



Carel van Bylandtlaan 30
2596 HR The Hague,
The Netherlands Phone: +31-70-377-9111

630 Fifth Ave. Ste. 3166 Phone: 212-218-3113
New York, NY 10111 USA Fax: 212-218-3114



Royal Dutch Shell stands only slightly lower than #1 oil company **Exxon Mobil**  in the world fuel market. The company has worldwide proved reserves of 11.9 billion barrels of oil equivalent. Most of the oil giant's crude is produced in **Nigeria, Oman, the UK, and the US**. **Royal Dutch Shell** is also investing heavily in the *Athabasca Oil Sands Project*, which extracts bitumen from oil sands in **Alberta** and converts it to synthetic crude oils. The company also produces refined products, and chemicals; transports natural gas; trades gas and electricity; and develops renewable energy sources. It operates 46,000 gas stations, the world's largest fuel retail network. The Anglo-Dutch entity has restructured to stay competitive. Revelations of overestimated oil reserves in 2004 prompted a push for greater transparency in the company's organizational structure. This led to the 2005 merger of former publicly traded owners *Royal Dutch Petroleum* and *The "Shell" Transport and Trading Company* into **Royal Dutch Shell**. The company is investing some \$12 billion (in addition to the \$2.6 billion already spent) in offshore projects near **Dubai**. **Royal Dutch Shell** has also pledged to infuse \$600 million into its joint venture



with **PetroChina**  to develop wells and cover day-to-day operating expenses. Searching for new oil assets, in 2006 the company acquired a large swath of oil sands acreage in **Alberta, Canada**. That year the company ceded control of the \$22 billion *Sakhalin-2 project* to **Russian** gas giant **Gazprom** . In 2007 the company acquired the 22% of **Shell Canada**  that it did not already own. In 2008 **Royal Dutch Shell** expanded its exploration assets in **Alaska** by acquiring 275 lease blocks in the **Chukchi Sea**, for \$2.1 billion.

Shell Key Numbers	
2007 Sales (mil.)	\$355,782.0
1-Year Sales Growth	13.9%
2007 Net Income (mil.)	\$31,331.0
1-Year Net Income Growth	26.4%
2006 Employees	108,000
1-Year Employee Growth	(0.9%)

All Shell Competitors

- Competitors to watch closely:** Exxon Mobile, PetroChina, Gazprom, Petrobras, BP, Total
- Compare number of employees with competitors** – consider efficiency (TOTAL had a significant decrease in the number of employees and a significant increase in sales)

9 in FT Global 500 for 2008

Top Competitors			
2007	BP	Exxon	TOTAL
Annual Sales (mil.)	\$291,291.5	\$404,552.0	\$233,825.8
1-Year Sales Growth	7.5%	7.1%	33.5%
Net Income (mil.)	\$21,158.4	\$40,610.0	\$19,935.7
1-Year Net Income Growth	--	2.8%	32.5%
Employees	97,600	83,000	95,070
1-Year Employee Growth	0.5%	1.1%	(15.8%)

Executive Committee:

Jeroen van der Veer

Chief Executive



Jeroen van der Veer leads the Executive team and is accountable for business performance and implementing strategy. Since 2004, he has led Shell through major change – simplifying governance and organization, and clarifying direction and accountabilities. His responsibilities include Corporate Affairs, Human Resources, Legal, Strategy and Business Development, United States and Mexico. He joined Shell in 1971. [Bio](#)

Rob Routs

Executive Director Oil Sands, Oil Products and Chemicals



Rob joined the Royal Dutch/Shell Group in 1971 at the Research Centre in Amsterdam. His current responsibilities include Oil Sands, Oil Products, Chemicals, Trading, Europe, Sub-Saharan Africa (excluding Nigeria), and Canada. [Bio](#)

Peter Voser

Chief Financial Officer



Peter Voser was appointed Chief Financial Officer and Executive Director of Royal Dutch Shell plc (RDS) on 20 July 2005. From October 2004 up to the formation of RDS Peter was Chief Financial Officer of the Royal Dutch/Shell Group of Companies and a Managing Director of The "Shell" Transport and Trading Company plc. His current responsibilities include Finance, Procurement, IT, Latin America. He joined Shell in 1982. [Bio](#)

