



2018 Royal Dutch Shell plc  
Annual General Meeting

The Hague, The Netherlands

**Charles O. Holliday**

Chair, Royal Dutch Shell plc  
May 22, 2018

**Ben van Beurden**

Chief Executive Officer, Royal Dutch Shell plc  
May 22, 2018



**Charles O. Holliday**, born March 9, 1948. A US national, appointed Chair of the Company with effect from May 2015, having previously served as a Non-executive Director since September 2010.

He was Chief Executive Officer of DuPont from 1998 to 2009, and Chairman from 1999 to 2009. He joined DuPont in 1970 after receiving a B.S. in industrial engineering from the University of Tennessee and held various manufacturing and business assignments, including a six-year, Tokyo-based posting as President of DuPont Asia/Pacific. He has previously served as Chairman of the Bank of America Corporation, The Business Council, Catalyst, the National Academy of Engineering, the Society of Chemical Industry – American Section, the World Business Council for Sustainable Development and as a Director of Deere & Company. He is a founding member of the International Business Council. He is a Director of HCA Holdings, Inc.



**Ben van Beurden**, born April 23, 1958. A Dutch national, appointed Chief Executive Officer of the Company with effect from January 2014.

He was Downstream Director from January to September 2013. Before that, he was Executive Vice President Chemicals from 2006 to 2012. In this period, he also served on the boards of a number of leading industry associations, including the International Council of Chemicals Associations and the European Chemical Industry Council. Prior to this, he held a number of operational and commercial roles in both Upstream and Downstream, including Vice President Manufacturing Excellence. He joined Shell in 1983, after graduating with a Master's Degree in Chemical Engineering from Delft University of Technology, the Netherlands.

The following text is based on speeches delivered by Charles O. Holliday and Ben van Beurden at the Annual General Meeting of Royal Dutch Shell plc, in The Hague on May 22, 2018.

## Royal Dutch Shell plc

### Charles O. Holliday

My comments today will focus on the Shell theme developed in the 1930's: You can be sure of Shell. It is a slogan about trust – and it is even more important today. We must earn the trust of all our stakeholders: customers, investors, employees and wider society. As a company, we provide fuels, we supply energy. Energy enables people to have not only clean water and safe food but shelter, clothing and comfort. We are in the broader processing industry where safety is the leading factor to build trust and confidence.

We strive to eliminate all injuries – yes, that is a challenging goal but we must work towards it every day.

Last year we had our best-ever personal safety record – the lowest number of people hurt while working for Shell. But I am not at all happy that, after five years of improvement, we saw an increase in process safety incidents. Last year Shell launched 10 process safety fundamentals, the process safety equivalent of our 12 Life-Saving Rules for personal injury. In my over 35 years working in the process industry, this is the single most important step I have seen to avoid serious events.

We cannot talk about safety and not mention Pakistan. It is the most difficult situation I have ever had to communicate.

On June 25 of last year, there was a devastating event where a fuel tanker overturned and spilled fuel. It was operated by a sub-contractor of Shell Pakistan Limited, outside of the operational control of Shell Pakistan Limited. To the best of our knowledge, no one was critically injured at the time of the incident. People from a nearby village later approached the accident site to collect the fuel. Tragically, the fuel ignited. 221 people died and 56 people were significantly injured. We must learn from this devastating event and apply the lessons throughout Shell and share it with other members of our industry. We must learn, otherwise our bond of trust will fail. It will take time to fully implement

the deep learnings from this tragedy. But we will not stop until it is completed.

Trust is at stake here. And we will build this trust with all our stakeholders by our daily actions, not just our words.

Let me share with you the breadth of our daily actions. Each one of these interactions is an opportunity to build it up or take it down. We serve over 30 million retail customers each day. That is more than 10 billion transactions a year. We refuel an airplane at one of the 850 airports we serve every 14 seconds. 7 of the 10 largest car companies put Shell lubricants into their new cars. We supply enough bitumen, a road paving material, to pave a road from here to Paris every day.

