



# ROYAL DUTCH SHELL PLC SCRIP DIVIDEND PROGRAMME TERMS AND CONDITIONS

**This document is important and requires your immediate attention.**

If you are in any doubt about what action to take, you should seek your own personal advice from a financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the UK or, if you are not, from another appropriately authorised financial adviser.



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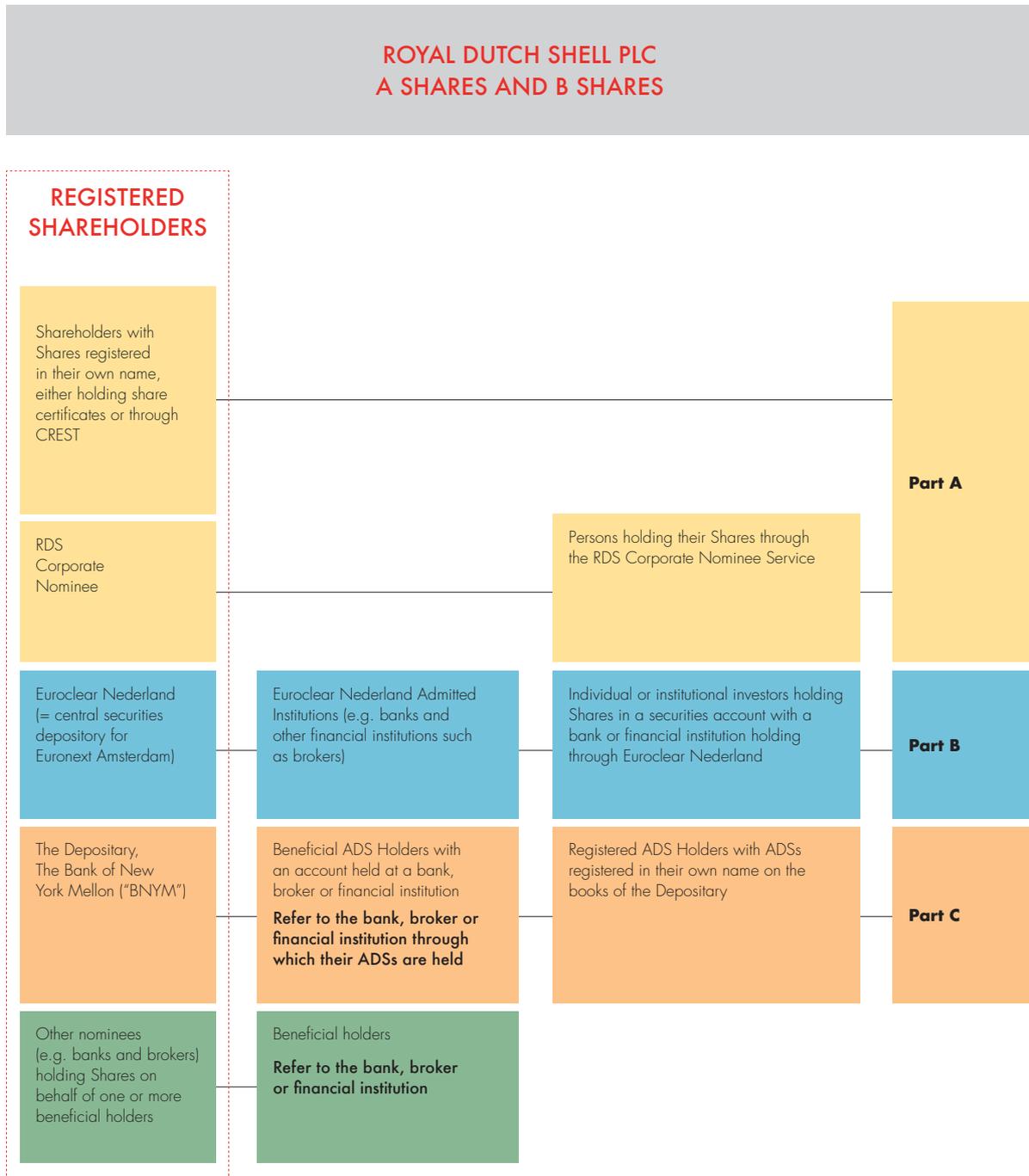
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## 1. INTRODUCTION

The following diagram sets out the different ways in which a Shareholder may hold Shares which, in turn, will affect how they can join the Programme and whether these Terms and Conditions apply.



These Terms and Conditions apply to registered shareholders holding A Shares and/or B Shares and to RDS Corporate Nominee Participants. Guidance on how it is expected the Programme will apply to Euroclear Nederland Shareholders and ADS holders is also provided. These Terms and Conditions are available on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip). To obtain paper copies of these Terms and Conditions, please contact the Registrar on the telephone numbers set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

## **2. THE PROGRAMME**

Participants will receive new fully paid A Shares (or A ADSs if they are an ADS holder) if they elect to participate in the Programme, instead of cash dividends. This differs from a DRIP under which shareholders' cash dividends are used to buy existing Shares in the market. Due to tax-related constraints, no new B Shares (or B ADSs) will be issued under the Programme. Therefore only A Shares and A ADSs will be issued, including to Shareholders who currently hold B Shares and B ADSs.

All new A Shares issued under the Programme will be credited as fully paid and rank equally in all respects with the existing A Shares and B Shares respectively (including having the same dividend and voting rights). Further information about the Company and its A Shares and B Shares is available on the Company's website at [www.shell.com](http://www.shell.com).

Applications will be made to the London Stock Exchange, the UK Listing Authority and Euronext Amsterdam for Admission and, subject to Admission occurring, the new A Shares issued under the Programme will be traded on the main market for listed securities of the London Stock Exchange and on Euronext Amsterdam.

The operation of the Programme requires Shareholder approval. This was given at the Annual General Meeting of the Company on May 19, 2015 and it will need to be renewed in 2018 if the Directors wish to continue the Programme. The operation of the Programme is subject to the Directors deciding to offer a scrip dividend for any particular dividend declared. See paragraph 15 of Part A of this document for further details.

## **3. GOVERNING LAW**

The Programme (including any Scrip Dividend Election) is subject to the Company's Articles of Association and these Terms and Conditions, each as amended from time to time. Any dispute between a Shareholder and the Company in connection with these Terms and Conditions or the Programme will be resolved in accordance with articles 138 to 140 (inclusive) of the Company's Articles of Association. These Terms and Conditions and the Programme will be governed by and construed in accordance with English law.

## **4. WHO CAN JOIN THE PROGRAMME**

### **4.1 SHAREHOLDERS WITH SHARE CERTIFICATES AND CREST SHAREHOLDERS**

The Programme is open to all Shareholders on the terms and conditions set out in Part A of this document, subject to certain restrictions for Shareholders resident outside the UK, the Netherlands and the US, as set out in paragraph 4.5 of this introduction. The right to join the Programme is not transferable.

### **4.2 RDS CORPORATE NOMINEE PARTICIPANTS**

RDS Corporate Nominee Participants can join the Programme through the RDS Corporate Nominee Service on the terms and conditions set out in Part A of this document subject to certain restrictions for RDS Corporate Nominee Participants resident outside the UK, the Netherlands and the US, as set out in paragraph 4.5 of this introduction.

#### **4.3 PERSONS HOLDING SHARES IN A SECURITIES ACCOUNT WITH A BANK OR FINANCIAL INSTITUTION HOLDING THROUGH EUROCLEAR NEDERLAND**

Details of how the Programme is expected to apply to persons holding Shares in a securities account with a bank or financial institution holding through Euroclear Nederland can be found in Part B of this document. However, persons holding Shares in a securities account with a bank or financial institution holding through Euroclear Nederland are advised to contact the bank or other financial institution at which they hold their relevant securities account for full details of whether they can join the Programme and, if so, how the Programme will apply to them. Any queries about participation in the Programme by persons holding Shares in a securities account with a bank or financial institution holding through Euroclear Nederland should also be made to the bank or other financial institution holding through Euroclear Nederland at which they hold their relevant securities account or to the Company's agent, ABN AMRO Bank N.V., on the telephone numbers set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

#### **4.4 ADS HOLDERS**

These Terms and Conditions do not apply to ADS Holders. However, the Company and the Depositary have agreed that the Depositary will offer a programme (the "ADS Programme") under which ADS Holders will be able to elect to receive new ADSs representing new A Shares instead of cash. Details of how the ADS Programme will operate for ADS Holders can be found in Part C of this document. ADS Holders who are not registered ADS Holders are advised to contact their bank or broker with regard to how they can join the ADS Programme and how the ADS Programme will apply to them. Registered ADS Holders may contact BNY Mellon ShareOwner Services on the telephone numbers set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip) regarding any queries about participation in the ADS Programme. Those who hold ADSs through a bank, broker or other intermediary should refer to their financial adviser or the bank, broker or other financial intermediary through which the ADSs are held.

#### **4.5 SHAREHOLDERS AND RDS CORPORATE NOMINEE PARTICIPANTS OUTSIDE THE UK, THE NETHERLANDS OR THE US**

Shareholders and RDS Corporate Nominee Participants may treat this document as an invitation to join the Programme unless such an invitation could not lawfully be made or accepted without the Company or Shareholders, or, in the case of the RDS Corporate Nominee, RDS Corporate Nominee Participants or the RDS Corporate Nominee, infringing any registration or other legal or regulatory requirements.

It is the responsibility of any person resident outside the UK, the Netherlands or the US wishing to join the Programme to be satisfied that any Scrip Dividend Election can be made validly without any further obligation on the part of the Company and to be satisfied as to the full observance of the laws of the relevant jurisdiction, including obtaining any governmental, regulatory or other consents which may be required and observing any other formalities in such territories and any resale restrictions which may apply to the new A Shares. Unless this condition is satisfied, such Shareholders may not join the Programme.

**Shareholders and RDS Corporate Nominee Participants outside the UK, the Netherlands or the US who are in any doubt whether they can join the Programme should contact their stockbroker or a duly authorised independent financial or legal adviser.**

# PART A: TERMS AND CONDITIONS FOR SHAREHOLDERS AND RDS CORPORATE NOMINEE PARTICIPANTS

## 1. HOW TO JOIN THE PROGRAMME

### 1.1 A AND B SHARES

Separate Scrip Dividend Elections must be made on A Shares and B Shares. If a Shareholder or RDS Corporate Nominee Participant holds only A Shares and joins the Programme, they will receive A Shares under the Programme. The Scrip Dividend Election will apply to all future dividends declared in respect of their A Shares (including to all A Shares issued under the Programme) unless and until it is cancelled or the Programme is cancelled or suspended.

If a Shareholder or RDS Corporate Nominee Participant holds only B Shares and joins the Programme, they will receive A Shares under the Programme. If that person also wants to join the Programme in respect of their A Shares received under the Programme, they will need to make a Scrip Dividend Election in respect of their A Shares once the A Shares are issued (in the case of a Shareholder) or credited to their account (in the case of an RDS Corporate Nominee Participant). This further Scrip Dividend Election will apply to all future A Shares acquired by that person, whether under the Programme or otherwise, unless and until it is cancelled or the Programme is cancelled or suspended. If a Scrip Dividend Election on the new A Shares is not made, any future dividends declared on those A Shares will be paid in cash and will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent. (see paragraph 1.1 of Part D of this document).

If a Shareholder or RDS Corporate Nominee Participant holds both A Shares and B Shares and wants to join the Programme in respect of all of their Shares, they will need to make a separate Scrip Dividend Election for their A Shares and for their B Shares.

The position set out below in respect of future dividends may differ for Shareholders acting on behalf of more than one beneficial owner, as set out in paragraphs 12.3 and 12.4 of this Part A.

### 1.2 SHAREHOLDERS WITH SHARE CERTIFICATES

Shareholders with share certificates who wish to join the Programme may do so either:

- by completing Scrip Dividend Election Form(s) and sending it/them to the Registrar at its address set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip). No acknowledgement of receipt of Scrip Dividend Election Form(s) will be issued by the Company or the Registrar; or
- if online election is made available by the Company, by following the information made available at [www.shell.com/scrip](http://www.shell.com/scrip).

By making a Scrip Dividend Election (whether by a Scrip Dividend Election Form or, if made available by the company, online), Shareholders will be deemed to confirm their choice to join the Programme and their acceptance of these Terms and Conditions, as they may be amended from time to time.

A Shareholder can change any previous Scrip Dividend Election. To take effect for the next dividend declared, the Registrar must receive any such new Scrip Dividend Election by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time) on the relevant Election Date, which can be found at [www.shell.com/dividend](http://www.shell.com/dividend). Further copies of the Scrip Dividend Election Form may be obtained from the Registrar.

The Company and the Registrar reserve the right to treat as invalid any Scrip Dividend Election Form that is not complete in all respects. A Scrip Dividend Election, once made, will remain in force for all future dividends declared in respect of the shareholding to which it relates, unless and until it is cancelled or the Programme is cancelled or suspended. Paragraph 7 of this Part A contains further information on future dividends under the Programme.

