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To whom it may concern,

We are writing this letter in response to enquiries from shareholders regarding the "carbon bubble" or "stranded assets" issue. We have recently discussed this issue with a wider group of shareholders at our annual Socially Responsible Investor event (April 10th, 2014) and this material can be found at the following publically available link.

http://www.shell.com/global/aboutshell/investor/news-and-library/presentations-2014/socially-responsible-investors-briefing-london-april-10-2014.html

Shell believes that the risks from climate change will continue to rise up the public and political agenda. We are already taking steps to minimize our emissions, and we are preparing the company for when legislation and markets will support more significant action to mitigate CO2.

However, we concur with the view in the recent Intergovernmental Panel on Climate Change ("IPCC") report that there is a high degree of confidence that global warming will exceed 2°C by the end of the 21st century. Yet this is not to argue that today's low level of action will continue at this pace. Indeed, changes in regulatory priorities could well be relatively sudden. However, because of the long-lived nature of the infrastructure and many assets in the energy system, any transformation will inevitably take decades. This is in addition to the growth in energy demand that will likely continue until mid-century, and possibly beyond. The world will continue to need oil and gas for many decades to come, supporting both demand, and oil & gas prices. As such, we do not believe that any of our proven reserves will become "stranded".

While the "stranded asset" notion may appear to be a strong and thought-through case, it does have some fundamental flaws and there is a danger that some interest groups use it to trivialize the important societal issue of rising levels of CO2 in the atmosphere. The methodology has significant gaps, not least a failure to acknowledge the significant projected growth in energy demand, the role of CCS, natural gas, bioenergy and energy efficiency measures. Energy demand growth, in our view, will lead to

fossil fuels continuing to play a major role in the energy system – accounting for 40-60% of energy supply in 2050 and beyond, for example. The huge investment required to provide energy is expected to require high energy prices, and not the drastic price drop envisaged for hydrocarbons in the carbon bubble concept.

Our New Lens scenarios show that the world can tackle and resolve the climate issue over the course of this century, but not in less time than that. Our scenarios take as pre-determined that climate change will rise up the public and political agenda.

There is no doubt that we need a more robust and thoughtful societal debate on addressing CO2 emissions, but it needs to be one that recognises the possible and pays heed to the reality of the world today and is a frank acknowledgement of the cost to society inherent in large scale shifts of the energy system.

As highlighted by the recent IPCC working group III report, action needs to be taken on:

- Reducing emissions from power generation
- Adopting carbon capture and storage ("CCS") technology
- Increasing the role of bio-derived forms of energy

In summary, Shell does not believe that any of its proven reserves will become "stranded" as a result of current or reasonably foreseeable future legislation concerning carbon. There is a risk that focusing on "stranded assets" or the concept of the "carbon bubble" distracts attention away from the reality of a growing population, increasing prosperity and growing energy demand. A fundamental transition of the energy system will be needed but that will take considerably longer than some alarmist interpretations of the unburnable carbon issue would have the public believe. Shell is focused on finding real solutions based on current energy realities to the widely acknowledged and real threat of climate change.

Shell is actively managing its CO2 footprint through:

- growing our natural gas business
- investing in low carbon bio-fuels
- investing in CCS
- investing in the energy efficiency of our own operations

We take account of future regulatory and price uncertainty into decision making by using project screening values of $70 to $110 USD / barrel for Brent crude, as well as a $3 to $5 / mmbtu range for Henry Hub gas. In addition we put a $ 40 / tonne screening value on the CO2 emitted by our projects and, for those with a high exposure to carbon pricing/legislation, we perform in-depth analysis of the potential risks to profitability.

Shell and climate change

We will structure our more detailed response in 5 sections:

- The energy landscape and the 2°C scenario
- Shell's framework for evaluating price and carbon risk
- Reserve, resources and project life considerations
- Role of CCS and Shell's CCS portfolio
- Carmon Creek case study

Energy landscape and the 2°C scenario

Energy demand is expected to continue to increase, driven by population growth, and economic development, and improving living standards in many areas of the world. The energy ladder seen in figure 1 clearly demonstrates that as GDP rises in India, China and other developing countries energy demand will increase on this journey, Korea being perhaps the most pertinent example.

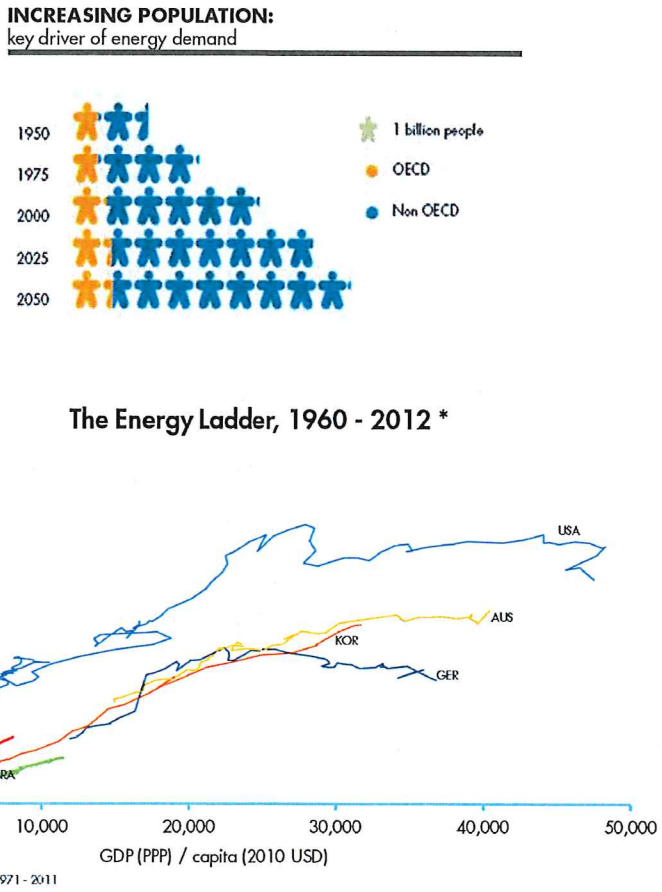


Figure 1: Energy demand drivers over time

Shell regularly publishes its views on the future energy landscape. In our major publications and in our shareholder material, we show a single projection of future energy demand by production/generation technology. This view takes into account energy efficiency gains, declining costs for early stage technology and is not a "static" view of the world. Figure 2 shows our current outlook for the global energy demand until 2050.

