OPENING KEYNOTE ADDRESS

HOW TO CREATE A SUCCESSFUL CORPORATE SAFETY CULTURE – SHELL’S JOURNEY TO GOAL ZERO

Presenter:
Mike Watson
Global Road Safety Manager
Shell

Sponsored by
Creating a Successful Corporate Safety Culture
Shell’s Journey to Goal Zero

Mike Watson
Shell Global Road Safety Manager

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

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

Resources plays: our use of the term ‘resources plays’ refers to tight, shale and coal bed methane oil and gas acreage.

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate 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 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 presentation refer to companies in which Royal Dutch Shell either directly or indirectly has control, by having either a majority of the voting rights or the right to exercise a controlling influence. The companies in which Shell has significant influence but not control are referred to as “associated companies” or “associates” and companies in which Shell has joint control are referred to as “jointly controlled entities”. In this presentation, associates and jointly controlled entities are also referred to as “equity-accounted investments”. The term “Shell interest” is used for convenience to indicate the direct and/or indirect (for example, through our 23% shareholding in Woodside Petroleum Ltd.) ownership interest held by Shell in a venture, partnership or company, after exclusion of all third-party interest.

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You can also obtain this form from the SEC by calling 1-800-SEC-0330.

December 2014
AGENDA

- Who is Shell
- Why is Road Safety Important to Shell
- Leadership Commitment to Safety
- Shell’s Holistic Approach to Road Safety
  - Road Safety Management System
  - Life-Saving Rules
  - IVMS
  - Driver training
- Road safety in projects
  - Qatar Case Study
- Global Issue
- Shell Road Safety Partnerships
- Q & A
Who is Shell

Upstream International  Upstream Americas  Projects & Technology  Downstream
We are active in more than 90 countries

Worldwide, we have 93,000 full-time employees

We use over 450,000 contractors

Our fuel retail network has around 43,000 service stations

In a year, we sell 45 billion gallons of fuel to our customers
Why is Road Safety Important for Shell?

Delivering Products

Building projects

Our people

Local Communities
1.1 Billion kilometers per year

75 times round the world each day....
We have road transport operations in challenging environments.

Road transport fatalities per 100,000 population*

*World Health Organization estimates, 2010
SHELL COMMITMENT AND POLICY ON HEALTH, SECURITY, SAFETY, THE ENVIRONMENT AND SOCIAL PERFORMANCE

COMMITMENT
In Shell we are all committed to:
- Pursue the goal of no harm to people;
- Protect the environment;
- Use material and energy efficiently to provide our products and services;
- Respect our neighbours and contribute to the societies in which we operate;
- Develop energy resources, products and services consistent with these aims;
- Publicly report on our performance;
- Play a leading role in promoting best practice in our industries;
- Manage HSSE & SP matters as any other critical business activity; and
- Promote a culture in which all Shell employees share this commitment.

In this way we aim to have an HSSE & SP performance which we can be proud of, to earn the confidence of customers, shareholders and society at large, to be a good neighbour and to contribute to sustainable development.

POLICY
Every Shell Company:
- Has a systematic approach to HSSE & SP management designed to ensure compliance with the law and to achieve continuous performance improvement;
- Sets targets for improvement and measures, appraises and reports performance;
- Requires contractors to manage HSSE & SP in line with this policy;
- Requires joint ventures to exercise operational control to apply this policy, and uses its influence to promote it in its other ventures;
- Engages effectively with neighbours and impacted communities; and
- Includes HSSE & SP performance in the appraisal of staff and rewards accordingly.

Ben van Beurden
Chief Executive Officer

Originally published in 1997 and updated by the Nominating Committee December 2005

Words in this document refer to Royal Dutch Shell plc and its (directly or indirectly owned) subsidiaries and affiliates. The words “we”, “our” and “its” are also used in this document to refer to Shell in the aggregate or to those parts that do not work for them. These expressions are also used where no useful purpose is served by identifying specific companies.
Safety is always our top priority

We aim for Goal Zero = zero fatalities and no incidents that harm people, or put our neighbors or facilities at risk.

Supporting our Goal Zero journey and drive for a compliant safety culture:

—Leadership at all levels
—HSSE & SP Control Framework
—12 Life-Saving Rules
SAFETY LEADERSHIP

- Leaders face choices /dilemmas e.g.
  safety vs. costs vs. schedule

- Leaders are role models – whether they choose to be or not.
  A leader’s behaviour impact those around them and creates the culture of the organisation.