### **1.3 CREST SHAREHOLDERS**

CREST Shareholders who wish to join the Programme may do so by submitting a CREST Dividend Election Input Message and by completing the “evergreen” box shown on it (although, in the circumstances set out in paragraph 12.4 of this Part A, Shareholders acting on behalf of more than one beneficial owner are not required to complete the “evergreen” box). By submitting a CREST Dividend Election Input Message, CREST Shareholders will be deemed to confirm their choice to join the Programme and their acceptance of these Terms and Conditions, as they may be amended from time to time. Other forms of election, including a paper Scrip Dividend Election Form, will not be accepted unless otherwise expressly agreed by the Company.

Once a Scrip Dividend Election is made using the CREST system, it cannot be amended. Therefore, if a CREST Shareholder wishes to change a Scrip Dividend Election, they must cancel their previous Scrip Dividend Election by submitting a cancellation instruction through the CREST system and then make a new Scrip Dividend Election. To take effect for the next dividend declared, the CREST Shareholder must submit the new CREST Dividend Election Input Message by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time) on the relevant Election Date. All Scrip Dividend Elections made via the CREST system should be submitted in accordance with the procedures as stated in the CREST Reference Manual.

A Scrip Dividend Election, once made, will remain in force for all future dividends declared in respect of the shareholding to which it relates, unless and until it is cancelled or the Programme is cancelled or suspended. Paragraph 7 of this Part A contains further information on future dividends under the Programme.

### **1.4 RDS CORPORATE NOMINEE PARTICIPANTS**

RDS Corporate Nominee Participants who wish to join the Programme may do so either:

- by completing the Scrip Dividend Instruction Form(s) and sending it/them to the RDS Corporate Nominee at its address set out on the Company’s website at [www.shell.com/scrip](http://www.shell.com/scrip). No acknowledgement of receipt of Scrip Dividend Instruction Form(s) will be issued by the Company or the RDS Corporate Nominee; or
- if online election is made available by the Company, by following the information made available at [www.shell.com/scrip](http://www.shell.com/scrip).

By making a Scrip Dividend Election (whether by a Scrip Dividend Instruction Form or, if made available by the Company, online) RDS Corporate Nominee Participants will be deemed to confirm their choice to join the Programme and their acceptance of these Terms and Conditions, as they may be amended from time to time.

An RDS Corporate Nominee Participant can change any previous Scrip Dividend Election by submitting a new Scrip Dividend Instruction Form. To take effect for the next dividend declared, the RDS Corporate Nominee must receive the new Scrip Dividend Instruction Form by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time) on the relevant Election Date. Further copies of the Scrip Dividend Instruction Form can be obtained from the RDS Corporate Nominee.

If an RDS Corporate Nominee Participant separately holds any A Shares or B Shares outside of the RDS Corporate Nominee Service, either directly or through another nominee, they will need to make a separate election in respect of those Shares. If share certificates are held for those Shares, the instructions in paragraph 1.2 of this Part A should be followed. If the Shares are held through another nominee, that nominee should be contacted to ascertain how, and on what terms, the Shareholder can join the Programme in respect of those Shares.

## **2. DEADLINE FOR JOINING (OR LEAVING) THE PROGRAMME**

Details of Election Dates for each dividend declared by the Company will be notified on the Company's website at [www.shell.com/dividend](http://www.shell.com/dividend). The Election Date will be at least 10 Business Days after the relevant dividend record date and not more than 20 Business Days before the relevant dividend payment date.

### **2.1 SHAREHOLDERS WITH SHARE CERTIFICATES**

Shareholders with share certificates must submit their Scrip Dividend Election Forms or, if made available by the Company, online Scrip Dividend Elections, so that they are received by the Registrar by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time), on the relevant Election Date.

### **2.2 CREST SHAREHOLDERS**

CREST Shareholders must submit their CREST Dividend Election Input Messages by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time), on the relevant Election Date.

### **2.3 RDS CORPORATE NOMINEE PARTICIPANTS**

RDS Corporate Nominee Participants must submit their Scrip Dividend Instruction Forms or, if made available by the Company, online Scrip Dividend Elections, so that they are received by the RDS Corporate Nominee by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time) on the relevant Election Date.

## **3. SHAREHOLDERS AND RDS CORPORATE NOMINEE PARTICIPANTS WHO DO NOT JOIN THE PROGRAMME**

Shareholders and RDS Corporate Nominee Participants who do not join the Programme will continue to receive cash on any dividends declared on their Shares in accordance with the Company's (and, where applicable, the RDS Corporate Nominee's) cash dividend procedure; that is, holders of A Shares will receive any cash dividend declared in euros (but may elect to receive such dividend in pounds sterling) and holders of B Shares will receive any cash dividend declared in pounds sterling (but may elect to receive such dividend in euros). Any such elections should be made in accordance with the Company's usual procedures. Any existing currency election will continue to apply to any future cash dividends declared. Full details of the Company's cash dividend procedure are available on the Company's website at [www.shell.com/dividend](http://www.shell.com/dividend).

Shareholders and RDS Corporate Nominee Participants who do not join the Programme may do so at any point in the future while the Programme continues to be offered.

## **4. AVAILABILITY OF RDS RECOGNISED DRIPS**

During the operation of the Programme, the Company understands that the RDS Recognised DRIPs will not be available for future dividend reinvestment unless and until the providers reinstate them.

## 5. HOW NEW A SHARE ENTITLEMENTS ARE CALCULATED

The number of new A Shares that a Participating Shareholder or RDS Corporate Nominee Participant will receive for each dividend will be calculated by reference to:

- (i) the amount of the cash dividend per Share in US dollars;
- (ii) the number of Shares held by that Participating Shareholder or RDS Corporate Nominee Participant at the dividend record date;
- (iii) the Reference Share Price; and
- (iv) any residual cash amount brought forward from the last scrip dividend calculation.

The formula used for calculating the number of new A Shares to be received by a Participating Shareholder or RDS Corporate Nominee Participant for each dividend declared (and in respect of which the Directors decide to offer a scrip dividend option) will be:

$$\frac{\text{number of A Shares or B Shares held at the dividend record date}^1 \times \text{cash dividend per Share} + \text{any residual cash amount}}{\text{Reference Share Price}}$$

The Reference Share Price will be the US dollar equivalent of the average of the closing price for the Company's A Shares listed on Euronext Amsterdam for the five dealing days commencing on (and including) the date on which the Shares are first quoted ex-dividend in respect of the relevant dividend. The Reference Share Price is calculated by reference to the Euronext Amsterdam closing price (rather than by reference to the main market of the London Stock Exchange).

The US dollar equivalent of the closing price on each of the dealing days referred to above will be calculated using a market exchange rate prevailing at the time (the "**Reference Exchange Rate**"). The following calculation, which uses hypothetical closing prices and a hypothetical Reference Exchange Rate, shows how the Reference Share Price will be calculated:

Euronext Amsterdam dealing day	Price (€)	€/US\$ Forex	Price (US\$)
ex-dividend date (" <b>ex date</b> ")	21.955	1.3245	29.079
ex date + 1 dealing day	21.590	1.3292	28.697
ex date + 2 dealing days	21.780	1.3156	28.654
ex date + 3 dealing days	21.950	1.3144	28.851
ex date + 4 dealing days	22.115	1.3222	29.240
5 day average			28.904

This gives a Reference Share Price of US\$28.904.

The relevant cash dividend in US dollars, the dividend record date, the ex-dividend date, the Reference Share Price and further relevant information about each scrip dividend will be made available on the Company's website at [www.shell.com/dividend](http://www.shell.com/dividend).

<sup>1</sup> If a Participating Shareholder holds both A Shares and B Shares, their entitlement to new A Shares will be calculated separately with regard to their A Shares and B Shares.

If Participating Shareholders or RDS Corporate Nominee Participants have both A Shares and B Shares and have made a Scrip Dividend Election in respect of both, their entitlement to new A Shares will be calculated separately with regard to their existing A Shares and B Shares.

The following calculation, which uses a hypothetical dividend per Share, Reference Share Price and residual cash amount, illustrates how a Participating Shareholder or RDS Corporate Nominee Participant's entitlement to new A Shares may be calculated:

This example is based on the following:

- Dividend per Share: US\$0.42
- Number of Shares owned: 1,000
- Reference Share Price: US\$28.904
- Residual cash amount from previous dividend entitlement: US\$4.00

#### 1. Calculation of number of new A Shares

Cash dividend =	number of Shares held x dividend per share	=	1,000 x US\$0.42	=	US\$420.00
Number of new A Shares =	$\frac{\text{amount of cash dividend} + \text{residual cash amount}}{\text{Reference Share Price}}$	=	$\frac{\text{US\$420.00} + \text{US\$4.00}}{\text{US\$28.904}}$	=	14.67
				=	<b>14 new A Shares</b>

#### 2. Calculation of residual cash amount

Value of new A Shares <sup>2</sup> =	number of new A Shares x Reference Share Price	=	14 x US\$28.904	=	US\$404.66
Residual cash amount =	amount of cash dividend + previous residual cash amount – value of new A Shares	=	US\$420.00 + US\$4.00 – US\$404.66	=	<b>US\$19.34</b>

#### 3. Total value of dividend under the Programme

Value of new A Shares <sup>2</sup> + new residual cash amount – previous residual cash amount	=	US\$404.66 + US\$19.34 – US\$4.00	=	US\$420.00
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The residual cash amount will be carried forward to the next scrip dividend calculation or paid to the Participating Shareholder in accordance with paragraph 14.5 of this Part A.

In this example, a Participating Shareholder or RDS Corporate Nominee Participant holding 1,000 Shares with a residual cash amount of US\$4.00 brought forward from previous dividends<sup>3</sup> would therefore receive 14 new A Shares and have US\$19.34 carried forward to the next scrip dividend calculation.

A statement will be sent to each Participating Shareholder and RDS Corporate Nominee Participant (along with a new share certificate in the case of share certificate holders) showing the number of new A Shares issued to that Participating Shareholder (or credited to their account in the case of an RDS Corporate Nominee Participant), any residual cash amount and the Reference Share Price. If the cash dividend, together with any residual cash amount brought forward, is insufficient for a Participating Shareholder or RDS Corporate Nominee Participant to acquire at least one new A Share, the statement will explain that no new A Shares have been issued and will show the total residual cash amount to be carried forward.

<sup>2</sup> "Value" for this purpose only is taken as being the Reference Share Price. The value of Shares may go down as well as up.

<sup>3</sup> For the first dividend declared in respect of which a Shareholder has joined the Programme, there will be no residual cash amount.

CREST Shareholders will have their accounts credited with their new A Shares on the dividend payment date or as soon as practicable thereafter.

## **6. FRACTIONS AND RESIDUAL CASH AMOUNTS**

No fraction of a new A Share will be issued to Participating Shareholders or RDS Corporate Nominee Participants and the number of new A Shares to which a Participating Shareholder or RDS Corporate Nominee Participant is entitled will always be rounded down to the nearest whole A Share.

Any residual cash amount for a Participating Shareholder will be retained by the Company and carried forward in US dollars and will be included in the next scrip dividend calculation. No interest will accrue or be paid on this residual cash amount.

RDS Corporate Nominee Participants will be deemed, by joining the Programme, to instruct the RDS Corporate Nominee that any residual cash amounts will be held by Equiniti Financial Services Limited to be included in the calculation of their future scrip dividend entitlements. No interest will accrue or be paid on this residual cash amount. Any residual cash amounts held in this way will be treated as client money.

## **7. FUTURE DIVIDENDS**

The terms and conditions of the Programme are that once a Scrip Dividend Election is made on either a Shareholder or RDS Corporate Nominee Participant's A Shares or B Shares, that Scrip Dividend Election will remain in place for all A Shares or B Shares (as applicable) held by that Shareholder or RDS Corporate Nominee Participant in the future unless and until that Scrip Dividend Election is cancelled or the Programme is cancelled or suspended. CREST Shareholders must therefore complete the "evergreen" box shown on the CREST Dividend Election Input Message, except in the circumstances set out in paragraph 12.4 of this Part A.

If a Participating Shareholder or RDS Corporate Nominee Participant holds only A Shares, they will receive A Shares under the Programme and the original Scrip Dividend Election will apply automatically to those A Shares.

If a Participating Shareholder or RDS Corporate Nominee Participant holds only B Shares, they will receive A Shares under the Programme and those A Shares will not be covered by the original Scrip Dividend Election. If that Participating Shareholder or RDS Corporate Nominee Participant also wants to join the Programme in respect of their A Shares received under the Programme, they will need to make a Scrip Dividend Election in respect of their A Shares once the A Shares are issued (in the case of Shareholders) or credited to their account (in the case of RDS Corporate Nominee Participants). This further Scrip Dividend Election will apply to all future A Shares acquired by that Participating Shareholder or RDS Corporate Nominee Participant, whether under the Programme or otherwise, unless and until it is cancelled or the Programme is cancelled or suspended.

If a Scrip Dividend Election on the new A Shares is not made, any future dividends declared on those A Shares will be paid in cash and will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent. (see paragraph 1.1 of Part D of this document).

As separate Scrip Dividend Elections must be made on A Shares and B Shares, if a Participating Shareholder or RDS Corporate Nominee Participant holds both A Shares and B Shares and has only made a Scrip Dividend Election in respect of one of those holdings, for any future dividends declared, they will receive A Shares on the holding to which that Scrip Dividend Election relates and a cash dividend on the other holding (unless and until that Scrip Dividend Election is cancelled or the Programme is cancelled or suspended).