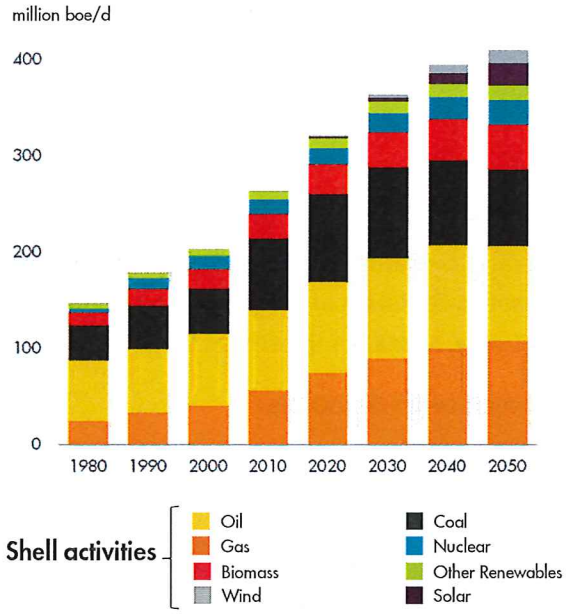


Figure 2: Energy demand outlook

It is important to note that this aligns closely with various 3rd party viewpoints such as the IEA New policies scenario. In this outlook, fossil fuels still provide some 2/3rds of the total energy demand. Later in the letter in Figure 6 a comparison of the Shell and IEA scenarios can be found (until 2035 as this is the limit of the International Energy Agency (" IEA") scenarios).

For over 40 years Shell has been performing scenario based analysis of the energy system. In 2013 we released our New Lens Scenarios (see disclaimer). Our scenarios, Mountains and Oceans, explore two different futures, with varying take-up and differing speed of adoption of the various sources of energy. Relative to current policy realities, both our scenarios feature a strong climate policy framework. These energy demand outlook in these scenarios are shown in Figure 3.

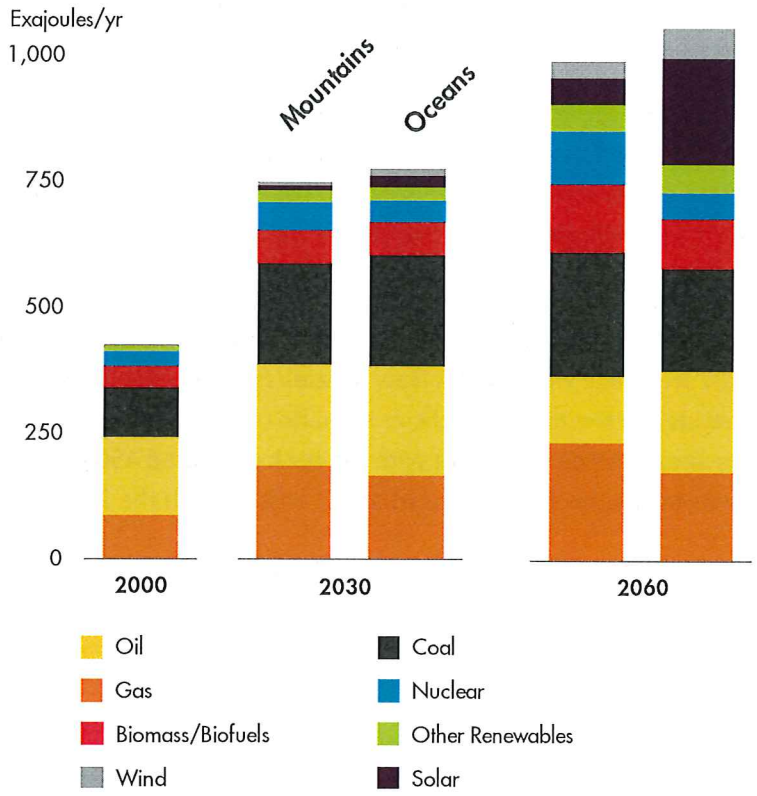


Figure 3: Shell Scenarios energy demand outlook

In the Mountains scenario policy is driven top down, and is very much a supply side story. Wide scale development of shale gas, a declining demand for liquid fuels and early adoption of CCS all contribute to a "gas backbone" in the economy. Economic growth is moderated and renewables grow, but they do not dominate the mix until much later in the century. With CCS, the electricity sector is de-carbonized in 2060's.

In Oceans, empowered constituencies create growth, but new vested interests hinder policy progress until the stresses on food, water and energy lead to higher prices which in turn unlock new resources and drive efficiency. Liquid fuels and coal continue longer in an oceans world, until solar takes over in the later part of the century and electricity is finally de-carbonized in the 2090's. For more detail on the scenarios please visit www.shell.com/scenarios.

What is immediately obvious from figure 3, is that even with widely different assumptions, the energy system is too large to move quickly in any particular direction and only hints of the future energy mix begin to show in our scenarios to 2030 with real change only occurring much later.