With so much at stake we expect the highest standards of ethical behavior from each of our over 84,000 employees in over 70 countries. Our business principles were first published in 1976 and you can read them today in 16 languages on our website. We have 3 core values: honesty, integrity and respect for people. Honesty: always tell the truth. Integrity: Always do the right thing. Respect for people: treat others as you would like to be treated, or even better, how you want your mother or father, son or daughter to be treated.

I have served the Shell board for 8 years. I have looked for our values every time I interact with Shell people. I have never been associated with a company that had higher ethical standards than Shell. But that does not mean we are perfect. We have a strong policy to protect anyone making an allegation in good faith.

In 2017, our internal investigations confirmed 261 Code of Conduct violations. As a result, we dismissed or terminated the contracts of 73 employees and contract staff. They all left Shell. We must be tough when people break our Code of Conduct because we all suffer when trust is broken.

With this foundation, let me now shift to our 3 strategic ambitions:

First, we aspire to become a world-class investment for our shareholders. Without this we cannot gain the resources we need to move forward.

Second, we plan to thrive through this period of huge change in the energy system, this period we call the energy transition. I was the speaker at an engineering

college graduation 2 weeks ago. My subject was the energy transition. I reminded the students that they have about a half-century to make the energy transition, to avoid the most devastating impact on our planet. In other words, in their working career, we will make the changes needed or come up short.

Third, we aspire to be valued for making a real contribution to peoples' lives, sustaining a strong licence to operate. The videos we started this meeting with are just a few of the examples of what Shell is doing in this arena. Ben will share in more detail the steps your company is, and will take to deliver on all three of these ambitions.

Your board of directors strives to do our part in making you sure of Shell. Allow me to describe, some examples of how we perform the job you elected us to do. We strive to be a highly engaged board, asking the questions that get to the core issues. We operate from a concept of: go, see and listen.

Recognising the positives of a company is important but trust only endures and grows if we also face the tough questions and visit areas facing complex problems. Shell faces some issues where societal trust has been shaken. We must restore that trust.

Our Corporate Social Responsibility committee has visited Groningen to get a first-hand view of the issues. In addition, they have visited Nigeria 3 times in the last 7 years, the last visit included Hans, Catherine and Nigel, earlier this year.

Gerard, chair of our Remuneration committee, actively meets with shareholders every year and fully considers their suggestions with the Remuneration committee. Our Audit committee including Euleen, Roberto and Gerrit were in London yesterday on the Shell trading floor, talking with employees and reviewing how risk is managed.

We formed a special committee last year, with Linda as Chair, to focus on the Nigeria litigation issue. This past March, the entire board met with a cross-sectional group of employees, asking them about dilemmas they face in their Shell roles. We listened hard. We heard everything from their views on the Shell people survey to having to manage a tight budget in a tough situation. We learnt a lot!

Now let me turn to the people that lead your company every day, Ben and his Executive Committee. The

Executive committee attend our board meetings. We want the key company leaders in the room to fully understand each subject.

In addition to Ben and Jessica, this includes Andy, John, Harry, Maarten, Donny and Ronan. In my role as Board Chair I spend a lot of unstructured time with each of these leaders to really understand them. My first observation is the name Executive Committee does not properly describe a true team of Senior leaders who pull together and support each other. Under Ben's leadership this committee has truly become a team.

The question I ask myself when evaluating a leader is: would I like to report to him or her, in other words, what if they were my manager or boss? I can say without hesitation that I would be delighted to report to any of these leaders and would look forward to coming to work every day.

This is a trusted team making Shell fit for the future. Before I turn the floor to Ben, let me describe the Ben my board colleagues and I see. Ben is not only trusted, but trusting. He is a good listener. He knows that diverse points of view improve the quality of decisions. He does not only give you the answer but also shares the background to it, along with his logic and reasoning. You will hear this today in answering your questions.

Ben has made some critical decisions in his over 4 years of leading your company including pulling back from Alaska, selling our oil sands operations, and buying the BG group. You can be sure of Shell to make the decisions you can trust.