The position set out above in respect of future dividends may differ for Shareholders acting on behalf of more than one beneficial owner, as set out in paragraphs 12.3 and 12.4 of this Part A.

Scrip Dividend Elections are subject to the Directors deciding to offer a scrip dividend for any particular dividend declared. The Directors may, in their absolute discretion, decide not to offer a scrip dividend for any particular future dividend declared or to cancel or suspend the Programme.

## **8. ADMISSION, DEALING AND RANKING OF NEW A SHARES**

Applications will be made to the London Stock Exchange, the UK Listing Authority and Euronext Amsterdam for Admission and, subject to Admission occurring, the new A Shares issued under the Programme will be traded on the main market for listed securities of the London Stock Exchange and on Euronext Amsterdam.

The A Shares to be issued under the Programme are expected to be issued on the relevant dividend payment date. All new A Shares issued under the Programme will be credited as fully paid and will rank equally in all respects with the existing A Shares and B Shares respectively (including having the same dividend rights and voting rights). The A Shares may be held in certificated or uncertificated form. If the new A Shares are not Admitted or if any other condition is not fulfilled and a cash dividend is being paid, the Company will pay the relevant dividend in cash in the usual way as soon as reasonably practicable after the relevant dividend payment date.

## **9. SHARE CERTIFICATES, CREST ACCOUNTS AND STATEMENTS OF ENTITLEMENT**

### **9.1 SHAREHOLDERS WITH SHARE CERTIFICATES**

Subject to Admission, new share certificates will be posted to Participating Shareholders with share certificates on or about the same date as the cheques and dividend tax vouchers for the relevant cash dividend are posted to Shareholders who have not joined the Programme. Documents and share certificates are sent to Shareholders at their own risk.

### **9.2 CREST SHAREHOLDERS**

Subject to Admission, CREST Shareholders will have their CREST accounts credited with the new A Shares on the relevant dividend payment date or as soon as practicable thereafter.

### **9.3 RDS CORPORATE NOMINEE PARTICIPANTS**

Subject to Admission, RDS Corporate Nominee Participants will have their accounts credited with new A Shares on the relevant dividend payment date or as soon as practicable thereafter. Following this, a statement of entitlement will be sent by the RDS Corporate Nominee to the RDS Corporate Nominee Participants.

## **10. MULTIPLE HOLDINGS**

If a Participating Shareholder or RDS Corporate Nominee Participant's Shares are registered in more than one holding or account (as applicable) then, unless such holdings or accounts are consolidated before the relevant Election Date, they will be treated as separate. A separate Scrip Dividend Election will need to be made for each holding or account if the Participating Shareholder or RDS Corporate Nominee Participant wishes to cover all of them. For future dividends declared, the Participating Shareholder or RDS Corporate Nominee Participant would receive A Shares on the holding to which a Scrip Dividend Election relates and a cash dividend on their other holding(s) or account(s) (unless and until the Scrip Dividend Election is cancelled or the Programme is cancelled or suspended).

Shareholders or RDS Corporate Nominee Participants who would like to consolidate their holdings or accounts (as applicable) should contact the Registrar or RDS Corporate Nominee respectively at its address or telephone numbers set out on the Company's website at [www.shell.com/shareholder](http://www.shell.com/shareholder).

If a Participating Shareholder or RDS Corporate Nominee Participant holds both A Shares and B Shares within one registered holding or account, they should refer to paragraphs 1 and 7 of this Part A for details of how any Scrip Dividend Elections will be treated regarding the A Shares and B Shares.

## **11. SHAREHOLDINGS IN JOINT NAMES**

Where a Scrip Dividend Election Form or Scrip Dividend Instruction Form (as applicable) is used to make a Scrip Dividend Election on Shares held in joint names, the relevant form needs to be signed by all joint Shareholders or RDS Corporate Nominee Participants. There is no requirement for a Scrip Dividend Election made electronically to be authenticated by all joint Shareholders or RDS Corporate Nominee Participants (as applicable).

## **12. PARTIAL ELECTIONS**

### **12.1 SHAREHOLDERS AND RDS CORPORATE NOMINEE PARTICIPANTS**

A Scrip Dividend Election may only be made in relation to the whole of a holding of A Shares or, as applicable, the whole of a holding of B Shares. A Shareholder or RDS Corporate Nominee Participant cannot, for example, join the Programme in respect of half of their A Shares or half of their B Shares.

Shareholders and RDS Corporate Nominee Participants will be entitled to receive cash in respect of any dividend declared on any A Shares or B Shares (as applicable) which are not included in their partial Scrip Dividend Election.

### **12.2 ALL PARTICIPATING SHAREHOLDERS**

If the number of A Shares or B Shares held at the relevant dividend record date by a Participating Shareholder who is permitted, in accordance with paragraph 12.3 and 12.4 of this Part A, to make a partial Scrip Dividend Election differs from the number of A Shares or B Shares (as applicable) to which the Scrip Dividend Election relates, then:

- if the number of A Shares or B Shares held at the relevant record date is higher than the number of A Shares or B Shares (as applicable) in respect of which the Scrip Dividend Election was originally submitted, the Scrip Dividend Election will continue to apply only to the number of A Shares or B Shares (as applicable) as stated on the Scrip Dividend Election; and
- if the number of A Shares or B Shares held at the relevant record date is lower than the number of A Shares or B Shares (as applicable) in respect of which the Scrip Dividend Election was originally submitted, the Scrip Dividend Election will be deemed to apply to the number of A Shares or B Shares (as applicable) held at the relevant record date.

### **12.3 SHAREHOLDERS WITH SHARE CERTIFICATES**

If a Shareholder is acting on behalf of more than one beneficial owner, the Directors may, at their discretion, allow that Shareholder to make a Scrip Dividend Election in respect of a smaller number of Shares than their entire holding. If a Shareholder wishes the Directors to exercise this discretion, then that Shareholder will not be able to use any online election facility which may have been made available by the Company and should contact the Registrar for details of how to make their Scrip Dividend Election.

## 12.4 CREST SHAREHOLDERS

If a CREST Shareholder is acting on behalf of more than one beneficial owner, the Directors may, at their discretion, allow that Shareholder to make a Scrip Dividend Election in respect of a smaller number of Shares than their entire holding. If a CREST Shareholder wishes the Directors to exercise this discretion, their CREST Dividend Election Input Message must state the number of A Shares or B Shares for which the Scrip Dividend Election is being made. If the number of Shares stated is zero, the Scrip Dividend Election will be rejected.

## 13. RECENT SALE OR PURCHASE OF SHARES

### 13.1 SHAREHOLDERS WITH SHARE CERTIFICATES

A Scrip Dividend Election will be deemed to be cancelled in respect of any Shares that a Shareholder holding share certificates sells or otherwise transfers, but only with effect from the registration of the relevant transfer. Any Scrip Dividend Election will, however, continue to apply to the remainder of such Shareholder's Shares to which that Scrip Dividend Election relates other than in the circumstances set out in paragraph 12 of this Part A.

If a Shareholder holding share certificates acquires additional A Shares or B Shares and such Shares are registered in their name before the record date for any dividend to which that Shareholder is entitled, those A Shares or B Shares (as applicable) will be included automatically in any existing Scrip Dividend Election on A Shares or B Shares (as applicable) made by that Shareholder.

If a Shareholder holding share certificates acquires A Shares and does not have an existing Scrip Dividend Election in place in respect of A Shares then, if that Shareholder wants to receive the scrip dividend on those A Shares, they will need to make a Scrip Dividend Election in respect of their A Shares following their acquisition. Likewise, if a Shareholder holding share certificates acquires B Shares and does not have an existing Scrip Dividend Election in place in respect of B Shares then, if that Shareholder wants to receive the scrip dividend on those B Shares, they will need to make a Scrip Dividend Election in respect of their B Shares following their acquisition.

If a Shareholder holding share certificates sells or otherwise transfers their entire holding of A Shares or B Shares (as applicable), this will automatically cancel any Scrip Dividend Election made for that Shareholder's holding of A Shares or B Shares (as applicable) with effect from the next dividend record date. If having sold or otherwise transferred their entire holding of A Shares or B Shares, a Shareholder holding share certificates acquires additional A Shares or B Shares (as applicable) **before** the next dividend record date, their Scrip Dividend Election on the holding of A Shares or B Shares (as applicable) will not be cancelled automatically. Accordingly, any such Scrip Dividend Election will apply automatically to any A Shares or B Shares (as applicable) that the Shareholder holds in the future, unless and until it is cancelled or the Programme is cancelled or suspended. If, however, the A Shares or B Shares acquired after the transfer do not form part of a Shareholder's prior holding, then the Scrip Dividend Election will not automatically apply to any A Shares or B Shares that the Shareholder holds in the future.

If having sold or otherwise transferred their entire holding of A Shares or B Shares, a Shareholder holding share certificates acquires additional A Shares or B Shares (as applicable) **after** the next dividend record date, that Shareholder will need to make a further Scrip Dividend Election should they wish to participate in the Programme in respect of that holding of A Shares or B Shares (as applicable).

### 13.2 CREST SHAREHOLDERS

If a CREST Shareholder sells or otherwise transfers some of their A Shares or B Shares, their Scrip Dividend Election will continue to apply to the remainder of such CREST Shareholder's Shares to which that Scrip Dividend Election relates other than in the circumstances set out in paragraph 12.4 of this Part A.

If a CREST Shareholder acquires additional A Shares or B Shares and such Shares are registered in their name before the record date for any dividend to which that Shareholder is entitled, those A Shares or B Shares (as applicable) will, subject to the remainder of this paragraph 13.2, be included automatically in any existing Scrip Dividend Election on A Shares or B Shares (as applicable) made by that Shareholder.

If a CREST Shareholder acquires A Shares and does not have an existing Scrip Dividend Election in place in respect of A Shares then, if that CREST Shareholder wants to receive the scrip dividend on those A Shares, they will need to make a Scrip Dividend Election following their acquisition. Likewise, if a CREST Shareholder acquires B Shares and does not have an existing Scrip Dividend Election in place in respect of B Shares then, if that Shareholder wants to receive the scrip dividend on those B Shares, they will need to make a Scrip Dividend Election in respect of their B Shares following their acquisition.

If a CREST Shareholder sells or otherwise transfers their entire holding of A Shares or B Shares (as applicable), any Scrip Dividend Election made for that Shareholder's holding of A Shares or B Shares (as applicable) will not be cancelled automatically. Accordingly (subject to the remainder of this paragraph 13.2), any such Scrip Dividend Election will apply automatically to any A Shares or B Shares (as applicable) that the Shareholder holds in the future unless and until it is cancelled or the Programme is cancelled or suspended.

If a CREST Shareholder has made a partial election as described in paragraph 12.4 of this Part A in respect of their A Shares or B Shares and they acquire additional Shares, their relevant Scrip Dividend Election will only apply automatically to such number of those A Shares or B Shares (as applicable) as does not result in the number of Shares to which the relevant Scrip Dividend Election would then apply exceeding the number of A Shares or B Shares (as applicable) stated on their relevant CREST Dividend Election Input Message.

### 13.3 RDS CORPORATE NOMINEE PARTICIPANTS

If an RDS Corporate Nominee Participant sells or otherwise transfers some or all of their Shares held through the RDS Corporate Nominee Service, their existing Scrip Dividend Election will be deemed to be cancelled for those Shares that have been sold or transferred, but only with effect from the date the relevant transfer is registered to the RDS Corporate Nominee Participant's account with the RDS Corporate Nominee Service. The RDS Corporate Nominee Participant's Scrip Dividend Election will, however, continue to apply to the remainder, if any, of the Shares covered by that Scrip Dividend Election.

If an RDS Corporate Nominee Participant acquires additional A Shares or B Shares and those Shares are registered to their account with the RDS Corporate Nominee Service before the relevant dividend record date, those A Shares or B Shares (as applicable) will be covered automatically by any existing Scrip Dividend Election for A Shares or B Shares (as applicable) made by that RDS Corporate Nominee Participant.

If an RDS Corporate Nominee Participant sells or otherwise transfers all of their A Shares or B Shares held through the RDS Corporate Nominee Service, this will automatically cancel any Scrip Dividend Election made for that RDS Corporate Nominee Participant's holding of A Shares or B Shares (as applicable) with effect from the next dividend record date.

If having sold or otherwise transferred all of their A Shares or B Shares held through the RDS Corporate Nominee Service, an RDS Corporate Nominee Participant acquires additional A Shares or B Shares (as applicable) **before** the next dividend record date, their Scrip Dividend Election on the holding of A Shares or B Shares (as applicable) will not be cancelled automatically. Accordingly, any such Scrip Dividend Election will apply automatically to any A Shares or B Shares (as applicable) that the RDS Corporate Nominee Participant holds in the future, unless and until it is cancelled or the Programme is cancelled or suspended.

If having sold or otherwise transferred all of their A Shares or B Shares held through the RDS Corporate Nominee Service, an RDS Corporate Nominee Participant acquires additional A Shares or B Shares (as applicable) **after** the next dividend record date, that RDS Corporate Nominee Participant will need to make a further Scrip Dividend Election should they wish to participate in the Programme in respect of that holding of A Shares or B Shares (as applicable).

