

Anti-Bribery & Corruption Programme Overview
Current or prospective business partners; General CSR/Sustainable Development queries

OPENING STATEMENT FOR QUESTIONNAIRES:

- Shell insists on honesty, integrity and fairness in all aspects of its business and expects the same in relationships with all those with whom we do business.ⁱ

STATEMENT ON COMPLIANCE WITH BRIBERY AND CORRUPTION LAWS:

- As many companies are, Shell is subject to national and international laws prohibiting bribery and corruption. Moreover, as Royal Dutch Shell plc is a UK company and its securities are traded in the US and UK, Shell employees, companies and Shell-controlled joint ventures must comply with the US Foreign Corrupt Practices Act and the UK Bribery Act 2010, which have international effect, as well as all applicable anti-bribery legislation and other legislation in the countries where Shell operates.

STATEMENT ON BRIBES, FACILITATION PAYMENTS:

- The direct or indirect offer, payment, soliciting and acceptance of bribes in any form are unacceptable practices. Shell prohibits the payment of all bribes and facilitation payments.

STATEMENT ON POLITICAL PAYMENTS:

- Shell prohibits political payments or “in-kind contributions” and Shell companies do not take part in party politics. Shell companies do not make payments to political parties, organizations or their representatives. However, when dealing with governments, Shell companies have the right and the responsibility to make our position known on any matters, which affect us, our employees, our customers, our shareholders or local communities in a manner, which is in accordance with our values and the Business Principles.

STATEMENT ON CONFLICTS OF INTEREST:

- Shell requires employees to declare potential or actual conflicts of interest in an online “Code of Conduct” Register. Conflict of Interest declarations in the Register are reviewed by the employee’s line manager. Where appropriate, the Shell Ethics and Compliance Office is involved in reviewing the declaration. Depending on the potential or actual conflict, an anti-bribery and corruption (“ABC”) counsel is contacted for advice on appropriate mitigation. Conflicts can include but are not limited to: becoming a government official (“GO”), serving on a government board, familial relations with owners or shareholders of contractors, the hiring of a GO, and others.

STATEMENT ON ANTI-BRIBERY AND CORRUPTION INVESTIGATIONS:

- While Shell cannot and will not comment on current ABC investigations, in 2010 Shell agreed to a deferred prosecution agreement (“DPA”) with the US Department of Justice for violations of the Foreign Corrupt Practices Act, which arose in connection with its use of the freight forwarding firm Panalpina. In November 2013, the DPA was successfully concluded. Shell’s ethics and compliance programme was enhanced during the DPA and remains in full force and effect.

Note: if you seek information on potential or current ABC investigations, asset or venture, please contact the individual who provided you this document and they will obtain the information from the Shell Ethics & Compliance Office if it is available to be released.

SHELL'S ETHICS & COMPLIANCE OFFICE AND ITS ABC POLICIES:

- The Chief Ethics & Compliance Officer (“CECO”) sits in the Legal function reporting to Shell’s Legal Director. The CECO also reports to and meets regularly with the Chief Executive Officer and Executive Committee, with the Audit Committee and with the Corporate and Social Responsibility Committee. Under the Chief Ethics & Compliance Officer there are over eighty (80) individuals working full time in varied functions within the Shell Ethics & Compliance Office (“SECO”). Within SECO the ABC Group, led by the Associate General Counsel for ABC and a global team of lawyers who sit in Houston, London and Singapore, provides ABC guidance and legal advice. In addition, there is a wide-range of other roles that also support Shell’s Ethics & Compliance programme, including Shell Internal Audit, the Business Integrity Department (“BID”), Finance, Human Resources and IT.
- In addition to the Shell General Business Principles and Code of Conduct, Shell maintains an Anti-Bribery and Corruption Manual (“ABC Manual”). ABC Manual compliance is mandatory for (i) all companies in which Royal Dutch Shell plc has a controlling interest; (ii) and Shell companies formally designated as the joint venture (JV) operator, which must apply the Manual to the operation of the JV.
- The following is a summary of Shell’s ABC programme. For a more detailed view of the ABC Manual or ABC programme, please contact the individual who provided you this document and they will obtain the information from SECO.