Both of our scenarios face the reality of a population growing to some 9 billion, an expanding middle class who are joining the energy ladder, and continued emerging economies' growth, that in turn fuels

overall energy demand. The scenarios are not a prediction of likely events, but are plausible futures. They are also not developed with an end point in mind.

The IEA also produces 3 scenarios to 2035; "Current policies" that assume no concerted regulatory push to reduce greenhouse gas emissions, a "New policy" scenario which looks at a future where governments take action as well as a normative scenario based on a "450 ppm" of CO2 concentration in the atmosphere leading to stabilization of climate change at 2°C.

Each of our scenarios has an emissions profile associated with it and figure 4 compares our scenarios to an illustrative 2°C scenario which is back calculated or "normative". The emissions profiles of Oceans and Mountains broadly are in line with the IEA New policies scenario (the IEA scenarios only go until 2035). Both our scenarios and the IEA new Policies scenario (and our base case energy demand outlook) do not limit emissions enough to be consistent with the back calculated 450 ppm 2°C scenario. We also do not see governments taking the steps now that are consistent with the 2°C scenario.

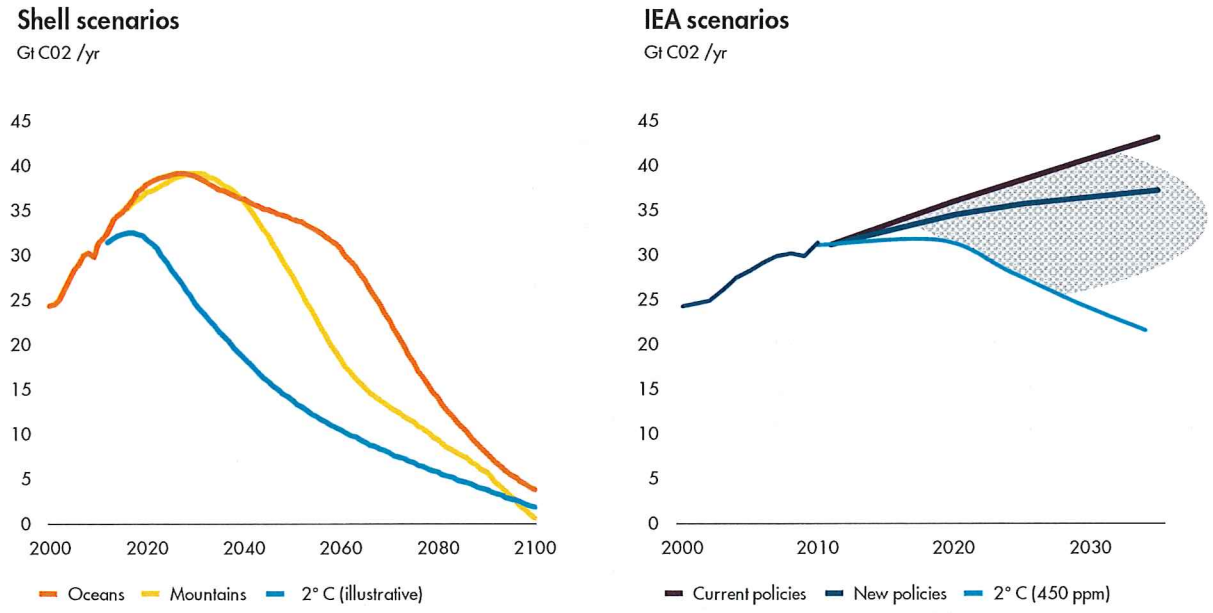


Figure 4: Shell and IEA scenarios emissions profiles

We stress the difference between a set of outlooks which are forward looking and take into account today's realities (IEA New policies scenarios for example) and the ability of new technologies to grow versus the highly desirable, but less likely, scenario where you simply work backwards from the end goal of 450 ppm of CO2 in the atmosphere.

This does not, however, mean that in Shell's forward outlook, nor in the IEA scenarios, that the world is standing still. Strong levels of growth in renewable energy, gains in energy efficiency and most

importantly CCS are being adopted to varying degrees in each outlook. The sheer size and scale of the energy system mean that demand for hydrocarbons is likely to continue for the foreseeable future and hydrocarbons still make up more than half of total energy demand in 2050, down from more than 80% today although from a larger energy system overall.

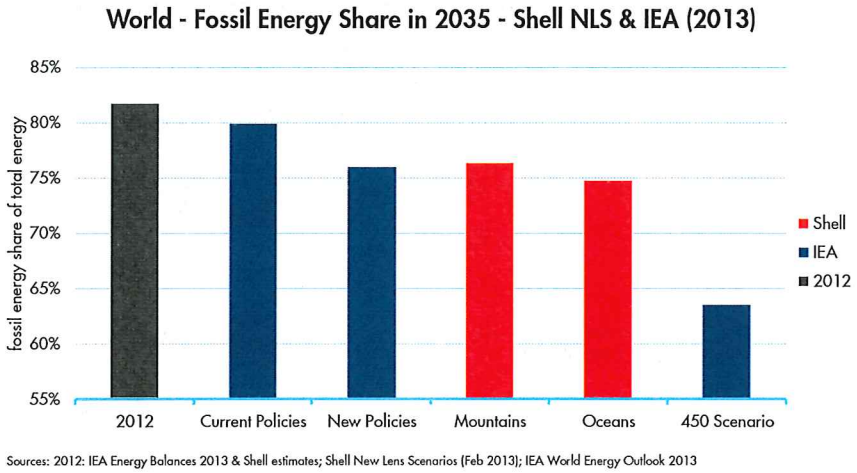


Figure 6: Comparison of Shell and IEA scenarios in 2035

Framework for evaluating price and carbon risk

The energy industry has for decades been exposed to the sorts of fundamental business risks outlined in your letter. These range from, but are not limited to, regulatory risks, price risks to project performance and competitiveness. Shell has a framework in place when making new investment decisions that is designed to evaluate the extent to which all of our projects are exposed to these various risks. An illustration of the type of analysis we perform is shown in figure 7.