## **14. CANCELLATION OF SCRIP DIVIDEND ELECTIONS**

Once a Shareholder or RDS Corporate Nominee Participant has left the Programme, they will receive cash dividends in accordance with the Company's (and, if applicable, the RDS Corporate Nominee's) cash dividend procedure. If a Shareholder or RDS Corporate Nominee Participant leaves the Programme in respect of A Shares, future cash dividends declared on those A Shares will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent. (see paragraph 1.1 of Part D of this document). If a Scrip Dividend Election is cancelled, future cash dividends received by a Shareholder in respect of the holding of A Shares or B Shares to which it relates will be paid in the default currency unless the Shareholder or RDS Corporate Nominee Participant validly elected to receive payment in a currency other than the default currency (including pursuant to the Scrip Dividend Election), in which case such dividends will be paid in the chosen currency.

### **14.1 SHAREHOLDERS WITH SHARE CERTIFICATES**

Shareholders with share certificates can only cancel their Scrip Dividend Election by writing to the Registrar or, if such facility is made available by the Company, notifying the Registrar of the cancellation via the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip). They will need to cancel their Scrip Dividend Elections separately for their A Shares and B Shares.

To be effective for a particular dividend, the notice of cancellation must be received by the Registrar by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time), on the relevant Election Date. If a notice of cancellation is received after this time, it will not be valid for that particular dividend. The relevant Shareholder will receive A Shares under the Programme for that dividend and the cancellation will take effect for subsequent dividends declared.

### **14.2 CREST SHAREHOLDERS**

CREST Shareholders can only cancel their Scrip Dividend Election by submitting a CREST cancellation message through the CREST system. CREST Shareholders will need to cancel their Scrip Dividend Elections separately for their A Shares and B Shares.

To be effective for a particular dividend, CREST Shareholders must input their CREST cancellation message by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time) on the relevant Election Date. If a CREST cancellation message is submitted after this time, it will not be valid for that particular dividend. The relevant CREST Shareholder will receive A Shares under the Programme for that dividend and the cancellation will take effect for subsequent dividends declared.

### **14.3 RDS CORPORATE NOMINEE PARTICIPANTS**

RDS Corporate Nominee Participants can cancel their Scrip Dividend Election by writing to the RDS Corporate Nominee or, if the online election is made available by the Company, by notifying the RDS Corporate Nominee of the cancellation via the Company website at [www.shell.com/scrip](http://www.shell.com/scrip). RDS Corporate Nominee Participants will need to cancel their Scrip Dividend Elections separately for their A Shares and B Shares.

To be effective for a particular dividend, the notice of cancellation must be received by the RDS Corporate Nominee by 4.30 p.m. (UK time), 5.30 p.m. (Dutch time) on the relevant Election Date. If a notice of cancellation is received after this time, it will not be valid for that particular dividend. The relevant RDS Corporate Nominee Participant will receive A Shares under the Programme for that dividend and the cancellation will take effect for subsequent dividends declared.

#### **14.4 ALL PARTICIPATING SHAREHOLDERS OR RDS CORPORATE NOMINEE PARTICIPANTS**

A Scrip Dividend Election will be cancelled immediately on receipt by the Registrar or RDS Corporate Nominee (as applicable) of a notice of a Participating Shareholder or RDS Corporate Nominee Participant's death other than if a joint Shareholder or RDS Corporate Nominee Participant dies, in which case the relevant Scrip Dividend Election will continue in favour of the surviving joint Shareholder(s)/RDS Corporate Nominee Participant(s).

#### **14.5 PAYMENT OF RESIDUAL CASH AMOUNTS**

Any residual cash amount attributable to a Participating Shareholder will be paid to ShareGift (net of any applicable taxes), unless the Participating Shareholder instructs the Registrar otherwise at the time of joining the Programme, in which case the residual cash amount will be paid to the Participating Shareholder (net of any applicable taxes). Any residual cash amount attributable to a B Shareholder may, if the Company so decides, be paid under the dividend access mechanism. Any residual cash amount paid to a B Shareholder under the dividend access mechanism will not be subject to Dutch dividend withholding tax. If any residual cash amount attributable to a B Shareholder is not paid under the dividend access mechanism, the Company will withhold any applicable Dutch dividend withholding tax from the gross amount of the residual cash amount due to a Shareholder or RDS Corporate Nominee at the statutory rate, which is currently 15 per cent. (see paragraph 1.1(a) of Part D for more detail).

Any residual cash amount attributable to an RDS Corporate Nominee Participant will not be paid to ShareGift due to applicable laws which restrict any such payments being made. Therefore, any residual cash amount attributable to an RDS Corporate Nominee Participant will be paid to the RDS Corporate Nominee Participant (net of any applicable taxes).

Residual cash amounts will be paid on the date of the payment of the next dividend by the Company following the cancellation if notice of cancellation is received prior to the relevant Election Date. If notice of cancellation is received after the relevant Election Date, then such payments will not be made until the following dividend payment date. Under no circumstances will Participating Shareholders or RDS Corporate Nominee Participants become entitled to receive payment of any residual cash amount prior to such dividend payment date.

All residual cash amounts will be paid in euros if the residual cash amount relates to a holding of A Shares (unless the Shareholder makes a valid currency election requesting that the residual cash amount be paid in pounds sterling) and in pounds sterling if the residual cash amount relates to a holding of B Shares (unless the Shareholder makes a valid currency election requesting that the residual cash amount be paid in euros). The conversion of any US dollar residual cash amounts to euros or pounds sterling will be at a market exchange rate on the date on which the Company determines the rate applicable to cash dividends payments.

All such residual cash amounts paid to ShareGift will be pooled and the funds used by ShareGift's trustees to support a range of other UK charities, covering a broad spectrum of local, national and international work. ShareGift has been able to donate millions of pounds to hundreds of different charities as a result of donations of unwanted shares and small cash amounts. Further information relating to ShareGift is available at [www.sharegift.org](http://www.sharegift.org).

## 15. CHANGES TO, CANCELLATION OR SUSPENSION OF THE PROGRAMME

At any time, the Directors may, at their discretion and without notice to Shareholders individually, modify, cancel or suspend the Programme. Details of any modification to the terms and conditions of the Programme, or of its cancellation or suspension, will be made available on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

The operation of the Programme is subject to the Directors deciding to offer a scrip dividend for any particular dividend declared. The Directors also have the power, after such a scrip dividend is offered, to revoke it at any time before the issue of new A Shares under the Programme. If the Directors revoke a scrip dividend and a cash dividend is being paid, Shareholders will receive their dividend in cash on or as soon as reasonably practicable after the relevant dividend payment date.

The RDS Corporate Nominee may also modify the basis on which it operates the Programme from time to time.

### 15.1 MODIFICATION

In the case of any modification, existing Scrip Dividend Elections (unless otherwise specified by the Directors) will be deemed to remain valid under the modified arrangements unless and until cancelled in accordance with paragraph 14 of this Part A or the Programme is cancelled or suspended.

### 15.2 CANCELLATION

In the case of any cancellation, existing Scrip Dividend Elections will be deemed to have been cancelled as at the date of any cancellation of the Programme and a cash dividend will be paid to Shareholders and RDS Corporate Nominee Participants in respect of any future dividend declared in accordance with the Company's (and, if applicable, the RDS Corporate Nominee's) cash dividend procedure as described in paragraph 3 of this Part A. Any future cash dividend declared on A Shares will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent. Following the cancellation of the Programme, any residual cash amount attributable to a Participating Shareholder will be paid to ShareGift or to the Participating Shareholder or, in the case of a RDS Corporate Nominee Participant, to the RDS Corporate Nominee Participant (in each case net of any applicable taxes) as described in paragraph 14.5 of this Part A.

### 15.3 SUSPENSION

In the case of any suspension, existing Scrip Dividend Elections will be suspended for the duration of any suspension of the Programme and a cash dividend will be paid to Shareholders and RDS Corporate Nominee Participants in accordance with the Company's (and, if applicable, the RDS Corporate Nominee's) cash dividend procedure in respect of any dividend declared, the dividend payment date for which falls during such suspension. Any cash dividend declared on A Shares will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent. If the Programme is recommenced, the Scrip Dividend Elections will automatically reactivate and apply to all future dividends declared unless and until cancelled or the Programme is cancelled or suspended.

If the Programme is suspended by the Company, the Company may choose to retain residual cash amounts pending a decision to either resume the Programme or to cancel it. Alternatively, the Company may choose to pay the residual cash amounts in accordance with paragraph 14.5 of this Part A. No interest will accrue or be paid on residual cash amounts held by the Company. If the Programme is recommenced then such amounts will be paid in accordance with paragraph 14.5 of this Part A.

## PART B: INFORMATION FOR EUROCLEAR NEDERLAND SHAREHOLDERS

### 1. PERSONS HOLDING SHARES IN A SECURITIES ACCOUNT WITH A BANK OR FINANCIAL INSTITUTION HOLDING THROUGH EUROCLEAR NEDERLAND (“EUROCLEAR NEDERLAND SHAREHOLDERS”) SHOULD CONTACT THE RELEVANT INSTITUTION FOR DETAILS OF:

- how they can join the Programme;
- the relevant deadline for submitting elections;
- whether they need to make separate elections in respect of A Shares and B Shares;
- how they can cancel or change any election;
- how the Programme otherwise applies;
- how to confirm the arrangements by which they will receive cash dividends; and
- how to find out any implications the Programme may otherwise have on them.

### 2. THE PROGRAMME

Euroclear Nederland Shareholders who join the Programme for a given dividend will receive new fully paid A Shares, instead of a cash dividend, for that particular dividend.

The bank or financial institution with whom the relevant securities account is held will notify the Euroclear Nederland Shareholder of how many new A Shares they have received. If they do not receive such notification, they should contact their bank or financial institution.

Euroclear Nederland Shareholders who give an instruction to their bank or financial institution indicating that they wish to join the Programme may find that their instruction will only be valid for one dividend. They should contact their bank or financial institution to determine whether they can give a single instruction to join the Programme for all future dividends declared unless and until that instruction is cancelled.

The Programme is subject to the Directors deciding to offer a scrip dividend for any particular dividend declared. If the Directors decide not to do so or your bank or financial institution does not make the Programme available to you for any particular dividend declared, a cash dividend will be paid instead in the usual way as described in paragraphs 5 and 6 of this Part B.

### 3. HOW TO JOIN THE PROGRAMME

The Company expects the bank or financial institution holding the relevant securities account to ask the Euroclear Nederland Shareholder whether they wish to join the Programme. However, whether the institution does so and, if so, how the Euroclear Nederland Shareholder can join the Programme, will depend on the individual arrangements between them and their relevant bank or financial institution. For example, in some instances it may be that the relevant bank or financial institution enrolls Euroclear Nederland Shareholders in the Programme without asking the Euroclear Nederland Shareholders whether they wish to join the Programme.

Euroclear Nederland Shareholders should contact their bank or financial institution for further information, or alternatively contact ABN AMRO Bank N.V. as set out on the Company’s website at [www.shell.com/scrip](http://www.shell.com/scrip).

### 4. COST OF JOINING THE PROGRAMME

The Company does not charge its Shareholders for joining the Programme. Whether the relevant bank or financial institution charges any costs to Euroclear Nederland Shareholders for participating in the Programme depends on the arrangements they have with their bank or financial institution. Euroclear Nederland Shareholders should contact their bank or financial institution for further information.

## 5. EUROCLEAR NEDERLAND SHAREHOLDERS WHO DO NOT JOIN THE PROGRAMME

Euroclear Nederland Shareholders who do not (or cannot) join the Programme will continue to receive cash for any dividends declared on their Shares. Full details of the Company's cash dividend procedure and the dividend timetable are available on the Company's website at [www.shell.com/dividend](http://www.shell.com/dividend).

Euroclear Nederland Shareholders should contact their bank or financial institution where they hold their relevant securities account to confirm the arrangements by which they will receive cash dividends.

## 6. CASH DIVIDEND

Euroclear Nederland Shareholders who want to receive cash dividends should contact their bank or financial institution where they hold their relevant securities account to determine whether they need to take any steps to continue to receive a cash dividend and to confirm the arrangements by which they will receive cash dividends.

## 7. DRIP PARTICIPATION

During the operation of the Programme, the ABN AMRO DRIP will not be available for future dividend reinvestment if and until such time that the Company decides to reinstate the ABN AMRO DRIP.

Euroclear Nederland Shareholders who participate in any other DRIP (for example a DRIP provided by their bank or financial institution) should contact their DRIP provider for further information about the effect on their DRIP of the operation of the Programme.

## 8. TRADING DIVIDEND RIGHTS THROUGH EURONEXT AMSTERDAM

It will not be possible to trade dividend rights through Euronext Amsterdam.

## 9. MULTIPLE HOLDINGS, JOINT HOLDINGS AND PARTIAL ELECTIONS

If a Euroclear Nederland Shareholder holds their Shares in more than one account or has a joint holding, they should contact their bank or financial institution for details of how multiple or joint holdings will be handled.

The procedures by which Euroclear Nederland Shareholders can join the Programme will vary according to their custodial arrangements with their bank or financial institution. They should contact their bank or financial institution if they wish to join the Programme in respect of part of their holding.

## 10. LEAVING THE PROGRAMME

Euroclear Nederland Shareholders should contact their bank or financial institution where they hold their relevant securities account for details of how they can leave the Programme.