SUMMARY OF SHELL’S ABC PROGRAMME:

- A clear governance structure. Oversight of the programme is assigned to SECO, led by its Chief Ethics & Compliance Officer with a reporting line to the Board, supported by ABC Committee which meets monthly;
- Clear guidance to staff on what to do in certain risk situations. The guidance includes, but is not limited to the ABC Manual; an ABC specific website with updates and contact information; ABC training; regular messages from Shell leaders on ABC risks and Shell’s commitment to ABC; policies, procedures and protocols; face to face engagement sessions; and pocket sized travel cards on likely ABC risks Shell employees face when traveling abroad. Most guidance is translated into several languages, including Chinese, Portuguese, Spanish, Arabic, Russian, and others;
- Risk based approach including requirements designed to address specific geographic and counterparty risks;
- New Business Development and Joint Venture protocols. The protocols include but are not limited to: due diligence on potential partners, questionnaires that must be filled out by potential partners, risk analysis that must include ABC counsels when making a determination to enter or leave certain enterprises and ventures, yearly compliance certifications by JVs, audit rights, predetermined list of red flags that must be addressed with the ABC counsel before proceeding with the transaction;
- Recruitment policies that address former and current government officials and their family members;
- A prohibition on facilitation payments. Supplier, contractors, agents or anyone representing Shell are also prohibited from making facilitation payments;
- Clear guidelines on the prohibition of political payments and political activity;
- A Code of Conduct Register. Shell employees must declare potential conflicts of interest in the online Register and obtain line manager approval. Depending on the nature of the conflict, a SECO representative is involved; in some circumstances an ABC counsel is contacted for advice on appropriate mitigation. Conflicts can include but are not limited to: becoming a government official, serving on government boards, familial relations with owners or shareholders of contractors;
- Shell companies aim to be good neighbors by continuously improving the ways in which we contribute directly or indirectly to the general well-being of the communities within which we work. Therefore, Shell has strict controls on social investments, donations and sponsorships. If a

government official is involved in a social investment, the investment must be vetted by an ABC counsel before it can be approved;

- Global guidelines on offering or receiving gifts and hospitality (G&H) with requirements for which of these must be recorded in the online Code of Conduct Register, including but not limited to gifts and hospitality provided to government officials and private individuals, and gifts and hospitality accepted by Shell employees. At certain thresholds, a gift or hospitality to a government official must be supported by an ABC counsel before it is approved by the Business;
- Mandatory financial controls that allow a transparent view of transactions: all business transactions on behalf of a Shell company must be reflected accurately and fairly in the accounts of the company in accordance with established procedures and are subject to audit and disclosure;
- ABC due diligence on counterparties. A risk based approach is undertaken, and continuously reviewed, to address what parties (and at what level) are screened by Shell. Shell has an internal team of reviewers who work on a full time basis conducting due diligence on our counterparties. Due diligence can include previous negative ABC history, shareholder information, denied party status by varied governments, and other checks;
- Distinct ABC contractual clauses that are risk based;
- Training in multiple languages for those employees exposed to ABC risk. Our ABC training is also risk based and targets, both through web based training for employees whose roles are assessed as being high risk, and for employees at higher risk face to face training. The ABC training is conducted in several local languages and is periodically reviewed and updated to stay up to date with current issues and risks;
- Communications that demonstrate tone from the top and embed compliance requirements. This includes web based communications, leader-team engagements, SECO led engagements, engagements with third parties;
- Global helpline that is available for all employees to report a concern or seek advice. The helpline is administered by an outside organization and is available in several languages and is open to not only Shell employees but also to the general public. Moreover, Shell's ABC contractual clauses include a requirement for the counterparty to confirm receipt of the helpline information and understanding how to report a concern to Shell's helpline;
- Clear investigation procedures for ABC related concerns and allegations with a policy of non-retaliation. All ABC allegations are investigated by Business Integrity Department members who typically were former prosecutors or enforcement officers;
- ABC compliance reviews conducted by internal audit;
- Appropriate consequence management, up to and including termination where appropriate;
- Records retention procedures.

Links:

<http://www.justice.gov/criminal/fraud/fcpa>

<http://justice.gov.uk/legislation/bills-and-acts/acts/bribery-act-2010>

<http://www.shell.com/global/aboutshell/who-we-are/our-values/sGBP.html>

<http://www.shell.com/global/aboutshell/who-we-are/our-values/code-of-conduct.html>

<http://www.shell.com/global/aboutshell/who-we-are/our-values/compliance-helpline.html>

<http://www.shell.com/global/environment-society/s-development/controls.html>

<http://www.justice.gov/opa/documents/shell-dpa.pdf>

<http://s05.static-shell.com/content/dam/shell->

[new/local/corporate/corporate/downloads/pdf/investor/reports/2013/20f/2013-annual-report20fsec.pdf](http://s05.static-shell.com/content/dam/shell-new/local/corporate/corporate/downloads/pdf/investor/reports/2013/20f/2013-annual-report20fsec.pdf)

¹ The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate entities. In this overview "Shell" is sometimes used for convenience where references are made to Shell Companies in general. Likewise, the words "we", "us" and "our" are also used to refer to Shell companies in general or to those who work for them. These expressions are also used where no useful purposes is served by identifying the particular company or companies.