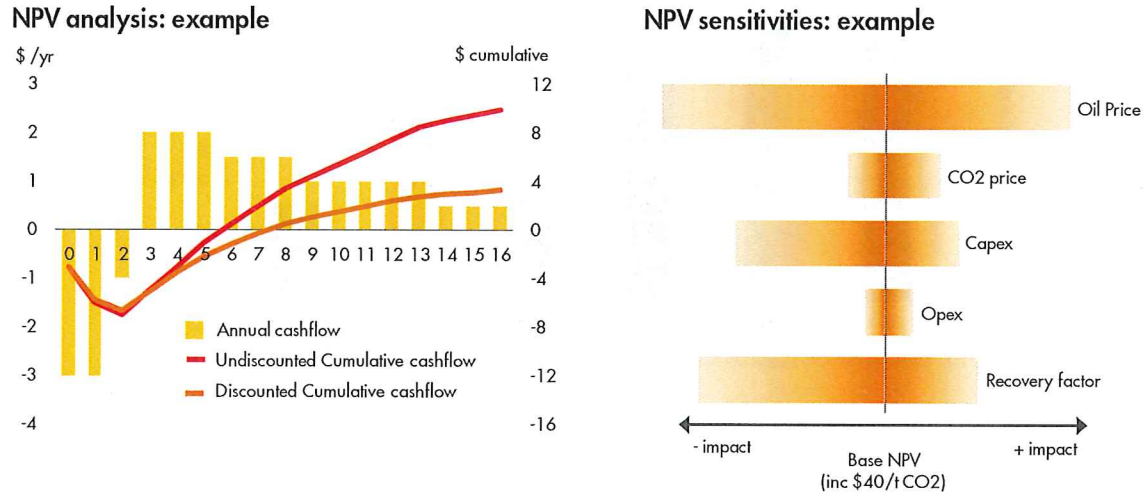


Figure 7: Illustrative project economics

The set of risks that our projects are exposed to of course vary throughout the lifecycle of a project as well. Our exposure to our ability to correctly estimate the amount of capital required for construction gradually reduces during the actual construction phase while other risk factors might increase in importance like the reliability of our equipment as projects age.

In net present value analysis ("NPV"), the widely used analysis technique which discounts the importance of future cashflows at specific rate (to provide a proxy for the time value of money), the profitability of a project is much more dependent upon the cash flows in the early years of a project. In terms of the risks outlined in your letter, price and carbon regulatory, this short-term bias is important as, even though our projects can run for decades, the paypack periods are in general much shorter, in some cases ahead of when we expect impactful CO2 regulation.

For each of these risks we apply criteria when evaluating a potential investment decision to allow us to assess the potential impacts of a range of potential futures.

For price risks we use a project screening value of $70 to $110 USD for our base Brent benchmark. This range of prices which we test our projects against allows us to look at the overall performance of our portfolio in a range of potential oil price futures. We do not evaluate projects at a single price point as,

over the life of a 10,20 or 30 year project as history has shown, prices will be volatile over that period. In addition to the Brent price sensitivity, we also use project screening values of $3 -$5 /mmbtu for Henry Hub gas.

We also set a project screening value for CO2 to evaluate the potential economic impact of stricter CO2 related regulatory changes. This screening value is currently $40 /tonne of CO2 emitted. This is applied as the economic base case across all of our projects. For short life assets or assets without significant CO2 emissions, the extent of the analysis is limited to the screening value. For longer life assets, or those with higher carbon risk profiles, known as "carbon critical projects", more extensive work is done.

Additional screening for carbon critical projects includes the use of lower and higher CO2 screening values . Current and future CO2 regulation policies of the markets into which the asset's products will be sold are evaluated including, for example, the possible impact of low carbon fuel standards. Design standards include a CO2 performance aspiration. All high CO2 risk projects have to complete a detailed Greenhouse Gas and Energy Management Plan for review as part of the Shell project maturation process. This includes analysis of abatement options, a deeper look at the future CO2 risks associated with the project and review of the project economics including the potential impacts of CO2 regulatory changes.

Reserve, resources and project life considerations

Shell publically reports on its reserves in our annual reports such as the form 20-F filed with the SEC. We also periodically update on our resources (2P + 2C) which are on-stream, in construction (or in execute phase), in front end engineering and design ("FEED" or definition phase) as well as projects in the select phase of our opportunity realization funnel. Figure 8 shows our resources in the project funnel as well as the capital investment along that same funnel.