## 11. CHANGES TO, CANCELLATION OR SUSPENSION OF THE PROGRAMME

At any time the Directors may, at their discretion and without notice to individual Euroclear Nederland Shareholders, modify, cancel or suspend the Programme. Details of any modification to the terms and conditions of the Programme, or of its cancellation or suspension, will be made available on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

The operation of the Programme is subject to the Directors deciding to offer a scrip dividend for any particular dividend declared. The Directors also have the power, after such a scrip dividend is offered, to revoke it at any time before the issue of new A Shares under the Programme.

**Modification**

If the Programme is modified, Euroclear Nederland Shareholders should contact their bank or financial institution to discuss whether they need to take any action under the modified arrangements to continue their participation in the Programme.

**Cancellation**

If the Programme is cancelled, Euroclear Nederland Shareholders will receive a cash dividend in the future in respect of any dividend declared in accordance with the Company's cash dividend procedure. Any future cash dividend declared on A Shares will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent.

**Suspension**

If the Programme is suspended, a cash dividend will be paid in accordance with the Company's cash dividend procedure in respect of any dividend declared, the dividend payment date for which falls during such suspension. Any future cash dividend declared on A Shares will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent.

If the Programme is suspended, Euroclear Nederland Shareholders should contact the bank or financial institution with which their relevant securities account is held to discuss whether they need to take any action to continue their participation in the Programme if the Programme recommences.

# PART C: INFORMATION FOR ADS HOLDERS

## 1. INFORMATION FOR ADS HOLDERS

### 1.1 HOW TO JOIN THE ADS PROGRAMME

Registered ADS Holders on the books of the Depositary who wish to join the ADS Programme should make a Scrip Dividend Election by completing the scrip dividend instruction form provided by the Depositary and return it to the Depositary by the ADS Election Date, by mail or overnight courier at its addresses set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

Further copies of the scrip dividend instruction form may be obtained from the Depositary by contacting BNY Mellon Shareowner Services on the telephone numbers set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

Separate scrip dividend instructions must be given for A ADSs and B ADSs, using the scrip dividend instruction forms provided by the Depositary.

An ADS Holder with only A ADSs who joins the ADS Programme will receive A ADSs under the ADS Programme. Their Scrip Dividend Election will apply to all future dividends declared in respect of their A ADSs (including in respect of all A ADSs issued under the ADS Programme).

An ADS Holder with only B ADSs who joins the ADS Programme will receive A ADSs under the ADS Programme. If they want to join the ADS Programme in respect of the A ADSs received under the ADS Programme, the ADS Holder will need to make a Scrip Dividend Election in respect of their A ADSs once they are issued to them. Registered ADS Holders will be sent a new scrip dividend instruction form. This further Scrip Dividend Election made on the new scrip dividend instruction form will apply to all future A ADSs acquired by the ADS Holder, whether under the ADS Programme or otherwise. If the ADS Holder does not make a Scrip Dividend Election for their new A ADSs, future dividends declared on those A ADSs will be paid in cash.

ADS Holders with both A ADSs and B ADSs who want to join the ADS Programme in respect of all of them will need to make a separate Scrip Dividend Election for the A ADSs and for the B ADSs as described above.

ADS Holders cannot receive Shares under the ADS Programme.

The Scrip Dividend Election will apply to all future dividends declared in respect of the holding to which it relates, unless and until it is cancelled or the ADS Programme is cancelled or suspended. If an ADS Holder joins the ADS Programme but their cash dividend is not sufficient to entitle them to one whole A ADS, they will receive a cash dividend.

The Depositary reserves the right to treat as invalid a scrip dividend instruction form that is not complete in all respects.

The Depositary will register new A ADSs in uncertificated form in the names of those registered ADS Holders who have joined the ADS Programme and will send them statements confirming that registration. Statements confirming the number of new A ADSs credited will be mailed to registered ADS Holders as soon as practicable after receipt of the underlying A Shares by the Depositary.

ADS Holders who are not the registered holder on the books of the Depositary and who instead hold ADSs through a bank, broker or other intermediary will be subject to different procedures. They should check with the relevant institution about the procedures applicable to them.

### **1.2 DEADLINE FOR JOINING (OR LEAVING) THE ADS PROGRAMME**

ADS Holders must ensure that their scrip dividend instruction form is received by the Depositary by 5.00 p.m. (EST) on the relevant ADS Election Date (which, for each dividend declared, will be notified on the Company's website at [www.shell.com/dividend](http://www.shell.com/dividend)). If the scrip dividend instruction form is received by the Depositary after 5.00 p.m. (EST) on an ADS Election Date, the Scrip Dividend Election will first apply in relation to the next dividend that the Company declares and in respect of which the Directors decide to offer a scrip dividend option.

ADS Holders who are not the registered holder on the books of the Depositary and who instead hold ADSs through a bank, broker or other intermediary will be subject to different procedures and may have an election cut-off date that is earlier than the ADS Election Date. They should check with the relevant institution about the procedures applicable to them.

### **1.3 ADS HOLDERS WHO DO NOT JOIN THE ADS PROGRAMME**

ADS Holders who want to receive a cash dividend do not need to take any action. ADS Holders who do not join the ADS Programme will continue to receive cash dividends for any dividends declared in respect of their ADSs in accordance with the Company's and the Depositary's usual cash dividend procedure, i.e. in US dollars.

ADS Holders who do not join the ADS Programme at the outset may do so at any point in the future whilst the ADS Programme remains available.

ADS Holders who are not the registered holder on the books of the Depositary and who instead hold ADSs through a bank, broker or other intermediary will be subject to different procedures. They should check with the relevant institution about the procedures applicable to them.

### **1.4 AVAILABILITY OF THE GLOBAL BUYDIRECT PLAN**

During the operation of the ADS Programme, the dividend reinvestment feature of the Global BuyDirect Plan will not be available for future dividend reinvestment if and until it is re-introduced. However, the other plan features, including optional cash payments to purchase additional ADSs and sales of ADSs, will continue to be available.

ADS Holders who participate in a DRIP through a bank, broker or other intermediary may be subject to different procedures. They should check with the relevant institution about how the operation of the ADS Programme affects their DRIP, if at all.

If an ADS Holder sells or otherwise transfers all of their A ADSs or B ADSs, this will automatically cancel any Scrip Dividend Election they have made in respect of those ADSs. However, if they later become an ADS Holder again, the ADSs will be covered automatically by any existing Scrip Dividend Election that they have made.

## 1.5 HOW NEW A ADSS ENTITLEMENTS ARE CALCULATED

The number of new A ADSs a participating ADS Holder will receive under the ADS Programme will be calculated on the basis of:

- (i) the amount of cash dividend per Share in US dollars;
- (ii) the number of ADSs held by them at the dividend record date; and
- (iii) the Reference ADS Price.

The dollar amount of the cash dividend will be divided by the Reference ADS Price to calculate the number of new A ADSs that will be received. The formula for calculating the number of new A ADSs that will be received is the following:

The number of ADSs held on the record date multiplied by the cash dividend per ADS divided by the Reference ADS Price.

The Reference Share Price will be the US dollar equivalent of the average of the closing price for the Company's A Shares listed on Euronext Amsterdam for the five dealing days commencing on (and including) the date on which the Shares are first quoted ex-dividend in respect of the relevant dividend. The following calculation, which uses hypothetical closing prices and a hypothetical Reference Exchange Rate, shows how the Reference Share Price will be calculated:

Euronext Amsterdam dealing day	Price (€)	€/US\$ Forex	Price (US\$)
ex-dividend date ("ex date")	21.955	1.3245	29.079
ex date + 1 dealing day	21.590	1.3292	28.697
ex date + 2 dealing days	21.780	1.3156	28.654
ex date + 3 dealing days	21.950	1.3144	28.851
ex date + 4 dealing days	22.115	1.3222	29.240
5 day average			28.904

This gives a Reference Share Price of US\$28.904.

The Reference ADS Price will equal the Reference Share Price of the two A Shares underlying each new A ADS.

The participating ADS Holder's entitlement to new A ADSs will always be reduced to a whole number of A ADSs and no fractional ADSs will be issued to them under the ADS Programme.

Any residual cash dividend amount will be paid to the participating ADS Holder in US dollars. If the participating ADS Holder holds A ADSs and is subject to Dutch dividend withholding tax, their residual cash dividend amount will be paid to them net of Dutch dividend withholding tax (currently at a rate of 15 per cent.).

If the participating ADS Holder holds both A ADSs and B ADSs and has given a Scrip Dividend Election in respect of both, their entitlement to new A ADSs will be calculated separately with regard to their existing A ADSs and B ADSs.

ADS Holders who are not the registered holder on the books of the Depositary and who instead hold ADSs through a bank, broker or other intermediary will be subject to different procedures. They should check with the relevant institution about the procedures applicable to them.

The following calculation, which uses a hypothetical dividend per Share, Reference Share Price and residual cash amount, illustrates how the entitlement to new A Shares of an ADS Holder subject to Dutch withholding tax may be calculated:

This example is based on the following:			
<ul style="list-style-type: none"> <li>• Number of ADSs owned: 500</li> <li>• Dividend in US\$: US\$0.84 per ADS</li> <li>• Reference Share Price: US\$28.904</li> </ul>			
<b>1. ADS entitlement calculation</b>			
If an ADS Holder has 500 ADSs, their maximum entitlement to new ADSs based on a dividend of US\$0.84 per ADS will be calculated as follows:			
Cash dividend alternative	=	500 x US\$0.84	= US\$420.00
Reference ADS price:	=	US\$28.904	
Reference Share Price of the two A Shares underlying each ADS	=	US\$28.904 x2	= US\$57.808
Number of new ADSs =	$\frac{\text{Cash dividend}}{\text{Reference ADS Price}}$	= $\frac{\text{US\$420.00}}{\text{US\$57.808}}$	= 7.265
Reducing to a whole number of ADSs			= <b>7 new ADSs</b>
<b>2. Residual balance calculation</b>			
Reference ADS price of 7 new ADSs		7 x US\$57.808	= US\$404.656
Residual cash balance before Dutch withholding tax <sup>4</sup>		US\$420 – US\$404.656	= <b>US\$15.34</b>
Less Dutch withholding tax on residual cash balance		(US\$15.34 x 15%)	= (US\$2.30)
Residual cash balance after Dutch withholding tax <sup>5</sup>			= <b>US\$13.04</b>
<b>The residual cash balance of US\$13.04 in the above example will be paid directly to ADS Holders in cash in US dollars as stated above in this paragraph 1.5 other than A ADS Holders who are not subject to Dutch withholding tax or B ADS Holders who will be paid US\$15.34.</b>			

## 1.6 IMPACT OF SALE OR PURCHASE OF ADSS

If an ADS Holder sells or otherwise transfers some or all of their ADSs, their existing Scrip Dividend Election will be deemed to be cancelled for those ADSs that they have sold or transferred, but only with effect from the registration of the relevant transfer. The existing Scrip Dividend Election will, however, continue to apply to the remainder, if any, of the ADS Holder's ADSs covered by that Scrip Dividend Election held on the dividend record date.

If an ADS Holder acquires additional A ADSs or B ADSs and those A ADSs or B ADSs (as applicable) are registered in their name by the relevant record date, the ADSs will be covered automatically by any existing Scrip Dividend Election on A ADSs or B ADSs (as applicable) that the ADS Holder has given. If an ADS Holder sells or otherwise transfers all of their A ADSs or B ADSs, this will automatically cancel any Scrip Dividend Election they have made in respect of those ADSs. However, if they later become an ADS Holder again, the ADSs will be covered automatically by any existing Scrip Dividend Election that they have made.

<sup>4</sup> Relevant for A ADS Holders who are not subject to Dutch withholding tax and B ADS Holders.

<sup>5</sup> Relevant for A ADS Holders who are subject to Dutch withholding tax.

### 1.7 MULTIPLE HOLDINGS

If an ADS Holder has ADSs registered in more than one name, then they will need to make a separate Scrip Dividend Election for each name if they want to cover all of their ADSs. If the ADS Holder would like to consolidate their holdings, they should contact BNY Mellon Shareowner Services on the telephone numbers set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

### 1.8 ADS HOLDINGS IN JOINT NAMES

The ADS Programme applies to ADSs held in joint names or in trust accounts, but the scrip dividend instruction form must be signed by all authorised parties.

### 1.9 PARTIAL ELECTIONS

An ADS Holder can join the ADS Programme in respect of their A ADSs and/or their B ADSs, but if they want to join in respect of their A ADSs and their B ADSs, they must make separate Scrip Dividend Elections on them. However, a Scrip Dividend Election may only be made for the whole of a holding of A ADSs or, as applicable, B ADSs. An ADS Holder cannot, for example, join the ADS Programme in respect of half of their A ADSs or half of their B ADSs.

### 1.10 CANCELLATION OF SCRIP DIVIDEND ELECTIONS

Registered ADS Holders can cancel their Scrip Dividend Election by writing to the Depositary by mail or overnight courier at its addresses set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

For the notice of cancellation to take effect for a particular dividend, it must be received by the Depositary by 5.00 p.m. (EST) on the relevant ADS Election Date for that dividend, which, for each dividend declared, will be notified on the Company's website at [www.shell.com/dividend](http://www.shell.com/dividend).

