

Strategies for prospering in an extended upcycle

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Definitions & cautionary note

Reserves: Our use of the term "reserves" in this presentation means SEC proved oil and gas reserves.

Resources: Our use of the term "resources" in this presentation includes quantities of oil and gas not yet classified as SEC proved oil and gas reserves. Resources are consistent with the Society of Petroleum Engineers (SPE) 2P + 2C definitions.

Discovered and prospective resources: Our use of the term "discovered and prospective resources" are consistent with SPE 2P + 2C + 2U definitions.

Organic: Our use of the term Organic includes SEC proved oil and gas reserves excluding changes resulting from acquisitions, divestments and year-average pricing impact.

Shales: Our use of the term "shales" refers to tight, shale and coal bed methane oil and gas acreage.

Underlying operating cost is defined as operating cost less identified items. A reconciliation can be found in the quarterly results announcement.

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this release "Shell", "Shell group" and "Royal Dutch Shell" are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to subsidiaries in general or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this release refer to companies over which Royal Dutch Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to as "joint ventures" and "joint operations" respectively. Entities over which Shell has significant influence but neither control nor joint control are referred to as "associates". The term "Shell interest" is used for convenience to indicate the direct and/or indirect ownership interest held by Shell in a venture, partnership or company, after exclusion of all third-party interest.

This release contains forward-looking statements concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may", "objectives", "outlook", "plan", "probably", "project", "risks", "schedule", "seek", "should", "target", "will" and similar terms and phrases. There are a number of factors that could affect the future operations of Royal Dutch Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this release, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell's products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this release are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Royal Dutch Shell's 20-F for the year ended December 31, 2016 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly qualify all forward looking statements contained in this release and should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, March 21, 2018. Neither Royal Dutch Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this release.

With respect to operating costs synergies indicated, such savings and efficiencies in procurement spend include economies of scale, specification standardisation and operating efficiencies across operating, capital and raw material cost areas.

We may have used certain terms, such as resources, in this release that United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. U.S. Investors are urged to consider closely the disclosure in our Form 20-F, File No 1-32575, available on the SEC website www.sec.gov.

1. Ladies and Gentlemen. Good afternoon!
2. It is great to be at this year's WPC and I'm delighted to be speaking to you at this important industry event.

ENERGY LANDSCAPE

Energy challenge



Growing population

Global population will increase from around 7.4 billion today to nearly 10 billion by 2050, with 67% living in cities



Rising demand

Global energy demand will likely be almost 60% higher in 2060 than today, with 2 billion vehicles on the road (800 million today)



Ongoing supply

Renewable energy could triple by 2050, but we will still need large amounts of oil and gas to provide the full range of energy products we need



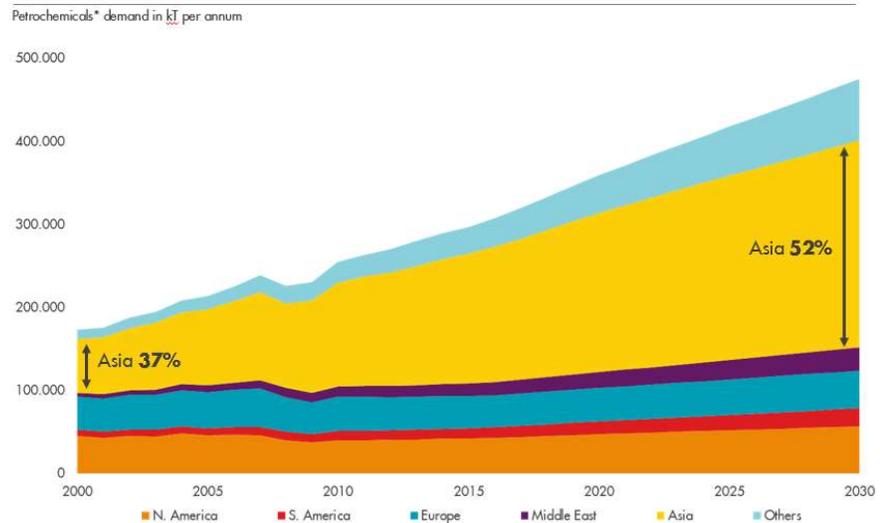
Mitigating climate change

Net-zero emissions is a potentially achievable societal ambition

Source: UN Population Fund; UN World population Prospects (2015 revision); World Urbanisation Prospects (2014 revision); IEA, Energy Technology Perspectives 2015; Shell New Lens Scenarios

3. Before I focus on Shell's strategies, let's first consider the wider industry environment we all operate in.
4. A growing global population, urbanisation and a pressing need to help raise the living standards of hundreds of millions of people across the planet mean that demand for energy will continue to grow.
5. Shell believes that by 2050, global energy demand will double from levels at the start of the century. And, due to the need to tackle climate change, society needs to find ways to meet that surge in demand effectively, while emitting less carbon.
6. Renewable energy technologies have an indispensable role to play in enabling a cleaner energy future, but they are going to need some help along the way.
7. The outlook is uncertain, but scenarios show that more gas and less oil will be used in the global energy mix in the future.