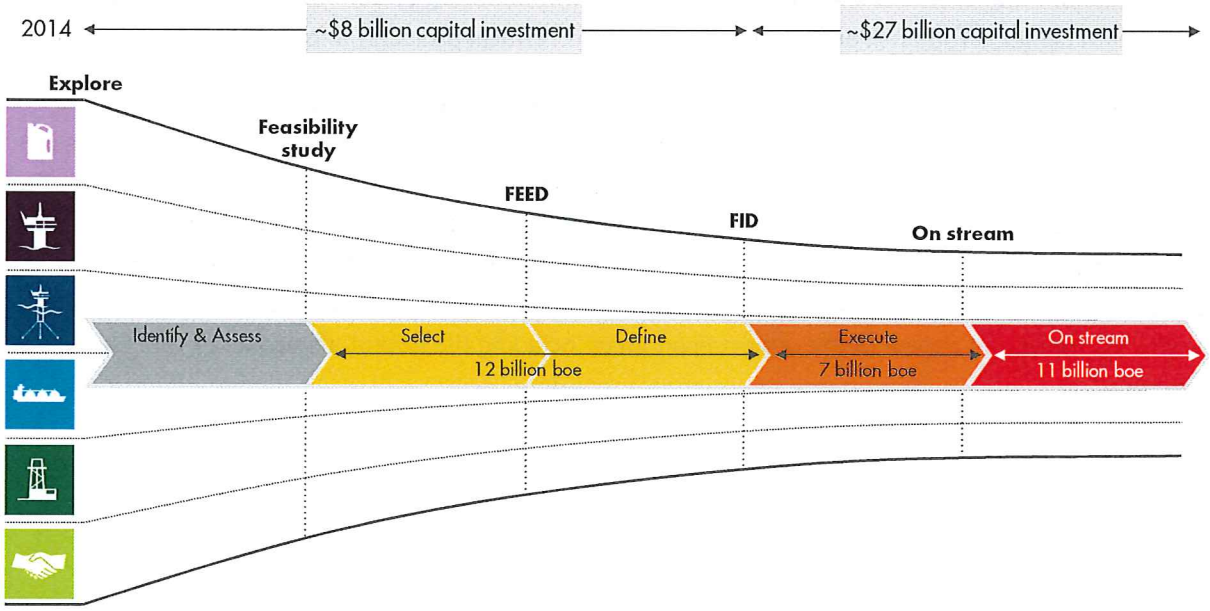


Figure 8: Resources in the project funnel

Some 60% of our disclosed resource base is either under construction or in operation meaning that it is potentially less exposed to regulatory changes in 10, 20 or 30 years. The majority of our 2014 capital spending is associated with these projects under construction as shown in figure 8. More detailed granularity of our current capital spending profile can be seen in figure 9.

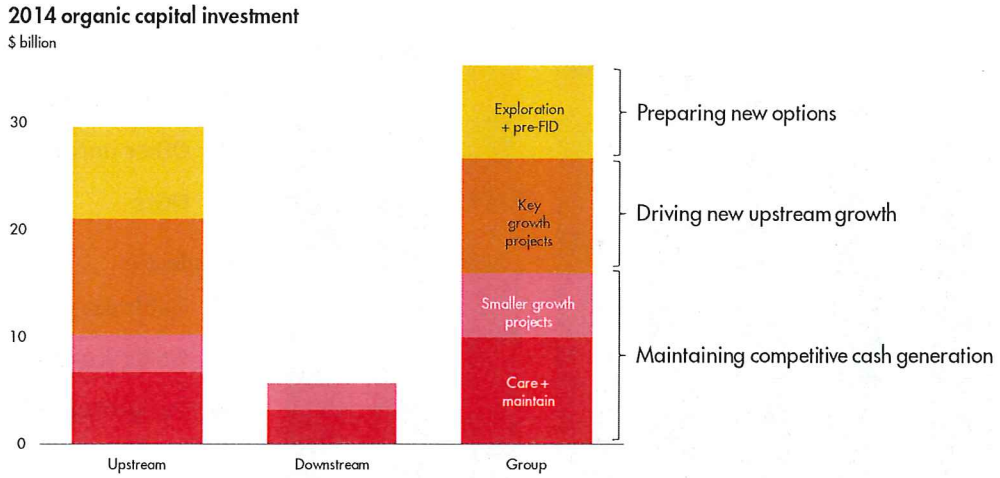


Figure 9: Shell 2014 expected organic capital spending divided by category

While we are working on projects that will span decades and on some that may not even start construction within a decade, the majority of our capital spending are on items with shorter time horizons. Our SEC proved reserves life (proved reserves divided by production) is some 11.5 years. Including Resources as defined above, this extends to some 25 years. We do not believe that at a minimum any of our proved reserves are at risk from any potential change in regulation from climate change or the "carbon bubble"/"stranded assets" concepts. Of course our projects and their associated reserves and resources are sensitive to commodity prices, but over the medium term we believe these prices will be more broadly associated with the traditional fundamentals of supply and demand and geopolitical factors than with climate change related factors.

To maintain current production levels across the oil and gas industry requires significant annual investment let alone that required to grow production to meet future growth in energy demand. The IEA has produced an outlook to 2035 in their New policies scenario (figure 10) which shows the new investment required to counteract this natural decline of oil fields in particular. The same concept also applies for natural gas. This re-enforces our assertion in this letter that our current capital spending is appropriate given the outlook in demand for oil and natural gas.