Ben, over to you.

## Ben van Beurden

Thank you Chad. I would like to offer you all my personal warm welcome to today's AGM, and my thanks for the effort you have made to join us to hear about the progress your company is making. It is a special pleasure for me to talk to you because I do so following what was a transformative year for your company. Our progress towards our first strategic ambition of becoming a world-class investment case was especially satisfying.

In 2017, your company delivered strong financial performance, the end of the scrip dividend, and we confirmed our intention to buy back at least \$25 billion

of our shares between 2018-2020. The timing of the share buyback programme is driven by financial principles. Specifically, we must meet our financial framework commitments, the commitments we have consistently shared with you. We will move forward towards the buy back as we achieve these commitments in the right order.

New projects have more than offset the impact of divestments as we upgraded our portfolio. We have also had record LNG liquefaction and sales volumes. And Downstream volumes, excluding divestments, continue to grow.

And 2017 was not just a year of financial delivery. It was also a year in which Shell made some big moves towards its second strategic ambition: to thrive in the energy transition. You may have seen our recently published Sky scenario, which details how the world could meet the goals of the Paris Agreement. Last month we released our Shell Energy Transition Report. It demonstrates why we believe our portfolio is resilient, even within the Sky scenario. And in November 2017, we announced our industry-leading Net Carbon Footprint ambition. The ambition is clearly aimed at helping Shell to thrive through the energy transition. And it can also make a contribution towards our third strategic ambition, maintaining a strong societal licence to operate: being valued for making a real contribution to people's lives.

You can see our progress in these numbers. Progress that accelerated from 2016 with the acquisition of BG Group. Buying BG has enabled the delivery of so much of what is on this slide. That includes our four-quarters rolling free cash flow at the first quarter of 2018 of around \$28 billion, at an average \$57 per barrel. On a 4-quarter rolling basis, organic free cash flow has on average covered interest payments and the cash dividend since Q2 2017. Around 15% return on average capital employed in Downstream. Since the beginning of 2016, at headline level, we have completed \$26 billion of divestments.

None of that is to say that the work is done. It is not. Our cash flow priorities remain: reducing debt, paying dividends. And then, a balance of capital investment and share buy backs. The divestments your company has made to date have helped bring down the debt and we plan to continue this momentum. The strengthening of our financial framework is not, however, just a result of divestments. It is fundamentally about the strength of the cash flows. This, in turn, means there can be no let-up in our disciplined approach to operating costs and capital investment.

Let me give you a bit more detail on those cashflows. This chart shows the strong performance on cash flow from operations. I would just highlight this: The last time the oil price was at a comparable level was in 2015 and cash flow was under \$25 billion. That is \$14.5 billion less than last year. So, between 2015 and 2017 your company has achieved a 60% increase in cash flow on a comparable oil price.

The 2017 performance clearly shows the cash generating capabilities of our portfolio. As I said, our focus on costs has been key. We will maintain this, without compromising on safety, even as we look to spend where it adds value. This focus, combined with the strong cash generating momentum your company has established, give me confidence we will deliver the upgraded 2020 financial outlook that we presented at Management Day 2017.

And I just want to round off on the financial details by emphasising our strong track record on dividends. Your company was, as I'm sure you know, the largest dividend payer in the world in 2017, based on dividends declared. The declared dividend for 2017 amounted to some \$16 billion, with the fourth quarter dividend paid fully in cash. Last month we announced a first quarter 2018 dividend of \$0.47.

For this level of performance to continue, of course, your company must seek exceptional performance in Health, Safety, Security and Environment, or HSSE. Goal Zero is our aim: zero harm to either people or the environment. This is critical for the responsible delivery of energy. It is what society expects of us.

We will not be a world-class investment case, nor thrive through the energy transition or maintain a strong societal licence to operate, unless we are known as a company that performs and behaves in the right way. Ultimately, this comes down to embedding a culture of care that protects our reputation and drives competitive advantage.