Once they have left the ADS Programme, the ADS Holder will receive cash dividends in accordance with the Company's usual cash dividend procedure. If an ADS Holder leaves the ADS Programme in respect of their A ADSs, future cash dividends declared in respect of those A ADSs will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent.

ADS Holders who have completed scrip dividend instruction forms for both A ADSs and B ADSs and wish to leave the ADS Programme completely must cancel each of their Scrip Dividend Elections separately by writing to the Depositary.

ADS Holders who are not the registered holder on the books of the Depositary and who instead hold ADSs through a bank, broker or other intermediary will be subject to different procedures. They should check with the relevant institution about the procedures applicable to them.

### 1.11 CHANGES TO, CANCELLATION OR SUSPENSION OF THE ADS PROGRAMME

The Company and the Depositary have agreed that, if the Programme is cancelled or suspended, the Depositary will at the same time cancel or suspend the ADS Programme. If the terms of the Programme are modified, the Depositary has agreed that it will, to the extent practicable, make corresponding modifications to the terms of the ADS Programme.

#### Modification

In the case of modification, existing Scrip Dividend Elections (unless otherwise specified by the Directors) will be deemed to remain valid under the modified arrangements unless and until cancelled or the ADS Programme is cancelled or suspended.

**Cancellation**

In the case of cancellation, existing Scrip Dividend Elections will be deemed to have been cancelled as at the date of any cancellation of the ADS Programme and ADS Holders will receive a cash dividend in the future in respect of any dividend declared in accordance with the Company's usual cash dividend procedure. Any future cash dividend declared in respect of A ADSs will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent.

**Suspension**

In the case of suspension, existing Scrip Dividend Elections will be suspended for the duration of any suspension of the ADS Programme and a cash dividend will be paid to ADS Holders in accordance with the Company's usual cash dividend procedure in respect of any dividend declared, the dividend payment date for which falls during such suspension. Any cash dividend declared in respect of A ADSs will be subject to any applicable Dutch dividend withholding tax, currently 15 per cent. If the ADS Programme is recommenced, the Scrip Dividend Elections will not automatically reactivate and ADS Holders will need to complete another scrip dividend instruction form to participate in the ADS Programme.

**1.12 GENERAL QUESTIONS AND ASSISTANCE WITH THE ADS PROGRAMME**

Registered ADS Holders may contact BNY Mellon Shareowner Services on the telephone numbers set out on the Company's website at [www.shell.com/scrip](http://www.shell.com/scrip).

ADS Holders who are not the registered holder on the books of the Depositary and who instead hold ADSs through a bank, broker or other intermediary should check with the relevant institution.

## PART D: INFORMATION ON TAXATION

*The material set out in the paragraphs below does not constitute tax advice. The tax consequences of joining the Programme will depend on individual circumstances and any person who is in doubt as to their tax position or who is subject to tax in a jurisdiction other than the Netherlands, the UK or the US should consult an appropriate professional adviser.*

*Holders of B Shares should note that the tax treatment of dividends paid on the new A Shares may differ from the treatment of dividends paid on B Shares.*

### 1. TAXATION OF SHAREHOLDERS AND RDS CORPORATE NOMINEE PARTICIPANTS

The following information is current as at March 15, 2016. The Company assumes no obligation to update this document to reflect any changes to applicable tax legislation and regulatory practice which take effect after March 15, 2016.

#### 1.1 DUTCH TAX

The following is intended as general information only and it does not purport to present a comprehensive or complete description of all aspects of Dutch tax law that could be of relevance to Participating Shareholders or RDS Corporate Nominee Participants. Participating Shareholders and RDS Corporate Nominee Participants should therefore consult their tax adviser regarding the tax consequences of the payment of any cash dividend or issue of new A Shares by the Company under the Programme.

The following summary is based on Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date of these Terms and Conditions, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

##### (a) Dutch dividend withholding tax

Participating Shareholders or RDS Corporate Nominee Participants will not be subject to Dutch dividend withholding tax with respect to new A Shares issued to them pursuant to the Programme.

The payment by the Company of any residual cash amount (by virtue of the cancellation of the Programme or because the Scrip Dividend Election of a Shareholder or RDS Corporate Nominee Participant is cancelled) will generally be subject to Dutch dividend withholding tax in respect of that payment. The Company will withhold any applicable Dutch dividend withholding tax from the gross amount of the residual cash amount due to a Shareholder or RDS Corporate Nominee at the statutory rate, which is currently 15 per cent. However, any residual cash amount paid to a B Shareholder under the dividend access mechanism will not be subject to Dutch dividend withholding tax.

If Participating Shareholders or RDS Corporate Nominee Participants are resident in the Netherlands, they are generally entitled to a full credit for any Dutch dividend withholding tax against their Dutch (personal or corporate) income tax liability and to a refund of any residual Dutch dividend withholding tax.

If Participating Shareholders or RDS Corporate Nominee Participants are resident in a country other than the Netherlands, under certain circumstances, exemptions from, reduction in or refunds of, Dutch dividend withholding tax may be available pursuant to Dutch domestic law or treaties for avoidance of double taxation.

Persons holding Shares in a securities account with a bank or financial institution holding through Euroclear Nederland or other institutions may receive payments resulting from individual arrangements made by those institutions. For example, Euroclear Nederland or an Admitted Institution may sell Shares in the market and distribute the proceeds of sale to persons holding Shares in a securities account with a bank or financial institution holding through Euroclear Nederland in lieu of an entitlement to a fraction of a Share. The Company will not be the source of the cash payments in such cases and Dutch dividend withholding tax will therefore not apply.

The Dutch dividend withholding tax treatment of future distributions on new A Shares will be identical to the treatment of distributions on existing A Shares, which means, amongst other things, that any cash distributions on new A Shares will generally be subject to Dutch dividend withholding tax irrespective of whether those new A Shares have been issued to holders of existing A Shares or holders of B Shares.

Reference is made to the final decisions of the Dutch Supreme Court of March 4, 2016 (*Miljoen, X, Société Générale*) with regard to Dutch dividend withholding tax. Based on these judgments and depending on their particular circumstances, non-Dutch individual shareholders may be entitled to a full or partial refund of Dutch dividend withholding tax. Such shareholders should seek professional advice regarding the tax consequences of the judgments for their own tax position.

**(b) Dutch personal income tax**

The description of certain Dutch tax consequences in this paragraph 1.1(b) is only intended for individuals who are resident or deemed to be resident in the Netherlands for Dutch personal income tax purposes ("**Dutch Individuals**").

However, this description is not intended for any Dutch Individuals who hold a (fictitious) substantial interest in the Company.

*(i) Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities ("box I")*

Dutch Individuals are generally subject to personal income tax at statutory progressive rates with a maximum rate of 52 per cent. with respect to any benefits derived or deemed to be derived from Dutch Enterprise Shares, including any capital gains realised on their disposal.

The receipt of new A Shares under the Programme by Participating Shareholders or RDS Corporate Nominee Participants holding Dutch Enterprise Shares should by itself not result in an obligation to report taxable income for Dutch income tax purposes. However, any subsequent benefits derived or deemed to be derived from those new A Shares, including any capital gains realised on their disposal, will be subject to Dutch personal income tax.

*(ii) Dutch Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities or having a (fictitious) substantial interest ("box III")*

Generally, a Dutch Individual who holds A Shares or B Shares, excluding Dutch Enterprise Shares, will be subject annually to Dutch personal income tax imposed on a fictitious yield on such Shares under the regime for savings and investments (inkomen uit sparen en beleggen). Irrespective of the actual income or capital gains realised, the annual taxable benefit of all the assets and liabilities of a Dutch Individual who is taxed under this regime, including new and existing A Shares and existing B Shares, is set at a fixed amount. The fixed amount equals 4 per cent. of the fair market value of the assets, including the new and existing A Shares and existing B Shares, reduced by the liabilities and measured, in general, exclusively at the beginning of every calendar year. The tax rate under the regime for savings and investments is a flat rate of 30 per cent.

**(c) Dutch corporate income tax**

The description in this paragraph 1.1(c) is only intended for entities that are ordinarily subject to Dutch corporate income tax and that are resident or deemed to be resident in the Netherlands for Dutch corporate income tax purposes ("**Dutch Corporate Entities**"). This description is not intended for Dutch Corporate Entities that hold a participation in the Company within the meaning of article 13 of the Dutch Corporate Income Tax Act 1969.

Dutch Corporate Entities are generally subject to Dutch corporate income tax at statutory rates up to 25 per cent. with respect to any benefits derived or deemed to be derived from A Shares or B Shares, including any capital gains realised on their disposal.

Dutch Corporate Entities which elect to receive new A Shares under the Programme are generally not subject to Dutch corporate income tax in respect of the receipt of those new A Shares. However, any subsequent benefits which such Dutch Corporate Entities may derive from those new A Shares (including capital gains) will generally be subject to Dutch corporate income tax.

**(d) Stamp duty**

No Dutch taxes of a documentary nature, such as capital tax, stamp or registration tax or duty, are payable by the Company or by or on behalf of Participating Shareholders or RDS Corporate Nominee Participants by reason only of the issue of new A Shares under the Programme.

**1.2 UK TAX**

The paragraphs below set out a general summary of the position under UK law and HMRC practice (in effect as of March 15, 2016) of Shareholders and RDS Corporate Nominee Participants who are resident solely in the UK for tax purposes ("**UK Shareholders**"). They do not apply to UK Shareholders who hold their Shares under an Individual Savings Account, nor to certain special categories of UK Shareholder such as pension funds or dealers in securities.

Certain aspects of the tax treatment for UK Shareholders who have (or are deemed to have) acquired their Shares by reason of an office or employment ("**Employee Shareholders**") are discussed in paragraph 1.2(c) of this Part D.

**(a) Withholding tax**

No UK withholding tax is applicable to the payment of a cash dividend or to the issue of new A Shares.

However, it should be noted that cash distributions on A Shares are generally subject to Dutch dividend withholding tax, applied at a rate of 15 per cent; see paragraph 1.1(a) of this part D. A UK Shareholder should be entitled to a credit for two-thirds of the Dutch withholding tax to set against UK tax payable on that dividend (a "**Withholding Tax Credit**"), though the credit will be lost to the extent that it cannot be used in this way. The UK Shareholder should also be entitled to claim a refund (payable in euros) of the remaining one-third of the Dutch withholding tax from the Dutch Revenue Service (a "**Dutch Tax Refund**"), in reliance on the double tax treaty between the Netherlands and the UK (the "**Treaty**").

There may be other grounds too on which UK Shareholders who are individuals could obtain a full or partial refund of the Dutch dividend withholding tax, depending on their particular circumstances; see the reference at the end of paragraph 1.1(a) of this Part D to decisions released by the Dutch Supreme Court on March 4, 2016.

**(b) Direct tax**

*(i) New A Shares*

A UK Shareholder who elects to receive new A Shares under the Programme will not be liable to UK tax on their receipt.

For the purposes of UK taxation of chargeable gains, the new A Shares will be treated as the same asset as the existing holding of Shares (the “**Original Holding**”) in respect of which the Scrip Dividend Election was made, acquired when the Original Holding was acquired (together the “**New Holding**”). No additional base cost will accrue in respect of the A Shares issued under the Programme, so the New Holding will have the same base cost for chargeable gains purposes as the Original Holding.

On a subsequent disposal of any part of the New Holding, UK Shareholders may, depending on their individual circumstances (including the availability of any exemption or relief), be subject to capital gains tax or corporation tax on chargeable gains. For UK Shareholders who receive new A Shares in respect of an Original Holding of B Shares, special rules apply to enable the base cost attributable to the New Holding to be apportioned between the A Shares and the B Shares comprised within it. The base cost is apportioned between those two “sub-holdings” of Shares in proportion to the relative market values of the respective “sub-holdings” on the dividend payment date.

For example, assume that (i) an Original Holding of 1,000 B Shares has been acquired at a cost of £30 per Share, (ii) the shareholder receives 16 A Shares under the Programme, and (iii) the hypothetical market price on the dividend payment date of each A Share is £25 and of each B Share is £27. That shareholder’s £30,000 base cost in the New Holding of 1,000 B Shares and 16 A Shares would be divided as follows:

*For the 16 A Shares*

Total base cost attributable to A Shares = actual base cost x (number of new A Shares x market price of an A Share) / ((number of B Shares x market price of a B Share) + (number of new A Shares x market price of an A Share)), i.e.

$£30,000 \times (16 \times £25) / ((1,000 \times £27) + (16 \times £25)) = £437.96$  in aggregate, or £27.37 per A Share

Therefore, if the shareholder in question decided to sell their holding of A Shares for £500, they would in principle be treated as realising a chargeable gain of  $£500 - £437.96 = £62.04$ .

*For the 1,000 B Shares*

Total base cost attributable to B Shares = actual base cost x (number of B Shares x market price of a B Share) / ((number of B Shares x market price of a B Share) + (number of new A Shares x market price of an A Share)), i.e.

$£30,000 \times (1,000 \times £27) / ((1,000 \times £27) + (16 \times £25)) = £29,562.04$  in aggregate, or £29.56 per B Share

This example is for illustrative purposes only, and does not (for instance) take account of any exemptions or reliefs that may be available. On any future disposal of A Shares or B Shares, UK Shareholders are advised to seek independent professional advice as to the amount on which capital gains tax will be assessed in their particular circumstances.