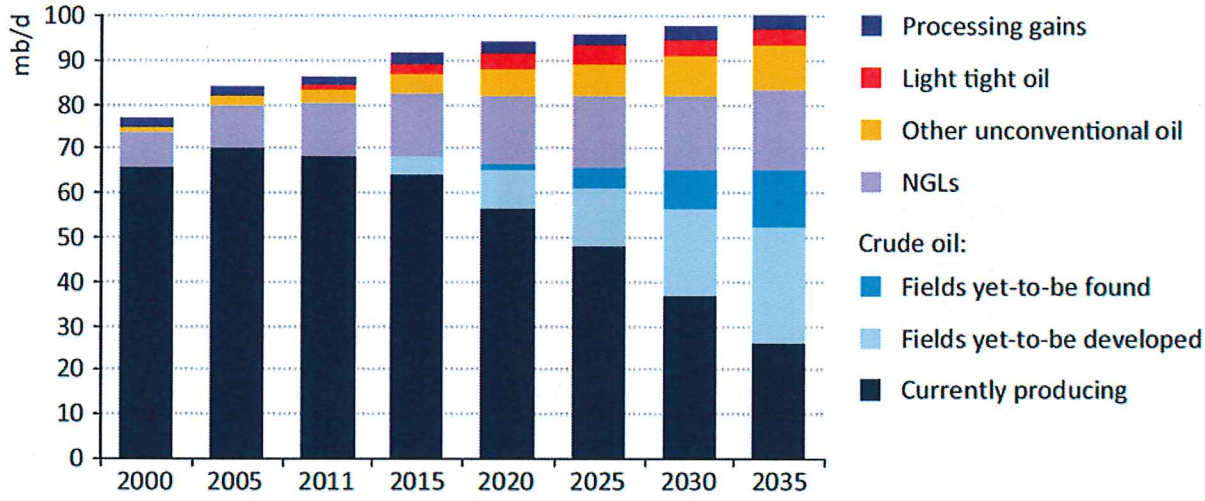
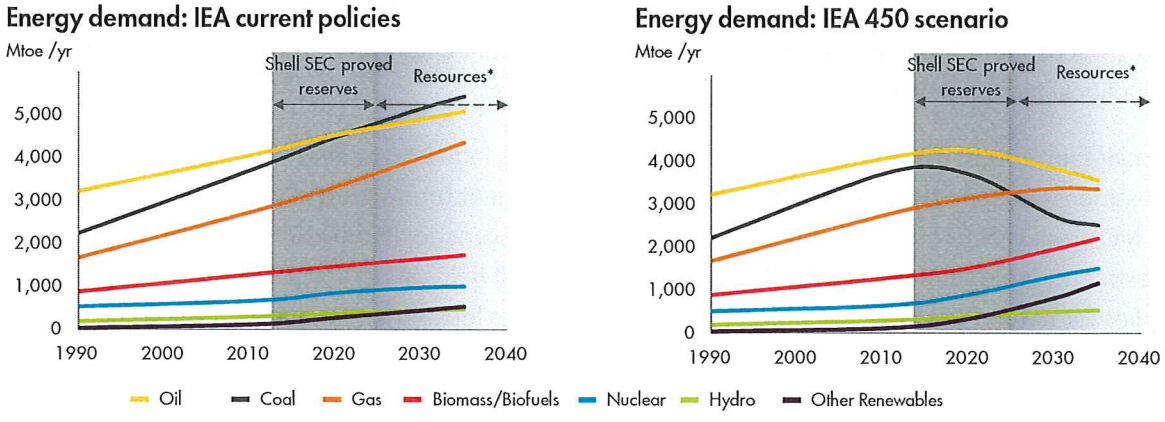


Figure 10: IEA new policies scenario showing natural decline and need to replace production, Source IEA world energy outlook 2012, p103

As stated before, the IEA produces 3 scenarios to 2035. The "high" scenario in terms of hydrocarbon use is the "Current policies" scenario. The "450 ppm" scenario (or 2°C) scenario uses the least amount of hydrocarbons. This can be seen in figure 11. Also highlighted in figure 11 is our current SEC proved reserves life as well as our additional resources in operation, construction and in selection/definition phases.



* Resources shown includes only resources in select or define phases (post feasibility study or in FEED) or are under execution or on stream.

Figure 11: Energy demand in IEA scenarios compared to SEC proved reserves and selected resources

As can be seen in figure 11 under the IEA "Current policies" scenario, oil & gas demand continues to grow in the period of our proved reserves and resources (as defined in figure 11) life. In the IEA "450

ppm" scenario it can be seen that the major impacts during the timeframe of our proved reserves and resources (as defined in figure 11) as actually not towards oil and gas but actually to the demand for coal. In fact the demand for oil only slightly drops and the demand for gas increases. In the short term, while CCS is in development and unabated thermal generation is still acceptable, increased use of natural gas can help reduce the prominence of coal in power and so reduce the sector's CO2 emissions. Our base outlook, our scenarios (Mountains and Oceans) and well as the IEA "New policies" scenario, are in between these IEA scenario extremes and again, our proved reserves and resources (as defined in figure 11) stay relevant.

Role of CCS and Shell's CCS portfolio

The role of CCS in helping the world to avoid the worst effects of climate change is critical. Recognizing the central role in the energy system that hydrocarbons currently play, without CCS, emissions reduction will be more difficult, disruptive to the worlds economy, standard of living and cause more economic hardship. In fact the IEA believe that if CCS moves from demonstration phase to widespread use quickly, global CO2 emissions will be 15% lower by 2050. In addition, without CCS, the IEA reports costs to halve emissions by 2050 will be 40% higher. The UK Energy Technologies Institute (ETI) estimate that for the UK alone, the additional cost of not having CCS to assist in de-carbonizing the economy will be some £32 billion. It is telling that in the majority of the work done around the carbon bubble concept, or "stranded assets", it does not consider CCS in the analysis.

In the IPCC 5th Assessment Report "Mitigation of Climate Change" the importance of CCS is also highlighted. Figure 12, replicated from pg 18 of the report, gives the consumption losses and mitigation costs through to 2100, for scenarios ranging from 450ppm CO2eq up to 650 ppm CO2eq, with variations in the availability of technologies and the timing (i.e. delay) of mitigation actions. The centre section of this table is given below;

	Increase in total discounted mitigation costs in scenarios with limited availability of technologies [% increase in total discounted mitigation costs (2015–2100) relative to default technology assumptions]			
2100 Concentration (ppm CO_2eq)	No CCS	Nuclear phase out	Limited Solar / Wind	Limited Bio-energy
450 (430–480)	138 (29–297) [N: 4]	7 (4–18) [N: 8]	6 (2–29) [N: 8]	64 (44–78) [N: 8]
500 (480–530)				
550 (530–580)	39 (18–78) [N: 11]	13 (2–23) [N: 10]	8 (5–15) [N: 10]	18 (4–66) [N: 12]
580–650				

Figure 12: IPCC Report table SPM.2

Particularly for the lower concentration scenario (430-480 ppm) the table highlights the importance of carbon capture and storage. For the "No CCS" mitigation pathway, i.e. a pathway in which CCS isn't available as a mitigation option, the costs are significantly higher than the base case which has a full

range of technologies available. This is still true for higher end concentrations, but not to the same extent. This underpins the argument that the energy system will take decades to see significant change and that therefore, in the interim at least, CCS becomes a key technology for delivering something that approaches the 2°C goal. For the higher concentration outcomes, immediate mitigation action is not so pressing and therefore the energy system has more time to evolve to much lower emissions without CCS – but of course with the consequence of elevated global temperatures. A similar situation is seen in the Shell Scenarios.

