

Royal Dutch Shell, AGM 2014, May 20th

AGM Analyses and Spoken text

Executive Summary (in English)

(1) There are no controversial items on the agenda. Therefore we will vote in favor of all the agenda points.

(2) On agenda item 2 & 3 (remuneration policy and remuneration report) we will explain our votes FOR and will make a statement on the remuneration policy and report.

Royal Dutch Shell, Annual General Meeting, May 20st 2014

Meeting type	AGM Royal Dutch Shell
Date	10:00 A.M CET, May 20 th 2014
Location	Circustheater, Scheveningen
Spokesperson Eumedion	Sylvia van Waveren (Robeco)
Proxy instructions	Robeco, APG, Menzis Zorgverzekeringen, Telegraaf Pensioenfonds, De Goudse Verzekeringen, Syntus Achmea

Agenda items	Vote
1. Accept Financial Statements and Statutory Reports	For
2. Approve Remuneration Policy	For
3. Approve Remuneration Report	For
4. Elect Euleen Goh as Director	For
5. Elect Patricia Woertz as Director	For
6. Elect Ben van Beurden as Director	For
7. Re-elect Guy Elliott as Director	For
8. Re-elect Simon Henry as Director	For
9. Re-elect Charles Holliday as Director	For
10. Re-elect Gerard Kleisterlee as Director	For
11. Re-elect Jorma Ollila as Director	For
12. Re-elect Sir Nigel Sheinwald as Director	For
13. Re-elect Linda Stunz as Director	For
14. Re-elect Hans Wijers as Director	For
15. Re-elect Gerrit Zalm as Director	For
16. Reappoint PricewaterhouseCoopers LLP as Auditors	For
17. Authorise Board to Fix Remuneration of Auditors	For
18. Authorise Issue of Equity with Pre-emptive Rights	For
19. Authorise Issue of Equity without Pre-emptive Rights	For
20. Authorise Market Purchase of Ordinary Shares	For
21. Approve Long Term Incentive Plan	For
22. Approve Deferred Bonus Plan	For
23. Approve Restricted Share Plan	For
24. Approve EU Political Donations and Expenditure	For

Spoken text for agenda item 2 & 3 (Remuneration Policy and Remuneration Report)

Thank you, mister chairman. My name is Sylvia van Waveren, representative of Robeco. I speak also on behalf of APG, Menzis Zorgverzekeringen, Telegraaf Pensioenfonds, De Goudse Verzekeringen, Syntrus Achmea.

In general we are supportive of the new remuneration policy. The previous policy has been simplified with the removal of matching shares. Also there is a materially enhanced shareholding requirement for the Executive Directors. However there are some notable issues with the new policy – there is higher LTIP grant levels and annual bonus than have previously applied, there is no pro-rating of LTIP awards on a change of control and entitlements in the event of early termination go beyond UK market practice.

In his yearly consultation with institutional investors, Mr. Wijers explained to us extensively the new remuneration policy starting in 2015 and the thinking process behind it. We very much welcome this thorough consultation and engagement process prior to the AGM and we were able to raise our questions. We have indicated to Mr. Wijers, also in earlier years, that we would welcome a much simpler and value oriented remuneration methodology and a further transparency. In the new policy we recognize our indications and we can clearly see this in the resulting proposals.

We especially welcome the renewed focus on capital discipline and the strategic review of the entire portfolio that is currently being performed. We expect this review to contribute to enhancing capital efficiency, that it will reduce both operational, regulatory and societal risks, and that it results in a better aligned of the company's portfolio to structural changes in the energy markets. Shell's short or near term ambitions in the Arctic and its activities in Nigeria are examples of activities that we would expect to receive severe scrutiny regarding their risk profiles balanced against their ability to create and sustain value for the company and its shareholders.

In summary, we are satisfied with the inclusion of the relative return on capital employed (ROACE) as one of the four performance metrics, because this way management is rewarded for capital efficiency. We therefore regard the policy worthy of our support and we vote FOR agenda item 2.

The remuneration report does not trigger any fundamental issues of concern. The report is clear and the disclosure is good. The Remuneration Committee also demonstrated an awareness of broader business issues by adjusting the resulting bonus downwards, and applying a further reduction to the award to the former CEO. We support the remuneration report and we vote FOR agenda item 3.

Reply from the Chair and Mr. Wijers: The consultation process with investors is also very much appreciated by RDS. The points raised will be taken up by the Board and Remco.

Sylvia van Waveren, Senior Engagement Specialist RobecoSAM

May 20, 2014