Malcolm Brinded

Executive Director Exploration & Production



He was born in the UK in 1953 and joined Shell after graduating in Engineering from Cambridge University. He has worked for Shell companies in Brunei, the Netherlands, Oman and the UK. He is a member of the Russian Foreign Investment Advisory Council and of the Nigerian President's Honorary International Investor Council. His current responsibilities include Exploration & Production, Middle East, Russia, North Africa, Nigeria. [Bio](#)

Linda Cook

Executive Director Gas & Power, Shell Trading, Global Solutions and Technology



Linda Cook joined Shell Oil Company in Houston in 1980. Her current responsibilities include Gas & Power, Renewables, Hydrogen and CO2, Global Solutions, Group Research, East and South Asia, Australia. [Bio](#)

Roxanne Decyk

Corporate Affairs Director



Roxanne Decyk joined Shell in April 1999 as Vice President Corporate Strategy of Royal Dutch/Shell Group in London, with responsibility for global corporate planning and strategy. Her current responsibilities include Government Relations, International Department, HSE, Security, Health, Sustainable development, Communications. [Bio](#)

Beat Hess

Legal Director



Beat Hess became Legal Director of Royal Dutch Shell plc in 2003. In this post, he has ultimate responsibility for the Shell legal function and advises the Shell Group management on all legal matters of group-wide importance. The Shell legal function comprises some 1,200 persons, of which approximately 730 are lawyers and some 70 are intellectual property professionals. The Shell compliance office is also part of the legal function. [Bio](#)

Hugh Mitchell

Human Resources Director



Hugh joined Shell Exploration & Production in Aberdeen in 1979 in Human Resources. Further HR and business roles followed across the UK and Brunei in both upstream and downstream businesses. [Bio](#)



Shell Business Purpose

The objectives of the **Shell Group** are to engage efficiently, responsibly and profitably in oil, oil products, gas, chemicals and other selected businesses and to participate in the search for and development of other sources of energy to meet evolving customer needs and the world's growing demand for energy.

Investing in new heartlands for Shell

Shell is rejuvenating its portfolio for a world of higher and more volatile commodity prices, increased competition, and higher costs. As part of the annual review of strategy, **Shell** said it is building over 50 large projects that will underpin new cash flows for decades to come. Upstream, **Shell** has over 10 billion barrels of oil equivalent (boe) resources under construction, which will add ~1 million boe/d of production. **Shell's** industry-leading fuels and lubricants portfolio is being positioned into growth markets. The company is also building significant new petrochemicals facilities, and new refining and downstream gas-to-liquids (GTL) capacity totaling ~300,000 b/d for **Shell**.



Major investments underway today include:

- Investment in some 10 billion boe of resources that will deliver ~1 million boe/d of oil & gas, and are the foundation for long-term growth potential of 2-3%/year
- 60,000 b/d of oil sands capacity, an increase of more than 60% from today's levels
- Over 7 million tons per year of new liquefied natural gas (LNG) capacity, an increase of 50%
- New refining and downstream GTL assets, totaling ~300,000 barrels per day of downstream capacity for **Shell**, an increase of some 8%.
- Positioning **Shell's** leading fuels and lubricants marketing businesses in new growth markets
- 800,000 tons per year of ethylene and 750,000 tons per year of mono-ethylene glycol. This is a 13% increase in **Shell's** ethylene capacity and a ~ 60% increase in its mono-ethylene glycol capacity
- Over 100 MW of new wind power capacity. Renewables investment continues, with particular focus on wind power and next generation biofuels.

Shell's Business Strategy and the World Economy "More Upstream, Profitable Downstream"

Against the background of high energy prices, competition for access to resources will remain intense. Cost inflation continues at a high rate, in certain cases exacerbated by a weakening US dollar. Capital cost inflation impacts upstream and downstream projects alike. Continued focus on project delivery and on operational excellence will be a key for success.