This approach helped to deliver some good results in 2017. We had, for example, our lowest injury rate ever at 0.8 injuries per million working hours. But I am not at all happy that, after five years of improvement, we saw an increase in process safety incidents.

Specifically, we are analysing the fire we had on our Enchilada platform in November in the Gulf of Mexico to identify lessons we can learn. And, although it is not reflected in the indicators on this slide, I want to acknowledge the devastating road-tanker incident that happened in Pakistan in June 2017. The tanker was operated by a sub-contractor of Shell Pakistan Limited,

outside of the operational control of Shell Pakistan Limited. We are devoting careful management attention to understanding the factors that could have led to the incident. We wish to see that the right thing is done for the community concerned, and Shell Pakistan is implementing a long-term relief plan for those affected.

I know you will want an update on NAM, the independent 50:50 joint venture with Exxon Mobil here in the Netherlands. Although NAM is an independent venture, Shell fully understands the earthquake situation deeply concerns local communities in Groningen.

As you are aware, in March the Dutch Ministry of Economic Affairs announced "Groningen to zero" by 2030. The impact of this announcement is one of the topics of continuous and constructive conversations between NAM's shareholders and the Dutch government. In any case, NAM will stand by its financial responsibilities. NAM is financially robust and Shell Nederland has indicated it is willing to provide guarantees. The text and shape of these guarantees are part of our conversations with the minister of Economic Affairs and Climate Policy. All parties in the conversation want to ensure that NAM is capable of covering for earthquake related costs.

But while NAM is a matter of ongoing conversations, I am delighted that your company is now able to move forward with confidence on the biggest challenge facing our industry, business in general, society and the planet: climate change.

Shell supports the goals of the Paris Agreement. It supports them 100%. More than that, your company believes Paris, while challenging, is achievable, if the world can come together in a vast effort of collaboration: governments, businesses, civil society and consumers all pulling in the same direction. Establishing exactly how your company was going to support Paris was not a simple task. It required deep thought, consideration and time. We have done all that and, crucially, we have listened to many voices, including those who fundamentally do not agree with us. The results of that thinking, and of that listening, are now out there for all to read.

We published our "Sky" scenario, which looked at what the world might need to do to meet Paris. We published our Shell Energy Transition report, which sets out the reasons your company is resilient no matter what the future holds. And, in November, I laid out your company's Net Carbon Footprint ambition. Shell is collaborating with leading technical experts to review and verify the methodology.

This ambition is all about keeping the company in step with society's progress towards Paris. That means exploring and developing the business opportunities in the global shift to a low-carbon energy system. The Net Carbon Footprint ambition must make sense to you, our investors, not only from a moral and societal point of view, but also from an economic point of view.

This ambition is truly industry-leading: nobody else comes close. It is, very seriously, ambitious. Not least because it means your company will have to move faster than society. Because we have more oil and gas in our energy mix than society as a whole, with little wind and solar to date, and no hydro or nuclear. We will have to catch up. I am very much looking forward to putting it into action on your behalf.

And this brings me on to Resolution 19, which your board unanimously recommends you vote against today. Follow This want Shell to take leadership over climate change. Your company is already doing exactly that. It is in the greenhouse gas metrics of the executive scorecard. It is in Shell's early support of the Task Force for Climate Related Disclosures. It is in the Shell Energy Transition Report. It is in the Sky scenario. Your company's Net Carbon Footprint ambition is founded on a well-considered methodology. We are currently anchoring that methodology in the way we manage the company.

The ambition requires Shell to take a broader and more meaningful approach than that suggested by Follow This. Our methodology and ambition gives us the flexibility to respond to a continuously changing landscape. We will need this flexibility as the energy transition plays out over the coming decades. In contrast, the Follow This resolution would tie our hands and limit our capacity to respond.

So, your board asks you to vote against this resolution and allow management to continue to implement the ambition we have announced. Your company wants to lead. We ask you to let us. Follow us!

And your company is already taking action. These are early moves, but it is worth giving you some detail. We have allocated the highest budget to our new energies business amongst the international oil companies. During our 2017 Management Day, we announced increased capital investment of an average of 1-2 billion dollars per year to 2020. This gives us a leadership position amongst the international oil companies.

