

# Shell and the energy challenge

The energy challenge facing the world is formidable. As Shell celebrates its 100th anniversary, we look back to see what the last century of energy can teach us about meeting this century's growing energy needs.



## One hundred years of energy

In a hundred years of providing the energy needed for economic growth, we have learned some useful lessons for meeting today's energy challenge.

### More energy for development

Firstly, increasing supplies of modern energy are needed for economic and social development. The last century showed that societies need much more modern energy to make the transition out of poverty. When populations and living standards rise, demand for modern energy can be expected to grow. Global wealth is now more than 30 times bigger than in 1907 when Shell was formed and in that time, the world's population has quadrupled. As a result, global energy demand has grown more than ten-fold. This trend will likely continue. According to our scenarios and the International Energy Agency (IEA), energy consumption could more than double by 2050, as global population increases by half again, and China and India continue to industrialise.

### Energy security

Secondly, energy is strategic and governments will act to secure supplies. From the first nationalisation of the oil industry, in Mexico in 1938, to the oil embargoes of the 1970s, politics have regularly intervened in energy markets. Energy security in the last century depended on consuming countries securing a range of energy supply options to avoid over-dependence on any one region or source.

## Did you know?

- Shell produces approximately 2.5% of the world's oil and 3% of the world's natural gas.
- We hold the largest equity share of Liquefied Natural Gas (LNG) capacity among international oil companies. Production from this capacity provides enough LNG to generate electricity for more than 31 million homes.
- Every four seconds a plane is filled up with Shell Aviation fuel.
- We have the world's largest retail network (45,000 service stations) refuelling 200 vehicles every second.
- We are one of the leading distributors of transport biofuels.