In **Shell's** upstream businesses, the company will continue to focus on developing major new projects with long, productive lives. In the downstream businesses, the emphasis will be on sustained cash generation and on continuing to reshape **Shell's** portfolio with a focus on the faster-growing markets of Asia Pacific. **Shell** creates further value by managing their portfolio and leveraging their proprietary technology and the quality of their people.

For 2008, **Shell** planned around 80% of their capital investment to be in upstream and oil sands projects. In downstream, their capital program will maintain and enhance **Shell's** competitive position by improving the quality, safety and competitiveness of their refineries and building on their presence in growth markets.

Meeting growing world demand for energy in ways that minimize environmental and social impact is a major challenge for the global energy industry. **Shell** is committed to improving energy efficiency in its own operations and supporting customers in managing their energy demands. **Shell** is also working to create a world-leading biofuels business and aims to build a material capability in the capture and storage of CO₂.

Shell's commitment to technology and innovation continues to be at the core of their strategy. As energy projects become more complex and more technically demanding, **Shell** believes their technologies and technical expertise will be telling factors in the growth of their business. **Shell's** key strengths include the development and application of technology, and the financial and project management skills that allow them to undertake large oil and gas projects across all of their businesses. **Shell** also benefits from having a diverse international business portfolio and customer-focused businesses built around the strength of the **Shell** brand. As such, **Shell** is well placed to be a preferred partner for governments and other resource holders, now and in the future.

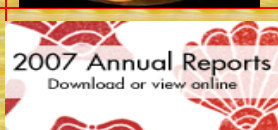
Discover **Shell's** 9 major projects around the world



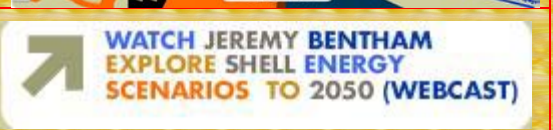
Look Ahead – interactive scenarios



Royal Dutch **Shell** 2007 Annual Reports



Webcast on **Shell** Energy Scenarios





	<p><u>Athabasca Oil Sands Project</u></p>
	<p><u>Sakhalin II</u> The world's largest integrated, export oriented oil and gas project.</p>
	<p><u>Shell Eastern Petrochemicals Complex</u> Serving a growing market.</p>
	<p><u>Port Arthur Refinery</u> Expanding to become one of the largest US refineries.</p>
	<p><u>Pearl GTL</u> Building the world's largest plant converting natural gas into clean-burning liquid transportation fuel and other high-value products.</p>
	<p><u>Qatargas 4</u> Qatargas 4 is Shell's first entry into Qatar's liquefied natural gas (LNG) sector.</p>
	<p><u>Perdido</u> The world's deepest spar production facility.</p>
	<p><u>Gumusut-Kakap</u> Shell's first deepwater opportunity in Malaysia</p>
	<p><u>BC-10</u> Commercializing Brazil's offshore heavy oil</p>

Eyes on the Future

Short and medium term

- Intensify focus on research of alternative fuels and the variety of biofuels. (efficiency, usage, cost-price, availability, sustainability)
- Faster implementation of research findings into business opportunities and consumer products
- Offer wide access to alternative power solutions to consumers
- Partner with institutions for biofuel research.
- Monitor competitors' actions in the biofuel field (BP, Petrobras)
- Promote and popularize "green" fuels.

Long term

- Increase investment in alternative motor engine technology (hydrogen cars)
- Research possibilities to become a wide-spread hydrogen stations provider to consumers.
- Encourage the production and use of "green" fuels in Asia and Africa.
- Research the ways to break dependency on oils and gas.
- Research and invest in alternative sources and production of power and electricity. (solar, wind, aqua)

Workforce Strategy

- Consider resizing or relocation of workforce (compare with competitors' number of employees and amount of profits.
- Eliminate redundant positions and increase the number of highly qualified research specialists in science, engineering, talent management and development, local market specialist at the international locations.

Markets to tap

- South American coast for short and medium term oil resource exploration; South American consumer market.
- Middle East partnerships
- Asia & Asia-Pacific growth market – Russia and China as strategic partners
- Possibilities of biofuel production in India
- Canada-Alaska exploration (caution for effects on environment)