(ii) *Cash dividends paid to individuals on or after April 6, 2016*

The UK government announced in the Summer Budget of July 2015 that it intended to introduce significant changes to the income tax treatment of dividends with effect from April 6, 2016. Draft legislation was published on December 9, 2015.

**The remainder of this paragraph 1.2(b)(ii) assumes that legislation providing for these changes will be enacted in the form published in draft on December 9, 2015. It is, however, not certain that any such legislation will actually be enacted or, if it is, that it will be enacted in the same form.**

Dividends paid by the Company on or after 6 April 2016 will not carry a UK tax credit and will be subject to new rates of income tax. Those rates are 0 per cent for the first £5,000 of taxable dividend income (the "nil rate band"), 7.5 per cent for dividend income within the basic rate band, 32.5 per cent for dividend income within the higher rate band and 38.1 per cent for dividend income within the additional rate band. Dividends within the nil rate band that would otherwise have been subject to the 7.5 per cent or 32.5 per cent rates will use up a portion of the relevant person's basic or higher rate band, respectively.

The same UK rules will apply whether the dividend is paid to a holder of Shell A Shares or to a holder of Shell B Shares; and it will continue to be the case that UK Shareholders should be able to claim a Dutch Tax Refund for one-third of the Dutch withholding tax (i.e. 5 per cent) applicable to dividends on Shell A Shares (or on the Shell B Shares, if the dividends were paid directly by Shell rather than through the dividend access mechanism).

However, the remaining Dutch withholding tax (i.e. 10 per cent) may affect an individual's post-tax receipts from such dividends if it exceeds the UK tax otherwise payable on such dividend income for the relevant tax year, as determined taking into account the nil rate band. HMRC have confirmed that UK resident individuals with more than £5,000 of dividend income in a given tax year will be entitled to choose which dividends are covered by their nil rate band.

The detailed UK income tax treatment is set out below.

*Shell A Shares*

Under the new rules, a UK Shareholder who is an individual will not be liable to UK tax on a Shell A Share dividend to the extent that (taking account of any other dividends received by the shareholder in the same tax year) the dividend falls within the nil rate band.

The dividend will, however, be subject to Dutch withholding tax at a rate of 15 per cent. A UK Shareholder should be able to claim a Dutch Tax Refund for one-third of that tax (5 per cent) but, because there is no liability to UK tax, will not obtain credit for the remaining Dutch withholding tax (10 per cent).

To the extent that (taking account of any other dividends received by the UK Shareholder in the same tax year) the dividend does not fall within the nil rate band, it will be subject to income tax at 7.5 per cent (to the extent it is within the basic rate band), 32.5 per cent (to the extent it is within the higher rate band) or 38.1 per cent (to the extent it is within the additional rate band).

The dividend will again be subject to Dutch withholding tax, at a rate of 15 per cent, and the UK Shareholder should be able to claim a Dutch Tax Refund for one-third of that tax (5 per cent). In addition, the shareholder will generally be entitled to a Withholding Tax Credit, allowing set-off of some or all of the remaining Dutch withholding tax (10 per cent) against the shareholder's income tax liability.

### *Shell B Shares*

If holders of Shell B Shares received dividends directly from Shell, those dividends would be taxed in the same way as dividends on Shell A Shares.

Assuming, however, that holders of Shell B Shares receive dividends under the dividend access mechanism, the tax treatment will be different because there will be no Dutch withholding tax. This means that the question of claiming a Dutch Tax Refund and Withholding Tax Credit will not arise.

The UK tax position will be as follows. A UK Shareholder who is an individual will not be liable to UK tax on a Shell B Share dividend received under the dividend access mechanism, to the extent that (after taking account of any other dividends received by the shareholder in the same tax year) the dividend falls within the nil rate band. The dividend will otherwise be subject to income tax at 7.5 per cent (to the extent it is within the basic rate band), 32.5 per cent (to the extent it is within the higher rate band) or 38.1 per cent (to the extent it is within the additional rate band).

#### *(iii) Cash dividends paid to individuals before April 6, 2016*

For the benefit of any UK Shareholder who needs to know the UK rules that governed the taxation of cash dividends paid before 6 April 2016, these are summarised below.

### *Shell A Shares*

When the Company paid a dividend on an A Share to a UK Shareholder who was an individual, the shareholder was entitled to a UK tax credit equal to one-ninth of the dividend. The dividend plus the related tax credit (the “**grossed-up dividend**”, illustrated in the example given below) was part of the shareholder’s total income for UK income tax purposes and was regarded as the highest part of that income. However, in calculating the shareholder’s liability to income tax in respect of the grossed-up dividend, the tax credit was set off against the tax chargeable on the grossed-up dividend.

The Company will have withheld Dutch tax at a rate of 15 per cent. Taking into account the UK tax credit and the Dutch withholding tax, the result is that a UK Shareholder who was liable to UK income tax at the basic rate will have received £76.50 on a dividend of £90 and will not have had any further UK tax liability.

A UK Shareholder who was liable to UK income tax at the higher rate will have been subject to tax on the grossed-up dividend at the rate of 32.5 per cent., to the extent that the grossed-up dividend fell above the threshold for the higher rate of income tax. This means that the tax credit will have satisfied only part of the liability to income tax on the grossed-up dividend, so that the shareholder will in principle have had to account for income tax equal to 22.5 per cent. of the grossed-up dividend. However, such a shareholder will generally have been able to claim a Withholding Tax Credit through their tax return.

Therefore, on a dividend of £90 from the Company, the grossed-up dividend will have been £100 (after the addition of the UK tax credit of £10) and the Shareholder, after claiming a Withholding Tax Credit, will have had a residual liability to UK income tax of £13.50. This will have represented a total UK liability of £32.50 (32.5 per cent. of £100) less £10 (the amount of the standard UK tax credit) less £9 (credit for two-thirds of the Dutch withholding tax).

The same principles will have applied on receipt of an A Share dividend by a UK Shareholder who was liable to UK income tax at the additional rate (being 37.5 per cent. for dividend income). The UK tax credit will have satisfied only part of the shareholder's liability to income tax on the grossed-up dividend. So after claiming a Withholding Tax Credit in their tax return, the shareholder will have had a residual liability to UK income tax of £18.50, being £37.50 (37.5 per cent. of £100) less £10 (the amount of the standard UK tax credit) less £9 (credit for two-thirds of the Dutch withholding tax).

In all cases (including where the dividend was not taxable at all, because it was covered by the relevant shareholder's personal allowance), a UK Shareholder who received an A Share dividend and was entitled to the benefit of the Treaty should also have been entitled to claim from the Dutch Revenue Service a refund (payable in euros) of the remaining one-third of the Dutch withholding tax.

### *Shell B Shares*

When a dividend was paid under the dividend access mechanism to a UK Shareholder who was an individual, the shareholder will have been entitled to a tax credit equal to one-ninth of the dividend. The grossed-up dividend will have been part of the shareholder's total income for UK income tax purposes and will have been regarded as the highest part of that income. However, in calculating the shareholder's liability to income tax in respect of the grossed-up dividend, the tax credit will have been set off against the tax chargeable on the grossed-up dividend.

The result is that a UK Shareholder who was liable to UK income tax at the basic rate will not have had any further UK tax liability.

A UK Shareholder who was liable to UK income tax at the higher rate will have been subject to tax on the grossed-up dividend at the rate of 32.5 per cent., to the extent that the grossed-up dividend fell above the threshold for the higher rate of income tax. This means that the tax credit will have satisfied only part of the liability to income tax on the grossed-up dividend, so that the shareholder will in principle have had to account for income tax equal to 22.5 per cent. of the grossed-up dividend.

Therefore, on a dividend of £90 from the Company the grossed-up dividend will have been £100 (after the addition of the tax credit of £10) and the shareholder will have had a residual liability to UK income tax of £22.50 on the dividend, being £32.50 (i.e. 32.5 per cent. of £100) less £10 (the amount of the tax credit), which will have equated to 25 per cent. of the dividend received.

The same principles will have applied on receipt of a dividend through the dividend access mechanism by a UK Shareholder who was liable to UK income tax at the additional rate (being 37.5 per cent. for dividend income). The tax credit will have satisfied only part of the shareholder's liability to income tax on the grossed-up dividend and there will have been a residual liability to UK income tax of £27.50, being £37.50 (i.e. 37.5 per cent. of £100) less £10 (the amount of the tax credit), which will have equated to approximately 30.6 per cent. of the dividend received.

### (c) **Employees**

The Company received confirmation from HMRC that there would be no tax on the issue of new A Shares to Employee Shareholders under its previous scrip dividend programme and considers that the position should be the same under the Programme. For those Employee Shareholders who do not choose to receive new A Shares, the cash dividend should be taxed in the same way as any other cash dividend from the Company. The tax treatment of any disposal of new A Shares by an Employee Shareholder could in some cases differ from the position set out in paragraph 1.2(b)(i) of this Part D, depending, for example, on whether the Shares are at any time held in a trust.

(d) **Companies**

Corporate UK Shareholders will not generally be subject to UK tax on receipt of a cash dividend or new A Shares from the Company. A cash dividend paid on A Shares will be subject to Dutch withholding tax at 15 per cent but, assuming the shareholder is entitled to the benefit of the Treaty, it should be able to claim a refund of one-third of that tax (i.e. 5 per cent of the dividend amount, payable in euros) from the Dutch Revenue Service.

(e) **Stamp duty and stamp duty reserve tax**

No stamp duty or stamp duty reserve tax will be payable on the issue of new A Shares to UK Shareholders under the Programme.

**1.3 US TAX**

**The following information is current as of March 15, 2016. The Company assumes no obligation to update this document to reflect any changes to applicable tax legislation and regulatory practice which take effect after March 15, 2016.**

**The following is a summary of the US Federal income tax consequences for Participating Shareholders and RDS Corporate Nominee Participants joining the Programme. This summary applies only to US holders, which means beneficial owners of Shares, holding such Shares as capital assets and who are (i) individuals who are citizens or residents of the US, (ii) corporations (or other entities taxable as corporations) created or organised in or under the laws of the US or any state thereof or the District of Columbia, (iii) estates the income of which is subject to US Federal income tax regardless of its source, or (iv) trusts if a court within the US is able to exercise primary supervision over their administration and one or more US persons have the authority to control all substantial decisions of the trusts or if the trusts have made a valid election to be treated as US persons.**

This summary may not apply to a Shareholder or RDS Corporate Nominee Participant which is a US holder with a special tax status, such as a dealer in securities or currencies, trader in securities using a mark-to-market method of accounting, bank, financial institution, tax-exempt entity, regulated investment company, real estate investment trust, insurance company, US expatriate, a person liable for alternative minimum tax or who acquires Shares through the exercise of options, or otherwise as compensation, or through a tax-qualified retirement plan or who is holding Shares as part of a hedge, straddle or conversion transaction or whose "functional currency" is not the US dollar or who is a partner in a partnership holding the Company's Shares. This summary does not address any US Federal non-income tax (such as estate or gift taxes or Medicare tax on certain investment income) or any state, local, or non-US tax consequences. As a Shareholder's or RDS Corporate Nominee Participant's tax treatment may depend on their own particular circumstances, Shareholders and RDS Corporate Nominee Participants should consult their own tax adviser regarding the US Federal, state, local, foreign and other tax consequences of receiving a scrip dividend of new A Shares instead of a cash dividend.

This summary does not apply to persons holding Shares in a securities account with a bank or financial institution holding through Euroclear Nederland or ADS Holders. A summary of the US Federal income tax consequences for persons holding Shares in a securities account with a bank or financial institution holding through Euroclear Nederland and ADS Holders joining the Programme is provided in paragraphs 2 and 3 respectively of this Part D.

Shareholders or RDS Corporate Nominee Participants who receive a scrip dividend of new A Shares instead of a cash dividend will recognise ordinary dividend income for US tax purposes. This dividend income will be subject to the same rate of US Federal income tax as a cash dividend paid by the Company. However, the amount of dividend income a Shareholder or RDS Corporate Nominee Participant will recognise might be different for a scrip dividend of new A Shares than for a cash dividend.

The amount of a Shareholder's or an RDS Corporate Nominee Participant's dividend income for any dividend payment date will equal the fair market value of the new A Shares they are entitled to receive on that dividend payment date plus any residual cash amount retained by the Company on that Shareholder's or RDS Corporate Nominee Participant's behalf for that dividend payment date, minus any residual cash amount applied toward the receipt of such new A Shares. The fair market value of the new A Shares will be based on their US dollar value on the dividend payment date, which might be different from the Reference Share Price used to determine the number of new A Shares to which such Shareholder or RDS Corporate Nominee is entitled. A Shareholder's or RDS Corporate Nominee Participant's dividend income will not include the value of any new A Shares they are entitled to receive through the application of their residual cash amount.

A Shareholder's or RDS Corporate Nominee Participant's tax basis in the new A Shares so received will equal the fair market value of such new A Shares on the relevant dividend payment date. A Shareholder's or RDS Corporate Nominee Participant's holding period in the new A Shares received will begin on the day after the relevant dividend payment date.