There are two strands to the New Energies strategy: power and new fuels. In power, Shell has the potential

to make returns at every stage of the system: generation, trading and supply. And we will continue to be involved wherever it makes commercial sense.

Your company is already one of the top three power wholesalers in the USA. In September last year we bought MP2, a US-based leader in the area of power demand response. In January this year we became the largest shareholder in Silicon Ranch, a leading US developer, owner and operator of solar energy plants. And in February, we completed the acquisition of UK-based First Utility, allowing us to supply energy direct to hundreds of thousands of homes.

Furthermore, since 2017 Shell has been introducing charging points for battery electric vehicles on forecourts in the UK and the Netherlands. In 2017 we bought NewMotion, the owner of one of Europe's largest electric vehicle charging networks. Your company also signed an agreement with high-powered charging network operator IONITY to offer charge points across ten European countries. In addition, Shell is helping to build the infrastructure needed to realise the potential of hydrogen as a fuel. In Germany, for example, Shell is part of a joint venture which is installing a nationwide network of hydrogen fuelling pumps.

So Shell is positioning itself to take the opportunities in the global energy transition. And we believe your company is resilient to all the change to come. We have our strategy and we have our direction. We have shown leadership, and we will continue to do so. We will move in step with society, and with our customers, as the world advances towards Paris. And we will do it

in a way that adds value to the company and its shareholders.

As I said at the beginning, 2017 was a year of transformation. You can be sure there is much more transformation to come. I am confident this will see your company become a world-class investment case, thrive in the energy transition, and maintain a strong societal licence to operate.

Now just before we go into the Q&A, I would like to acknowledge an important matter: the ongoing legal case relating to OPL245 in Nigeria. Shell's Legal Director presented an update on this case, and another recent development relating to the divestment in 2011 of a separate block also in Nigeria, OML42, during our Responsible Investment event in April this year. These materials are available on our investor website.

As these are live cases, we will not be able to take any questions on them today. However, I would like to reiterate that, based on the information available to us, including the Milan public prosecutor's file, we do not believe there is a basis to convict Shell or any of our four former employees in relation to OPL 245, and we will vigorously defend our case. For OML 42, we suspect a crime may have been committed against Shell and have filed a criminal complaint with the Dutch authorities.

And with that, I will hand you back to Chad to start the Q&A.

NOT FOR RELEASE, PRESENTATION, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.

This presentation contains data and analysis from Shell's new Sky Scenario. Unlike Shell's previously published Mountains and Oceans exploratory scenarios, the Sky Scenario is targeted through the assumption that society reaches the Paris Agreement's goal of holding global average temperatures to well below 2°C. Unlike Shell's Mountains and Oceans scenarios which unfolded in an open-ended way based upon plausible assumptions and quantifications, the Sky Scenario was specifically designed to reach the Paris Agreement's goal in a technically possible manner. These scenarios are a part of an ongoing process used in Shell for over 40 years to challenge executives' perspectives on the future business environment. They are designed to stretch management to consider even events that may only be remotely possible. Scenarios, therefore, are not intended to be predictions of likely future events or outcomes and investors should not rely on them when making an investment decision with regard to Royal Dutch Shell plc securities.

Additionally, it is important to note that Shell's existing portfolio has been decades in development. While we believe our portfolio is resilient under a wide range of outlooks, including the IEA's 450 scenario (World Energy Outlook 2016), it includes assets across a spectrum of energy intensities including some with above-average intensity. While we seek to enhance our operations' average energy intensity through both the development of new projects and divestments, we have no immediate plans to move to a net-zero emissions portfolio over our investment horizon of 10-20 years. Although we have no immediate plans to move to a net-zero emissions portfolio, in November of 2017, we announced our ambition to reduce our net carbon footprint in accordance with society's implementation of the Paris Agreement's goal of holding global average temperature to well below 2°C above pre-industrial levels. Accordingly, assuming society aligns itself with the Paris Agreement's goals, we aim to reduce our Net Carbon Footprint, which includes not only our direct and indirect carbon emissions, associated with producing the energy products which we sell, but also our customers' emissions from their use of the energy products that we sell, by around 20% in 2035 and by around 50% in 2050.