CCS costs can compare well with the alternative renewable technologies such as offshore wind and solar which would offer the scale to make significant market share impacts in the global energy system. In many developed nations the era of "easy renewables" is over as, for example, many of the windy sites away from population centres, are already developed. This means that as alternatives grow, the focus would be on incrementally more expensive technologies or less productive sites for existing competitive technologies. Figure 13 illustrates this below.

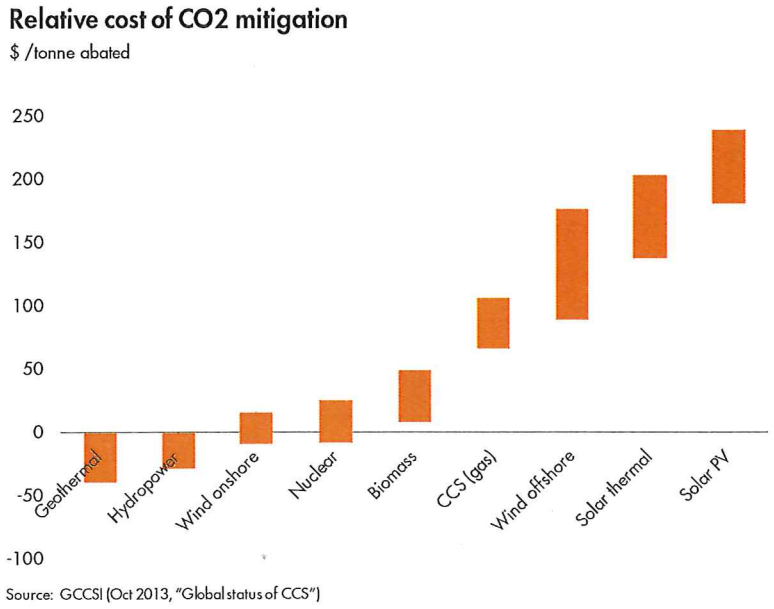


Figure 13: Relative cost of CO2 mitigation

Shell has an active program of CCS research and development programs, demonstration programs as well as commercial sized projects underway. Our Quest project in Canada (Shell equity 60%) is expected to capture and store over 1 million tonnes of CO2 per year from the Scotford oil sands upgrader, more than 30% of the current upgrader emissions. In the UK we have recently entered into front end engineering and design ("FEED") on the SSE Peterhead gas plant CCS project (Shell equity 100%). If and

when we take a decision to go ahead with the project this would be the world's first commercial gas power plant based CCS project. Shell also participates in the >3 million tonne per annum CCS project at the Gorgon LNG facility (Shell equity 25%) in Australia. Our technology subsidiary Cansolv provides the sulphur and CO2 recovery technology for other CCS demonstration projects and commercial scale plants around the world. Figure 14 shows our CCS activites mapped out in relation to the specific competences that Shell is developing.

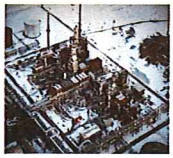
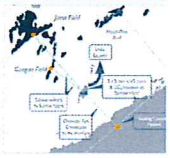
	Shell operated Quest	Non operated TCM	Non operated Gorgon	In FEED Peterhead
				
Onshore storage	✓		✓	
Offshore storage				✓
Saline aquifer storage	✓		✓	
Depleted reservoir storage				✓
Pre-combustion capture	✓			
Post-combustion capture		✓		✓
Contaminated gas			✓	
Heavy oil	✓			
Refining		✓		
Gas fired power				✓

Figure 14: Shell's major CCS activities

Carmon Creek case study

On October 31, 2013 Shell announced its decision to proceed with its Carmon Creek project in Alberta, Canada, which when complete is expected to produce up to 80,000 barrels of oil per day. Carmon Creek is a thermal in situ project that is 100 per cent Shell owned and will be part of the company's broader production, refining and marketing business across the full value chain in North America.

Carmon Creek will build on Shell's more than 30 years of experience developing its Peace River heavy oil leases and established relationships with local communities and First Nations. It is expected to employ more than 1,000 local tradespeople and contractors during peak construction periods.

Shell submitted its regulatory application for Carmon Creek in 2010 and received approval from the Alberta Energy Regulator in April 2013, following a rigorous and transparent review process. The project is expected to provide a secure, reliable energy source for more than 35 years.