Chemicals demand outlook



*Cracker base chemicals (Aromatic derivatives, Ethylene, Propylene and Isobutylene). Source: IHS/Shell analysis

8. For our industry, the first thing to remember is that petrochemicals are fundamental to growth in all economies.
9. Most of us in this room are surrounded by products made with petrochemicals, and have been for most of our lives – including the speakers around you, the screens in front of you, and the seats beneath you.
10. And, thanks to sustained economic growth, many millions of people who haven't had much access to these products increasingly want more of them.
11. Despite uncertainties about the world economy and energy prices, we expect to see sustained long-term growth in the global chemical industry.
12. We see demand for chemical products growing in line with, or above, overall GDP for the next 20 years.
13. Part of this demand growth will come from increased pull from consumers and societies for lower-carbon and sustainable solutions.

THE ROLE OF CHEMICALS IN THE ENERGY TRANSITION



14. Chemicals play a key part in the response. Take the Solar Impulse, for example, a plane that successfully flew around the world on solar power. You may ask, why is that relevant to our industry? More than 90% of the aircraft's structure is made from chemical technology such as lightweight plastics that replace metals.
15. Whether it is with lighter materials or better lubricants for improved vehicle fuel efficiency, insulation for energy conservation in buildings or smart packaging for food, chemical products can help reduce emissions, energy use, water consumption and waste.
16. An illustration is polyurethane building insulation. Tough and lightweight, it is more energy efficient than older insulation materials like rock wool.
17. Another example is lightweight plastics, which contribute to improved fuel efficiency of cars, trucks and planes, among others.
18. And modern petrochemicals are components of energy-efficient lighting, low-temperature detergents, and even wind turbines and solar panels.
19. This highlights the opportunity our industry has in serving future growth.

SHELL'S STRATEGIES - A LEADING INTEGRATED IOC

Shell Chemicals strategy



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20. As an integrated energy company, the energy transition poses questions about where Shell should participate in the energy system of the future.
21. Petrochemicals will play an important role in tackling some of the global challenges ahead.
22. As part of Shell's refreshed strategy, Chemicals became one of the company's areas for major growth.
23. We draw strength from being part of an integrated energy company, with shared infrastructure and access to a variety of feedstocks, alongside extensive processing, trading and marketing expertise.
24. We are proud of Shell's brand and what it represents for hundreds of millions of consumers around the world.
25. Shell Chemicals strategy seeks to link investment to Shell's competitive advantage, along with advanced technology, portfolio robustness, and diversity of product market exposures.
26. We do not believe investment in undifferentiated positions will be rewarded in the long term.
27. In 2017, Shell Chemicals saw a record year for earnings and our aspiration is to double our earnings by the mid-'20s.

28. We believe there are five key factors – on top of driving operational excellence - for competing successfully in today's petrochemicals market:
- First – low capital and construction costs;
 - second – access to low-cost feedstock and energy;
 - third – large-scale and effective hydrocarbon integration;
 - fourth – advanced and advantaged technologies;
 - and finally – good access to markets and customers.
29. The key is to create opportunities and partnerships that can achieve as many of these competitive advantages as possible.
30. However, there is one universal imperative for all stages of all projects – maintain the highest standards of safety.
31. We are proud to be at the forefront of developing advanced chemical facilities around the world – such as our PennChem project in Pennsylvania USA, our contribution to the joint venture expansion of the Nanhai plant in China, and the A04 project at our Geismar chemical plant in Louisiana. These are projects with a competitive edge, underpinned by some of these key competitive success factors I was referring to.
32. Our advanced technology has played an important role in delivering solid financial performance for Shell's Chemicals business.
- SMPO (20-30% higher energy efficiency)
 - OMEGA (99% conversion efficiency vs 90%, 20% less steam, 30% less wastewater)
 - Advanced Higher Olefins Process
 - Next generation processes - DPC (500-tonne per year demo unit in Singapore)
33. We have long been pioneers in more efficient process technologies and catalysts, and will continue that development.

WORKING WITH PARTNERS

34. At Shell, we prioritize developing partnerships. Throughout our history, we have seen how strong partnerships with governments, joint ventures, suppliers or customers are the bedrock of successful projects.
35. We bring a compelling proposition – with our expertise, technology and network; and the ability to execute mega projects. We combine our strengths with the resources and capabilities of our partners, and build long-term value together.
36. Working in strong partnerships also drives technology innovation – which is increasingly collaborative across companies and universities.
37. We rely on our customers, and our customers' customers, to transform our molecules and move them down the value chain. This is why we focus our commercial strategy on building strong and long-lasting relationships with our customers, leveraging our strengths and investing together in robust and integrated supply chains.
38. Ladies and gentlemen, the world around us is always changing and so is the energy system. While we cannot predict future trends, Shell is responding to the changing environment, how we tackle the energy and climate challenges, and how we refresh our Chemicals portfolio.
39. The chemical industry's growth story at a global level will continue. At Shell, we will continue investing in our existing assets, to increase their capacity and efficiency. And we will pursue options to invest in building new large-scale facilities to capitalise on our expertise in technology and building mega projects.
40. Through strong partnerships with other companies, customers, and resource holders, together we can help global society become more prosperous in more sustainable ways.
41. Thank you.