- Leaders are judged by the **things they do & say** – **not by their intent**.
  Good safety means good focus, good discipline, shared vision and the professionalism of our teams and our qualities as leaders.
“Poor safety is nothing more than a lack of leadership.”

“Safety is not only our number one priority and value, it is a fundamental reflection of our performance”

Peter Voser – former CEO of Royal Dutch Shell plc
Holistic Approach to Road Safety

- Leadership and Commitment
- Management Controls
- Driver Behavior
- Vehicle specifications
- Journey Management
- Assurance and Sustainability

Hierarchy of Controls:

1) Eliminate the journey
2) Change to a lower risk transportation mode
3) Apply driver, vehicle & journey controls

While driving, do not use your phone and do not exceed speed limits
Wear your seat belt
Follow prescribed Journey Management Plan
No alcohol or drugs while working or driving
IVMS, including the feedback mechanism to drivers, training and recognition:

- Incident reduction potential 20 – 30%
- Reduces speeding by up to 90%
- Monitor and manage driving hours and rest break regulations (reduce driver fatigue)
- Other benefits include reduction in:
  - Fuel consumption (5 – 10%)
  - Vehicle maintenance costs

From installing an IVMS Device...

...To improved driver behaviour
Focus on Driver behaviour

Defensive Driving Training
- Driver Behaviour Indicator
- Instructor Led Training
- E-learning modules

Hearts and Minds – Driving Safely programme

Additional elements:
- Driver fatigue
- Journey Management Planning
- Rollover awareness

Driver fatigue is a causal factor to approx. 20% of fatal road transport incidents
- Strict duty, driving and rest hours regulations
- Journey Management Plans
- Driver fatigue awareness training
- Driver Fitness to Work requirements
Shell Qatar Road Safety Leadership

- Start of Pearl GTL Project
  Risk assessments indicated there could be 8 road related fatalities on the project
- Management commitment to achieve goal zero
- Contractor road safety made a key priority
- Policies and controls put in place to drive compliance.
- Strict enforcement of Life Saving Rules
- Use of IVMS (5.000)
- Defensive Driver Training (15.000)
- Seat belt convincer (16.000)
- Road Safety Compliance Monitoring Team
Shell Qatar Road Safety Leadership

- Driver recognition (Driver of the Month award)
- Road Safety Contractor of the year
- Awareness Campaigns
- Management commitment programmes
- Leadership were well known to Drivers

At the end of the project

- 220 M miles driven without serious injury
- Reduction of 300 M miles potential travel in passenger cars by bussing up to 52,000 workers
- Less vehicles on the road moving through villages
- Reduction of vehicle emissions

Wael Sawan, Managing Director of Qatar Shell congratulates driver of the month

Safe busing of employees to worksite
Road Safety – a global issue

- Road traffic crashes take the lives of nearly 1.3 million people and injure up to 50 million more every year
- Shell is an active member of the United Nations Road Safety Collaboration Committee
- Shell are proud members of the Decade of Action
- Shell works with several NGO’s, governments and private sector companies around the world to deal with the epidemic.
  - Education of school children
  - Improve road lay-out and design
  - Road safety campaigns
  - Post crash emergency response

TIME FOR ACTION
DECADE OF ACTION FOR ROAD SAFETY 2011-2020

2050
2 billion vehicles
(1 billion at the moment)
We work with NGOs, private sector companies and industry associations around the world to improve road safety.

- Network of Employers for Transport Safety (NETS)
- Global Road Safety Partnership (GRSP) and Global Road Safety Initiative (GRSI)
- United Nations Road Safety Collaboration Committee (UNRSC)
- Eastern Alliance for Safe and Sustainable Transport (EASST)
- European Transport Safety Council (ETSC)
- Road Safe & BRAKE
- International Service Company (ISC) road safety team – Focus on subcontracting
- OGP Land Transport Subcommittee
- GBG road transport subcommittee (Benchmarking, LFI’s and risk mitigation)
- Europe Outside industry and Cranfield University Road Safety Collaboration Network

[Global Road Safety Partnership logo]
[NETS logo]
[ETSC logo]
Road safety

Getting road safety right has long been a priority for us, and a serious challenge. We have the largest network of service stations in our industry. Shell staff and contractors drive more than 1.1 billion kilometres each year, around 75 times around the globe every day. We are making progress through our company-wide road safety standards and our proactive driver safety programmes. We are also working in partnerships to help set industry standards and pool skills and resources.

Mike Watson
Email: mike.watson@shell.com
Cell: 1 832 269 7086
Questions