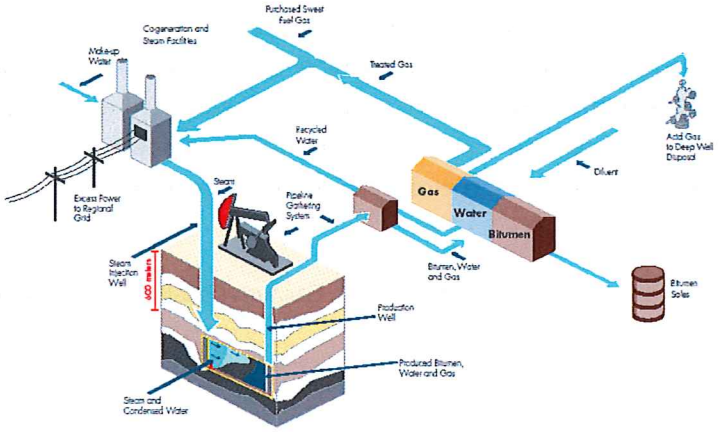


Figure 15: Schematic of the Carmon Creek project

When evaluating a project the abatement curve for the asset is looked at, or in other words, what individual projects or pieces of technology can be implemented to remove X amount of carbon at Y dollars/tonne. These opportunities are ranked – and the most appropriate options given the risk profile of the project and the economic benefit/burden are evaluated. In the case of Carmon Creek, we selected 3 abatement options of the 5 that were evaluated. These are;

- Cogeneration of steam and electricity
- Heat integration and
- Capture and injection of the produced CO2 co-absorbed in the acid-gas treating with the produced H2S

Options that we looked at, but did not employ, were an increased amount of CO2 captured and injected from the acid gas treating process, as well as post-combustion CCS. These were not selected for commercial reasons when compared to the potential costs associated with the carbon emissions in the timeframe of this project. In future phases of the project, these options would be re-evaluated and if appropriate they would be re-visited.

The Cogeneration units are expected to produce an annual average of up to 630 megawatts (MW) of electricity, of which about 500 MW is expected to be sold to the northwest Alberta power grid. Cogeneration produces both electricity and steam within a single facility from a single fuel (gas). For the Carmon Creek project fuel gas energy is converted to electricity within a gas turbine generator. Exhaust energy from the gas turbine is further utilized to generate steam for the thermal extraction process. By making use of the waste from one process in the production of the other, substantial gains in energy efficiency can be realized.

When operational, direct emissions associated with the project total some 3.1 million tonnes per year of CO2. However, it is important to keep in mind that only half of the emissions are for steam generation and the rest of the emissions generated are attributable to the electricity generated that will be sold to the grid. The power sold to grid has 50-70% lower emissions associated with it than if it were generated through coal-fired generation which is predominant in the Alberta power generation sector. This also ensures we have a partial hedge against the carbon price through the electricity market, reducing our CO2 risks.

An example of the project economics associated with Carmon Creek can be seen in figure 16.

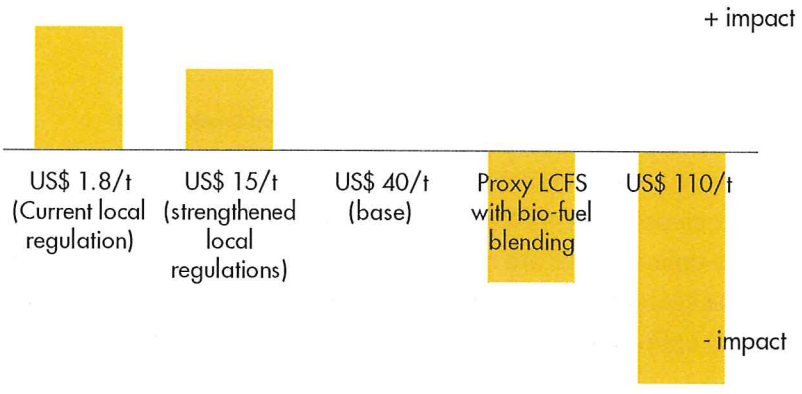


Figure 16: Economic impact of various carbon scenarios on the Carmon Creek project ($40/tonne NPV base case)

It is important to note that with the current carbon legislation we actually have upside in our project economics versus our more stringent base case.

In summary

Shell is actively managing its CO2 footprint through:

- growing our natural gas business
- investing in low carbon bio-fuels
- investing in CCS
- investing in the energy efficiency of our own operations

We take account of future regulatory and price uncertainty into decision making by using project screening values of $70 to $110 USD / barrel for Brent crude, as well as a $3 to $5 / mmbtu range for Henry Hub gas. In addition we put a $ 40 / tonne screening value on the CO2 emitted by our projects and, for those with a high exposure to carbon pricing/legislation, we perform in-depth analysis of the potential risks to profitability.

Shell does not believe that any of its proven reserves will become "stranded" as a result of current or reasonably foreseeable future legislation concerning carbon. There is a risk that focusing on "stranded assets" or the concept of the "carbon bubble" distracts attention away from the reality of a growing population, increasing prosperity and growing energy demand. A fundamental transition of the energy system will be needed, but that will take considerably longer than some alarmist interpretations of the unburnable carbon issue would have the public believe. Shell is focused on finding real solutions based on current energy realities to the widely acknowledged and real threat of climate change.

Yours Sincerely,

Dr JJ Traynor

Executive Vice President, Investor Relations

Royal Dutch Shell plc

Definitions and cautionary note:

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

Resources: Our use of the term "resources" in this presentation includes quantities of oil and gas not yet classified as SEC proved oil and gas reserves. Resources are consistent with the Society of Petroleum Engineers 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 letter "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 letter refer to companies over which Royal Dutch Shell plc either directly or indirectly has control. Companies over which Shell has joint control are generally referred to "joint ventures" and companies over which Shell has significant influence but neither control nor joint control are referred to as "associates". In this letter, joint ventures and associates may also be 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.

This letter 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 letter, 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. All forward-looking statements contained in this letter 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, 2013 (available at www.shell.com/investor and 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 letter, 16 May 2014. 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 letter.

We may have used certain terms, such as resources, in this letter 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. You can also obtain these forms from the SEC by calling 1-800-SEC-0330.

The New Lens Scenarios are part of an ongoing process used in shell for 40 years to challenge executives' perspectives on the future business environment. We base them on plausible assumptions and quantification, and they are designed to stretch management to consider even events that may be only 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.