## **2. TAXATION OF ADS HOLDERS**

**The following information is current as at March 15, 2016. The Company assumes no obligation to update this document to reflect any changes to applicable tax legislation and regulatory practice which take effect after March 15, 2016.**

**The following is a summary of the US Federal income tax and Dutch dividend withholding tax consequences for ADS Holders that elect to receive a scrip dividend of new A ADSs instead of a cash dividend. This summary applies only to US ADS Holders, which means beneficial owners of ADSs holding such ADSs as capital assets and who are (i) individuals who are citizens or residents of the US, (ii) corporations (or other entities taxable as corporations) created or organised in or under the laws of the US or any state thereof or the District of Columbia, (iii) estates the income of which is subject to US Federal income tax regardless of its source, or (iv) trusts if a court within the US is able to exercise primary supervision over their administration and one or more US persons have the authority to control all substantial decisions of the trusts or if the trusts have made a valid election to be treated as US persons.**

This summary may not apply to a US ADS Holder with special tax status, such as a dealer in securities or currencies, trader in securities using a mark-to-market method of accounting, bank, financial institution, tax exempt entity, regulated investment company, real estate investment trust, insurance company, US expatriate, a person liable for alternative minimum tax or who is holding ADSs as part of a hedge, straddle or conversion transaction or whose "functional currency" is not the US dollar or who is a partner in a partnership holding ADSs in the Company.

This summary does not address any US Federal non-income tax (such as estate or gift taxes or Medicare tax on certain investment income) or any state, local, or non-US tax consequences. As each individual ADS holder's tax treatment may depend on their own particular circumstances, ADS Holders should consult their own tax advisers regarding the US Federal, state, local, foreign and other tax consequences of receiving a scrip dividend of new A ADSs instead of a cash dividend.

If an ADS Holder holds A ADSs, Dutch dividend withholding tax, which is currently charged at 15 per cent., will not apply to a scrip dividend of new A ADSs but, to the extent they have not otherwise established an exemption, will apply to any residual cash dividend paid in lieu of a fractional A ADS. If an ADS Holder holds B ADSs, Dutch dividend withholding tax will not apply to any portion of their dividend. Generally, the Dutch tax withheld is eligible to be claimed as a foreign tax credit against the ADS Holder's US Federal income tax or, alternatively, to be claimed as a deduction in computing their US Federal income tax.

The rules concerning the credit or deduction for foreign taxes are very complex and ADS Holders should consult with their own tax adviser to consider the effect of the Dutch withholding tax in their particular circumstances. ADS Holders are also referred to the discussion of Dutch dividend withholding tax contained in paragraph 1.1(a) of this Part D.

An ADS Holder who receives a scrip dividend of new A ADSs instead of a cash dividend will recognise ordinary dividend income for US tax purposes. This dividend income will be subject to the same rate of US Federal income tax as a cash dividend paid by the Company. However, the amount of dividend income they will recognise for a scrip dividend of new A ADSs might be different than for a cash dividend.

The amount of their dividend income will equal (i) the number of new A ADSs they receive as a scrip dividend multiplied by the fair market value of the two A Shares underlying each A ADS, plus (ii) the amount of cash distributed to them as a residual cash dividend in lieu of a fractional A ADS, plus (iii) the Dutch dividend withholding tax (if any) withheld in respect of the cash dividend in (ii). The fair market value of each A Share will be based on its US dollar value on the dividend payment date, which may differ from the Reference Share Price and from the Reference ADS Price used to determine the number of new A ADSs to which they are entitled.

The US ADS Holders' tax basis in the new A ADSs they receive as a scrip dividend will equal the number of new A ADSs they so receive multiplied by the fair market value of the two A shares underlying each A ADS on the relevant dividend payment date. Their holding period for their new A ADSs will begin on the day after the dividend payment date.

Following the outcome of two cases heard by the European Court, HMRC accepts that the issue of new Shares to a depository in the context of a scrip dividend programme (and in most other circumstances) will not be subject to UK stamp duty reserve tax.

### **3. US TAXATION OF EUROCLEAR NEDERLAND SHAREHOLDERS**

**The following is a summary of the US Federal income tax consequences of joining the Programme for persons who hold Shares in a securities account with a bank or financial institution holding through Euroclear Nederland ("Euroclear Nederland Shareholders"), as at March 15, 2016.**

**This summary applies only to US Euroclear Nederland Shareholders, which means beneficial owners of Shares holding such Shares as capital assets and who are (i) individuals who are citizens or residents of the US, (ii) corporations (or other entities taxable as corporations) created or organised in or under the laws of the US or any state thereof or the District of Columbia, (iii) estates the income of which is subject to US Federal income tax regardless of its source, or (iv) trusts if a court within the US is able to exercise primary supervision over their administration and one or more US persons have the authority to control all substantial decisions of the trusts or if the trusts have made a valid election to be treated as US persons.**

This summary may not apply to a US Euroclear Nederland Shareholder with special tax status, such as a dealer in securities or currencies, trader in securities using a mark-to-market method of accounting, bank, financial institution, tax-exempt entity, regulated investment company, real estate investment trust, insurance company, US expatriate, a person liable for alternative minimum tax or who acquires Shares through the exercise of options, or otherwise as compensation, or through a tax-qualified retirement plan or who is holding Shares as part of a hedge, straddle or conversion transaction or whose “functional currency” is not the US dollar or who is a partner in a partnership holding the Company’s Shares.

This summary does not address any US Federal non-income tax (such as estate or gift taxes or Medicare tax on certain investment income) or any state, local, or non-US tax consequences. As each individual Euroclear Nederland Shareholder’s tax treatment may depend on their own particular circumstances, Euroclear Nederland Shareholders should consult their own tax advisers regarding the US Federal, state, local, foreign and other tax consequences of receiving a scrip dividend of new A Shares instead of a cash dividend.

A Euroclear Nederland Shareholder credited with new A Shares instead of a cash dividend will recognise ordinary dividend income for US tax purposes. This dividend income will be subject to the same rate of US Federal income tax as a cash dividend paid by the Company. However, the amount of dividend income recognised might be different for a scrip dividend of new A Shares than for a cash dividend.

The amount of dividend income for any dividend payment date will equal the fair market value of the new A Shares credited to the US Euroclear Nederland Shareholder on that dividend payment date, including any fractional entitlements. The fair market value of the new A Shares will be based on their US dollar value on the dividend payment date, which might be different from the Reference Share Price used to determine the number of new A Shares credited.

The tax basis in the new A Shares credited to the US Euroclear Nederland Shareholder, including any fractional entitlements, will equal that shareholder’s dividend income. Upon the sale of fractional entitlements by Euroclear Nederland on behalf of the US Euroclear Nederland Shareholder, that shareholder will recognise gain or loss equal to the difference between the net cash proceeds credited to them and their tax basis in such fractional entitlements. The US Euroclear Nederland Shareholder’s holding period in the new A Shares credited to them will begin on the day after the relevant dividend payment date.

## PART E: GLOSSARY

<b>A Shares</b>	A ordinary shares of €0.07 each in the capital of the Company;
<b>ABN AMRO DRIP</b>	The service offered by ABN AMRO Bank N.V. to investors who hold their Shares in a securities account with a bank or financial institution holding through Euroclear Nederland;
<b>Admission and Admitted</b>	Admission of the new A Shares to the Official List and to trading on the main market of the London Stock Exchange and/or admission of the new A Shares to Euronext Amsterdam;
<b>Admitted Institutions</b>	The institutions which hold Shares on behalf of their clients through Euroclear Nederland as an admitted institution of Euroclear Nederland or, as the context so permits, which hold Shares on behalf of their clients through an institution which is an admitted institution of Euroclear Nederland;
<b>ADS</b>	American depository shares of the Company, each representing two A Shares or two B Shares (as applicable);  and the terms A ADS and B ADS should be construed accordingly;
<b>ADS Holders</b>	Holders of ADSs;
<b>BNYM Reinvestment DRIPs</b>	The dividend reinvestment feature of the Global BuyDirect Plan and the DRIP administered by the Depositary in respect of the ADSs;
<b>B Shares</b>	B ordinary shares of €0.07 each in the capital of the Company;
<b>Business Day</b>	Any day on which banks are generally open in London for the transaction of business other than a Saturday, Sunday or public holiday;
<b>Company</b>	Royal Dutch Shell plc;
<b>CREST</b>	The relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI2001/3755)) in respect of which Euroclear UK & Ireland Limited is the operator;
<b>CREST Dividend Election Input Message</b>	The method by which a CREST Shareholder communicates their Scrip Dividend Election;
<b>CREST Shareholders</b>	Shareholders who hold Shares through CREST;
<b>Depositary</b>	The Bank of New York Mellon, the depositary for the ADSs;
<b>Directors</b>	The directors of the Company from time to time;
<b>DRIP</b>	Dividend reinvestment plan;
<b>Dutch Corporate Entities</b>	Has the meaning given in paragraph 1.1(c) of Part D;
<b>Dutch Enterprise Shares</b>	A Shares, B Shares or any right to derive benefits from A Shares or B Shares:  (a) which are attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur (ondernemer) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder); or  (b) from which a Dutch Individual derives benefits which are taxable as benefits from miscellaneous activities (resultaat uit overage werkzaamheden), including, without limitation, activities which are beyond the scope of active portfolio investment activities (normaal actief vermogensbeheer);
<b>Dutch Individuals</b>	Has the meaning given in paragraph 1.1(b) of Part D;
<b>Dutch Tax Refund</b>	Has the meaning given in paragraph 1.2(a) of Part D;

<b>Election Date</b>	The latest date for receipt of Scrip Dividend Elections for a particular dividend;
<b>Employee Shareholders</b>	Has the meaning given in paragraph 1.2 of Part D;
<b>Equiniti DRIP</b>	The DRIP administered by Equiniti Financial Services Limited and available to Shareholders and to RDS Corporate Nominee Participants;
<b>Euroclear Nederland</b>	The Dutch depository and settlement institute defined as the "Central Institute" under the provisions of the Securities Giro Act ( <i>Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.</i> );
<b>Euroclear Nederland Shareholder(s)</b>	Person(s) holding Shares in a securities account with a bank or financial institution holding through Euroclear Nederland;
<b>Euronext Amsterdam</b>	As the context requires, Euronext Amsterdam N.V. or Eurolist by Euronext Amsterdam;
<b>Grossed-up Dividend</b>	Has the meaning given in paragraph 1.2(b)(iii) of Part D;
<b>HMRC</b>	Her Majesty's Revenue and Customs;
<b>London Stock Exchange</b>	London Stock Exchange plc;
<b>New Holding</b>	Has the meaning given in paragraph 1.2(b)(i) of Part D;
<b>Nil Rate Band</b>	Has the meaning given in paragraph 1.2(b)(ii) of Part D;
<b>Official List</b>	The official list of the UK Listing Authority;
<b>Original Holding</b>	Has the meaning given in paragraph 1.2(b)(i) of Part D;
<b>Participating Shareholders or RDS Corporate Nominee Participants</b>	Shareholders or RDS Corporate Nominee Participants (as applicable) who join the Programme;
<b>Programme</b>	The Company's scrip dividend programme as comprised under, and subject to, the terms and conditions contained in this document, as amended from time to time;
<b>RDS Corporate Nominee</b>	Equiniti Corporate Nominees Limited, whose address is set out on the Company's website at <a href="http://www.shell.com/dividend">www.shell.com/dividend</a> ;
<b>RDS Corporate Nominee Participants</b>	Persons who hold interests in Shares through the RDS Corporate Nominee;
<b>RDS Corporate Nominee Service</b>	The corporate nominee service offered to holders of Shares by the RDS Corporate Nominee;
<b>RDS Recognised DRIPs</b>	The Equiniti DRIP, the ABN AMRO DRIP and the BNYM Reinvestment DRIPs;
<b>Reference ADS Price</b>	The reference ADS price used for calculating a participating ADS Holder's entitlement under the Programme, as described in paragraph 1.5 of Part C;
<b>Reference Exchange Rate</b>	Has the meaning given in paragraph 5 of Part A;
<b>Reference Share Price</b>	The reference share price used for calculating a Participating Shareholder's entitlement under the Programme, as described in paragraph 5 of Part A;
<b>Registrar</b>	The Company's registrar, Equiniti Limited, whose address is set out on the Company's website at <a href="http://www.shell.com/dividend">www.shell.com/dividend</a> ;
<b>Scrip Dividend Election</b>	An election by a Shareholder or an instruction by an RDS Corporate Nominee Participant to the RDS Corporate Nominee, or an instruction by an ADS Holder to the Depository, to join the Programme (or in the case of an ADS Holder, the ADS Programme) made in accordance with these Terms and Conditions;

<b>Scrip Dividend Election Form</b>	The form provided by the Company from time to time by which a Shareholder holding share certificates can make a Scrip Dividend Election;
<b>Scrip Dividend Instruction Form</b>	The form provided by the RDS Corporate Nominee from time to time by which an RDS Corporate Nominee Participant can make a Scrip Dividend Election;
<b>Shareholders</b>	Registered shareholders holding A Shares and/or B Shares;
<b>Shares</b>	A Shares and/or B Shares, as applicable;
<b>Terms and Conditions</b>	The terms and conditions of the Programme set out in this document, as amended by the Company from time to time;
<b>Treaty</b>	Has the meaning given in paragraph 1.2(a) of Part D;
<b>UK Shareholders</b>	Has the meaning given in paragraph 1.2 of Part D;
<b>Withholding Tax Credit</b>	Has the meaning given in paragraph 1.2(a) of Part D.



04/2016