Also, in this presentation we may refer to "Shell's Net Carbon Footprint", which includes Shell's carbon emissions from the production of our energy products, our suppliers' carbon emissions in supplying energy for that production and our customers' carbon emissions associated with their use of the energy products we sell. Shell only controls its own emissions but, to support society in achieving the Paris Agreement goals, we aim to help and influence such suppliers and consumers to likewise lower their emissions. The use of the terminology "Shell's Net Carbon Footprint" is for convenience only and not intended to suggest these emissions are those of Shell or its subsidiaries.

Clean CCS ROACE (Return on Average Capital Employed) is defined as defined as the sum of CCS earnings attributable to shareholders excluding identified items for the current and previous three quarters, as a percentage of the average capital employed for the same period. Capital employed consists of total equity, current debt and non-current debt. Capital investment comprises capital expenditure, exploration expense excluding well write-offs, new investments in joint ventures and associates, new finance leases and investments in Integrated Gas, Upstream and Downstream equity securities, all of which on an accruals basis. Divestments comprises proceeds from sale of property, plant and equipment and businesses, joint ventures and associates, and other Integrated Gas, Upstream and Downstream investments, reported in "Cash flow from investing activities (CFFI)", adjusted onto an accruals basis and for any share consideration received or contingent consideration recognised upon divestment, as well as proceeds from the sale of interests in entities while retaining control (for example, proceeds from sale of interest in Shell Midstream Partners, L.P.). Operating expenses is the sum of Production and manufacturing expenses; Selling, distribution and administrative expenses and Research and development. Underlying operating expenses is defined as operating expenses excluding identified items. Free Cash Flow is the net sum of cash flow from operating activities (CFFO) and cash flow from investing activities (CFFI). Organic Free Cash Flow is defined as Free Cash Flow excluding inorganic capital expenditure and divestment proceeds.

This presentation contains the following forward-looking Non-GAAP measures: Organic Free Cash Flow, Free Cash Flow, Capital Investment, CCS Earnings attributable to shareholders excluding identified items, clean CCS ROACE, Capital Employed and Divestments. We are unable to provide a reconciliation of the above forward-looking Non-GAAP measures to the most comparable GAAP financial measures because certain information needed to reconcile the above Non-GAAP measure to the most comparable GAAP financial measure is dependent on future events some which are outside the control of the company, such as oil and gas prices, interest rates and exchange rates. Moreover, estimating such GAAP measures consistent with the company accounting policies and the required precision necessary to provide a meaningful reconciliation is extremely difficult and could not be accomplished without unreasonable effort. Non-GAAP measures in respect of future periods which cannot be reconciled to the most comparable GAAP financial measure are calculated in a manner which is consistent with the accounting policies applied in Royal Dutch Shell plc's financial statements. The financial measures provided by strategic themes represent a notional allocation of ROACE, capital employed, capital investment, free cash flow, organic free cash flow and underlying operating expenses of Shell's strategic themes. Shell's segment reporting under IFRS 8 remains Integrated Gas, Upstream, Downstream and Corporate.

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this presentation "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 Royal Dutch Shell plc and subsidiaries in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular entity or entities.

"Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this presentation refer to entities 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 an entity or unincorporated joint arrangement, after exclusion of all third-party interest.

This presentation contains forward-looking statements (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995) 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 "aim", "ambition", "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 presentation, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell's products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this presentation 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, 2017 (available at [www.shell.com/investor](http://www.shell.com/investor) and [www.sec.gov](http://www.sec.gov)). These risk factors also expressly qualify all forward looking statements contained in this presentation and should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, May 22, 2018. Neither Royal Dutch Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this presentation. We may have used certain terms, such as resources, in this presentation 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](http://www.sec.gov)