

October 31, 2006

Royal Dutch Shell, PLC
Attn: General Counsel's Office
P.O. Box 2463
Houston, TX 77252-2463

Dear General Counsel of Royal Dutch Shell:

The Project On Government Oversight (POGO) is overhauling and renewing its Federal Contractor Misconduct Database (www.pogo.org/db/index.cfm), a compilation of information from public resources regarding government contractors, including Royal Dutch Shell. I have enclosed the findings relevant to Royal Dutch Shell and am requesting verification or refutation of the data from you by November 17, 2006.

Any response would be greatly appreciated, as the accuracy of this information is in the best interest of all parties. Out of fairness to Royal Dutch Shell, please be assured that any response received by POGO will be posted on the website along with the data.

Changes to the database include: the addition of more current instances, removal of Superfund cleanup costs, and removal of information that could not be verified with official documents. Additionally, pending cases will still be included, but this information will be kept separate from the resolved cases and will not be included in any totals.

If you have any questions, please contact Kevin Phelps at (202) 347-1122 or kevin@pogo.org. Thank you for your time and consideration.

Sincerely,

Scott Amey
General Counsel

Enclosure

Instances

1.

Questionable Reserve Recategorisations

Date: 07/12/2005 (Date of Preliminary Settlement Approval)

Misconduct Type: Securities

Contracting Party: N/A

Court Type: Civil

Amount: \$91,000,000

Disposition: Settlement

Synopsis: “The Royal Dutch / Shell Group of Companies reported today that a settlement has been reached in a class action and related litigation brought against certain Group companies on behalf of employees participating in certain United States employee savings plans that are subject to the Employee Retirement Income Security Act of 1974 (ERISA). The class action, which is pending in United States Federal Court in New Jersey, makes certain ERISA-based claims based upon Shell’s recategorisations of its proved oil and gas reserves. An order preliminarily approving the proposed settlement has been entered. If the settlement is finally approved by the court, Shell will pay \$90 million which – after certain expenses (including court-approved attorneys’ fees) are deducted – will be distributed to eligible participants in the relevant employee savings plans. Shell also has agreed to pay up to \$1 million of plaintiffs’ counsel’s out-of-pocket expenses and the costs of providing notice to class members... In addition, as part of the settlement agreement, Shell has agreed to adopt certain new procedures for monitoring and training individuals appointed to fiduciary positions in savings plans that are subject to ERISA.”

Document(s):

Shell Press Release

2.

Changes in Reserves Organization

Date: 08/31/2005 (Date of Preliminary Settlement Approval)

Misconduct Type: Securities

Contracting Party: N/A

Court Type: Civil

Amount: \$9,200,000

Disposition: Settlement

Synopsis: “The Shell Group (Shell) today announced that a settlement has been reached with the plaintiffs in shareholder derivative actions arising out of Shell’s 2004 reserves recategorisation... The cases sought corporate governance and structural changes as well as unspecified monetary damages from the current and former directors. Under the terms of the settlement, Royal Dutch Shell plc has agreed to adopt and implement certain corporate governance principles negotiated with counsel for

the derivative plaintiffs and a corporate governance expert retained by plaintiffs' counsel. The principles include policies and standards in the areas of Board composition and qualifications; membership and functions of Board committees; director and senior management compensation; financial reporting and controls; and corporate compliance and ethics. Terms of the settlement also include payment by Shell of \$9.2 million in attorneys' fees and expenses to counsel for the derivative plaintiffs."

Document(s):
Shell Press Release

3.
Violations of Federal Security Laws
Date: 03/30/2005 (Date of SEC Filing)
Misconduct Type: Tax
Contracting Party: Government Civilian
Court Type: Civil
Amount: \$125,000,000
Disposition: Administrative Agreement

Synopsis: "The United States Securities and Exchange Commission (SEC) and UK Financial Services Authority (FSA) issued formal orders of private investigation in relation to the reserves recategorisation which Royal Dutch and Shell Transport resolved by reaching agreements with the SEC and the FSA. In connection with the agreement with the SEC, Royal Dutch and Shell Transport consented, without admitting or denying the SEC's findings or conclusions, to an administrative order finding that Royal Dutch and Shell Transport violated, and requiring Royal Dutch and Shell Transport to cease and desist from future violations of, the antifraud, reporting, recordkeeping and internal control provisions of the US Federal securities laws and related SEC rules, agreed to pay a \$120 million civil penalty and undertook to spend an additional \$5 million developing a comprehensive internal compliance program."

Document(s):
SEC 10-K

Pending Cases

1.
Harmful Exposure to Pesticides
Date: 07/19/2006 (Date of Judgment)
Misconduct Type: Health
Contracting Party: N/A
Court Type: Civil
Amount: \$490,000,000
Disposition: Judgment Against Defendant

Synopsis: “A \$490 million judgment in favour of 466 plaintiffs in a consolidated matter that had once been nine individual cases was rendered in 2002 by a Nicaraguan court jointly against SOC and three other named defendants (not affiliated with SOC), based upon Nicaraguan Special Law 364 for claimed personal injuries resulting from alleged exposure to dibromochloropropane (DBCP), a pesticide manufactured by SOC prior to 1978. This special law imposes strict liability (in a predetermined amount) on international manufacturers of DBCP.” SOC is planning an appeal.

Document(s):

SEC 10-K

2.

Kiobel v. Royal Dutch Petroleum Co. (Violations of International Law)

Date: 12/07/2004 (Date of Filing)

Misconduct Type: Other

Contracting Party: N/A

Court Type: Civil

Amount: \$0

Disposition: Pending

Synopsis: In *Kiobel v. Royal Dutch Petroleum Co.*, a proposed class of residents of the Ogoni area of Nigeria allege that Royal Dutch Petroleum violated international law when it “assisted the Nigerian government in its violent suppression of peaceful protests of air and water pollution stemming from Shell’s oil exploration and extraction activities in an area of the Niger Delta, and its subsequent prosecution and execution of community leaders. The district court has rejected various motions to dismiss the case.”

Document(s):

EPA Memo