

We commit to contribute to sustainable development. This requires balancing short and long term interests, integrating economic, environmental and social considerations into business decision-making.

Shell General Business Principles, revised 2005

MESSAGE FROM OUR CHAIRMAN



Welcome to our eighth annual Shell Malaysia Sustainable Development Report.

Shell Malaysia has made a public commitment to contribute to Sustainable Development, in recognition that it is critical for our future success. The changing expectations of society are increasingly demanding that companies not just make money but also create jobs, help solve social problems, and help protect the environment.

This is becoming increasingly evident in Malaysia, where there is now a greater push towards better Corporate Social Responsibility (CSR) practices. The Prime Minister of Malaysia, in his 2006 budget speech, noted that all Malaysian public listed companies (PLCs) should disclose their CSR activities. Bursa Malaysia has released a CSR Framework for all Malaysian PLCs to follow, and the Securities Commission too is keen to see more Malaysian companies incorporate CSR into its corporate governance agenda.

There is no doubt in my mind that the growth of energy companies in the decades ahead will depend on their ability to

operate with integrity and to listen and respond to society's expectations for their operations and products.

In 2005, in recognition of the importance of Sustainable Development to Shell's own continued success and growth, we revised our Shell General Business Principles document, placing our commitment to Sustainable Development upfront, in a section of its own, replacing the several separate SD references in the 1997 version.

If we want to continue to operate, increase profitability and expand, we must align ourselves with the principles of sustainable development and integrate these into our every day work.

Sustainable development to Shell Malaysia means contributing to the economic, environmental and social progress of this country. We seek to help provide the energy that Malaysia needs, and the solutions that our consumers want, efficiently, responsibly and profitably. We also seek to satisfy the broader expectations of all those who may be affected by our activities, and look for opportunities to contribute positively to the goals of society.

In this report, you will see how we measure our economic, social and environmental performance. We are determined that the Shell Malaysia Sustainable Development Report should openly and honestly outline our performance, showing where we have made progress, acknowledging areas where there is still more to be done and where we have simply failed to deliver our targets.

I want to underline that we remain committed to the aspirations outlined in this report.

Sustainable Development is a long journey, but it is one that Shell Malaysia is committed to for the long term.

Saw Choo Boon
Chairman, Shell Malaysia
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