



Shell Hong Kong Limited  
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 Landmark East  
 100 How Ming Street  
 Kwun Tong, Hong Kong  
 21 April 2023

Helmsman Supply Limited  
 Room 11-12, 25/F, Hong Kong Plaza,  
 369 Des Voeux Road West, Hong Kong

**Welcome Letter on CO<sub>2</sub> compensation on your purchase of Shell products**

Dear Mr. Bobby Hon,

Thank you for choosing Shell. As a welcoming offer, Shell will be bundling carbon credits purchased from CO<sub>2</sub> compensation projects featured in our global carbon credit portfolio on behalf of Helmsman Supply Limited to compensate the lifecycle CO<sub>2</sub>e<sup>1</sup> emissions of 432,000L of Shell MGO.

There is no single solution to tackle climate change. At Shell, we are committed to provide a range of energy solutions to help customers on their decarbonisation journey. Globally, we have a variety of tools to achieve this ambition over time including providing lower-carbon fuels, renewable power from solar and wind, and increasing the number of charging points for electric vehicles. We are also investing in natural ecosystems such as forests, grasslands and wetlands to help reduce carbon dioxide and accelerating our offer of carbon neutral<sup>2</sup> products to customers.

Our global carbon credit portfolio has a combination of high-quality nature-based projects that protect, enhance or restore natural ecosystems, be it through Conservation, Reforestation, Afforestation or Agriculture projects. It also consists of non-nature-based projects that come from a variety of project types, including Household Devices like solar cookers; Renewable Energy through wind or solar power generation; and Waste Management.



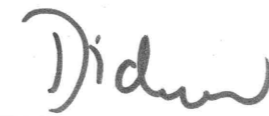
Each carbon credit from these projects is subject to a third-party verification process and represents the avoidance or removal of 1 tonne of CO<sub>2</sub>. These projects may also help conserve biodiversity and benefit local communities by funding activities such as improved access to schools, fresh water supply and sanitation.

Details of the carbon credits offer:

- Period: 1<sup>st</sup> April 2023 - 31<sup>st</sup> Dec 2023
- Estimated carbon credits: 1,426 VER/year<sup>3</sup>

We look forward to working with you on upcoming opportunities.

Best Wishes,  
 Dick Chan  
 Business Manager- HK/ Macau  
 Commercial Fuels



<sup>1</sup> CO<sub>2</sub>e (CO<sub>2</sub> equivalent) refers to CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.

<sup>2</sup> CO<sub>2</sub> compensation does not imply that there is no environmental impact from the production and use of the product as associated emissions remain in the atmosphere. CO<sub>2</sub> compensation is not a substitute for switching to lower emission energy solutions or reducing the use of fossil fuels. Shell businesses focus first on emissions that can be avoided or reduced and only then, compensate the remaining emissions.

"Carbon neutral" or "CO<sub>2</sub> compensated" indicates that Shell will engage in a transaction where an amount of CO<sub>2</sub> equivalent to the value of the remaining CO<sub>2</sub>e emissions associated with the raw material extraction, transport, production, distribution and usage of the product is compensated through the purchase and retirement of carbon credits generated from CO<sub>2</sub> compensation projects. Although these carbon credits have been generated in accordance with international carbon standards, the compensation may not be exact.

<sup>3</sup> The actual carbon credit unit will be confirmed and retired in Q1 of the following year upon the fuel purchase.

