from changes in financial assumptions	564	3,166
Return on plan assets, excluding amounts included in interest (expense)/income	(2,864)	1,603
Exchange rate movements	16	(19)
Amounts recognised in the Statement of Comprehensive Income	(2,284)	4,750

Refer note 18(b) for amounts recognised for Post-retirement healthcare scheme.

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

		2022			2021	
Adjustment to discount rate	**+ 0.1% $ 000**	**0.0% $ 000**	**- 0.1% $ 000**	**+ 0.1% $ 000**	**0.0% $ 000**	**- 0.1% $ 000**
Present value of total obligation	(4,383)	-	5,497	(4,300)	-	5,441

		2022			2021	
Adjustment to rate of salary growth	**+ 0.1% $ 000**	**0.0% $ 000**	**- 0.1% $ 000**	**+ 0.1% $ 000**	**0.0% $ 000**	**- 0.1% $ 000**
Present value of total obligation	2,111	-	(1,883)	2,137	-	(1,890)

18(b) Post-retirement healthcare scheme

The company has introduced a post retirement medical plan for its employees. The premiums are paid by the Company for the eligible retirees. For the defined benefit elements of this plan, a full actuarial valuation was carried out using the projected unit method at 31 December 2022 by a qualified independent actuary. As at 31 December 2022, the defined benefit obligation of the plan is $2,637,000 (2021: $2,406,000) and the amount credited to the statement of comprehensive income is $175,000 (2021: Debit of $52,000).

19 Provisions

	Decommissioning and restoration $ 000	Onerous contracts $ 000	Employee benefits $ 000	Total $ 000
Balance as at 1 January 2022	218,579	35,208	1,650	255,437
Change in cost estimates	59,253	(7,262)	1,502	53,493
Change in discount rate	(29,055)	-	-	(29,055)
Transfer of facilities	(32,713)	-	-	(32,713)
Provisions used	(370)	(30,235)	(2,723)	(33,328)
Increase due to passage of time or unwinding of discount (note 5)	4,639	2,289	-	6,928
Balance as at 31 December 2022	**220,333**	**-**	**429**	**220,762**
Non-current liabilities	**208,722**	**-**	**-**	**208,722**
Current liabilities	**11,611**	**-**	**429**	**12,040**

The estimated cost of decommissioning at the end of the producing lives of fields is reviewed at least annually and engineering estimates and reports are updated periodically. Provision is made for the estimated cost of decommissioning at the balance sheet date, to the extent that current circumstances indicate that the Company will ultimately bear this cost.

The payment dates of expected future decommissioning costs are uncertain and are based on economic assumptions surrounding the useful economic lives of the fields concerned. Useful economic lives are affected by the estimation of hydrocarbon reserves and resources, which is in turn impacted by available reservoir data, commodity prices and future costs. Payments are currently anticipated between 2032 and 2033.

The Company has created a provision for obligations to make shortfall payments under gas supply contracts entered into by the Company, that are deemed to be onerous in nature. The shortfall and obligation to make these payments are based on production volumes and market price of the gas supplied. While payment dates are uncertain, these are currently anticipated between 2021 and 2030.

20 Called up share capital

Allotted, called up and fully paid shares

	No.	2022 $ 000	No.	2021 $ 000
Ordinary shares of £1 each	1,008,504,923	1,307,000	1,008,504,923	1,307,000

21 Share-based payments

Conditional awards of Shell plc shares are made under an amended long-term incentive plan (the 'Performance Share Plan') when making awards to employees who are not Executive Directors of Shell plc. The actual amount of shares that may vest, ranging from 0-200% of the conditional awards, depends on the measurement of the prescribed performance conditions over a three-year period beginning on 1 January of the award year.

For awards granted in 2021 and 2022, half the award is linked to the relative performance compared to four of its main competitors in Total Shareholder Return ('TSR') measure, earnings per share, cash flow from operations and return on actual capital employed over the measurement period. 10% of the award is linked to free cash flow factor relative to internal operating plans over the remeasurement period, 10% of the award is linked to the energy transition and remaining 30% is linked to the relative performance compared to four of its competitors in TSR, cash flow from operations and return on actual capital employed. The other half of the award is linked to the Shell scorecard results.

On 29 January 2022, post simplification of the share structure of Shell plc, the erstwhile Ordinary Class A and Class B shares were assimilated as 'Ordinary shares'. Accordingly, the weighted average market price for exercises of the shares awarded in EUR was £19.34, in GBP was £19.30 and USD was £38.36. The weighted average market price for exercises in 2022 was $25.89 (2021: $20.19) for Shell plc Class A shares, $25.84 (2021: $19.18) for Shell plc Class B shares, and $51.35 (2021: $38.51) for Shell plc Class A ADRs.

For the performance shares which were outstanding as at 31 December 2022, the weighted average remaining contractual life is 1.14 years (2021: 1.11 years).

The profit and loss charge for 2022 is $3,938,000 (2021: $2,278,000).

22 Related party transactions

The details of related party transactions during the year and the year end balance outstanding are as follows:

	Receivable balance as at		Transactions during the year	
	2022	2021	2022	2021
Related party name	**$ 000**	**$ 000**	**$ 000**	**$ 000**
Atlantic LNG 2/3 Company of Trinidad and Tobago Unlimited				
Sale of gas	20,440	25,862	210,348	132,837
Reimbursement of cost	9,599	10,680	4,728	5,082

The transactions with Atlantic LNG 2/3 Company of Trinidad and Tobago Unlimited are settled through BG International Limited, a fellow subsidiary undertaking.