Brazil Shareholder visit 2016
Re-shaping Shell, to create a world-class investment case

Royal Dutch Shell plc
November 9, 2016

“Let’s make the future”
Harry Brekelmans
Projects & Technology Director
Royal Dutch Shell plc
Definitions & cautionary note

Resources: Our use of the term “reserves” in this presentation means SEC proved oil and gas reserves.

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

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

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

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

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

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

This release contains forward-looking statements concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “goals”, “intend”, “may”, “objectives”, “outlook”, “plan”, “probably”, “project”, “risks”, “schedule”, “seek”, “should”, “target”, “will” and similar terms and phrases. There are a number of factors that could affect the future operations of Royal Dutch Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this release, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell’s products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. There can be no assurance that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this release are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Royal Dutch Shell’s 20-F for the year ended December 31, 2015 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly qualify all forward looking statements contained in this release and should be considered by the reader. Each forward-looking statement speaks only as of the date of this release, November 9, 2016. Neither Royal Dutch Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this release.

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

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

HSSE - Goal zero
- No harm, no leaks
- Continued year-on-year improvement

Improve capital efficiency
- $6 billion in 2015-16

Affordable technology
- Drives value creation
- Strengthen deployment
HSSE performance

Goal Zero on safety
Injuries – TRCF/million working hours

Spills - operational
Volume in thousand tonnes

Preventing + mitigating major safety events
Control barriers
Recovery measures

Process safety
Number of incidents

- HSSE priority
- Performance + transparency

Excludes BG
2015-16 actions

**Improve Capital Efficiency**

- On-track to deliver $6 billion capital efficiency savings in 2015-16
- Portfolio Unit Development Costs reduced by 20% since 2014

2015-16 capital efficiency potential: $6 billion

- Driving structural change
- Integrated approach
- Capability is key

![Pie chart showing capital efficiency potential breakdown: 30% Facilities, 70% Wells]
Supply chain

Extracting value in the supply chain

40% demand driven
Planning, scheduling, efficiency + utilisation

- Demand management
- Performance management

40% specification driven
Design, equipment and scope specifications

- Competitive scoping
- Fit-for-purpose specifications

20% price driven
Contract rates and unit prices

- Leverage scale
- Enterprise Framework Agreements

Sustainable capital reductions

Lifecycle cost savings deep water

- Wells services
- Logistics
- Installed equipment
- Offshore engineering and infrastructure
- Rigs
- Offshore operations and maintenance

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td>Logistics</td>
<td></td>
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<tr>
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<td>Operations</td>
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<td>Maintenance</td>
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60% 40% 20% 0%
Supply chain

Rig strategy and rig rates

**Ultra deep water rig rates**

<table>
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<tr>
<th>Year</th>
<th>Shell contracts</th>
<th>Major IOC competitors</th>
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<tr>
<td>2008</td>
<td>600</td>
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<tr>
<td>2010</td>
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<td>2016</td>
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<td>350</td>
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<td>2018</td>
<td>350</td>
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Rig strategy

- Global procurement and long term contracts provide competitive advantage
- Mitigate 2017-19 rig idle exposure:
  - Farm-outs
  - Accelerate wells reservoir facilities management activities
  - Delay new builds
- Deep water activity reduced
  - From 18 rigs in 2014 to 6 rigs active end 2017
  - 3 contracts with rates discounted to spot market
  - 50% reduction in variable spread day rates since 2015

**Gulf of Mexico floater variable spread day rates**

Index, Jan 2015 = 100

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<tr>
<td>Q1</td>
<td>100</td>
<td>-11%</td>
<td>-6%</td>
<td>-12%</td>
<td>-10%</td>
<td>-2%</td>
<td>-23%</td>
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<tr>
<td>Q2</td>
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<td>50</td>
<td>35</td>
<td>25</td>
<td>20</td>
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<td>10</td>
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Total -50%
Competitive scoping

**Major growth projects**

**Stones**
- First production September 2016
- 13th FPSO in Shell’s portfolio
- Subsea infrastructure beneath 9,500 feet of water.
- > $1 billion of capex savings

**Appomattox**
- 2015 FID
- Shell’s 8th floating platform in GoM
- Produces from Appomattox and Vicksburg fields
- 20% saving compared to investment promise

**Geismar**
- World’s largest manufacturer of alpha olefins
- 425,000 tonnes additional capacity
- >$120 million (17%) saved with respect to original proposal
Efficient execution

Delivery against investment promise

Closing the gap to wells top-quartile performance

<table>
<thead>
<tr>
<th>Year</th>
<th>Shell operated wells, $ billion</th>
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<tbody>
<tr>
<td>2013</td>
<td>3</td>
</tr>
<tr>
<td>2014</td>
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<td>2015</td>
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<td>2016E</td>
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Project cost performance

Aggregate overspend against original P50 investment promise

- Delivering on spend target in Q3 2016 for projects under construction
- 75% of projects delivered within 10% of investment promise
- 60% of projects delivered with less than 3 months delay versus schedule

- Increasing number of top quartile wells
- Focus on operational performance
- More stability in rig sequence
- Improved deep water logistics

- Delivering on investment promise
- Investment promise more competitive
Improve Capital Efficiency

Deep water projects break-even price
$ per boe (examples)

- Delivering world class development funnel
- Structural improvements in capital efficiency
- Not dependent on supply chain only

Reducing break-even: new projects less than $45/bbl

Example - Kaikias break-even price pre-FID
$ per barrel

- Current estimate - under construction
- Current estimate - pre-FID
- Previous estimate

Original estimate
Competitive scoping
Efficient execution
Supply chain
Current estimate
Affordable Technology

Research & development – 2017 estimate
$1.1 billion

- Strengthen core assets
- Frontier energy/chemicals innovation
- R&D investment of around 1 billion
- Focus on supporting current core business, selective technology firsts and fundamental research
- Collaborate to strengthen faster deployment of new technologies

Platform for Advanced Control and Estimation

- Advanced Process Control generates close to $1 Bln p/a in benefits across Shell
- Reduces variations in operation, keeps the process within constraints and optimises the operation
- The Platform for Advanced Control and Estimation is driving down costs of developing, using and maintaining Advanced Process Control applications
Technology in Brazil operations

- Top quartile drilling performance
- Maximizing Efficiency – Instantaneous 4D Surveillance
- Reliability in deep water

- Joining forces with Petrobras
- Apply Shell technology
- Use drilling and subsea expertise
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Questions & Answers
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