



THE PERDIDO DEVELOPMENT PROJECT

“Building a Goal Zero Safety Culture”



National Ocean Industries Association (NOIA)

“Safety in Seas Award”

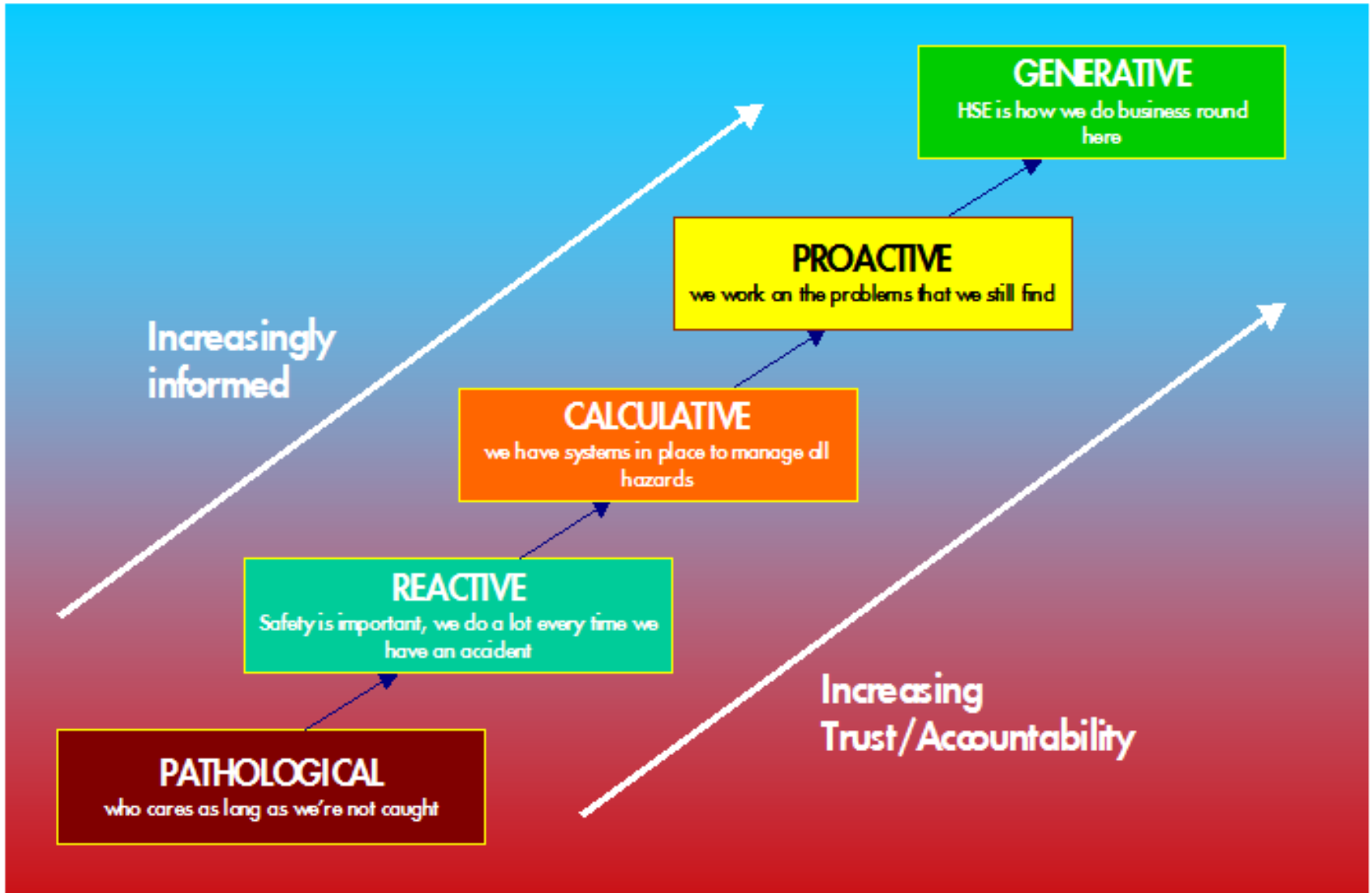
October 28-30, 2010

Scottsdale, AZ

Bill Townsley – Venture Manager

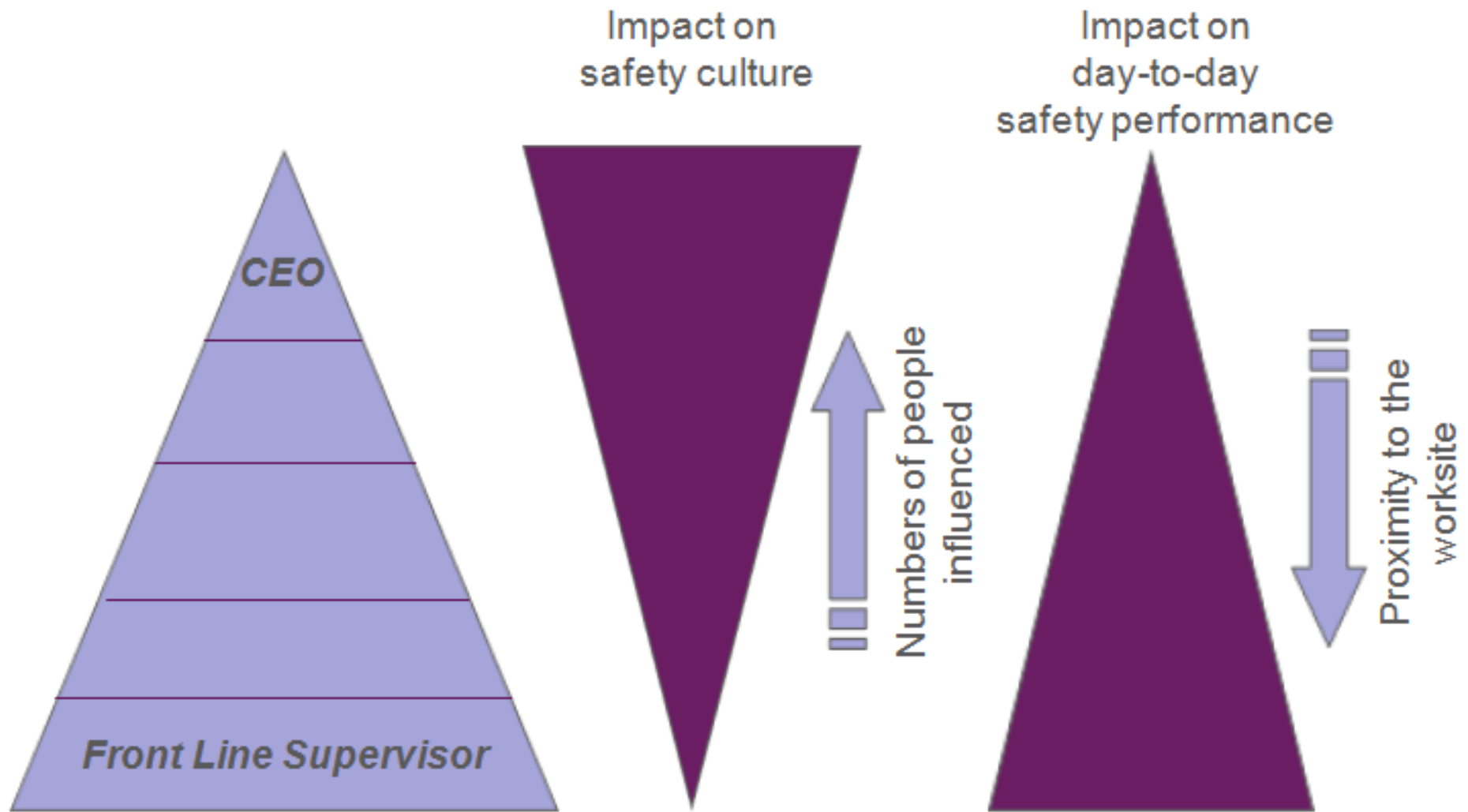
Kurt Shallenberger – Project Manager

Culture Ladder



Culture is what people do when no one is watching

Who Sets the Safety Culture



Establishing Perdido's Goal Zero Culture - Setting the Tone

- **Perdido Team setting initial goals and targets in 2006**
Goal Zero – One Shift At a Time
- **Investment and Focus on Safety From the Start of the project**
 - Safety Leadership Commitments
 - Invest in safety training for EVERYONE
 - Safety in Design
 - Safety in Execution
 - Integrating Safety into all execution discussions
- **Select, Challenge and Support Your Contractors that embrace a goal zero culture.**
 - Safety Performance history is a significant part of tender award selection
 - Set Goal Zero Commitment and Expectations of your Contractors
 - Integrate safety into project governance protocol
 - Support and Challenge contractors goals and safety initiatives
 - Support your Contractor by being visible on the worksites

Safety in Design

Helideck meeting
CAP 47 Ind Stds

Facility subjected to over 25 safety
studies (dispersion, blast, HAZOP, IPF,
SIMOP, etc.)

No process
vents, all
equipment piped
to flare

Integrated Blast
Resistant LQ with no
provision for temporary
buildings

Blast rated firewall spanning
the production and cellar
decks

SIL 3 Gas Detection and
ESD System

Step-Change in Active Fire
Protection System

Dual Isolation Valves on
gas & oil export risers

24 Person Fast rescue Craft

Rapid Blowdown
System

F&G Detection
ESD and Blowdown
Fire and blast walls
Passive fire protection
Foam deluge
TR fire, blast and smoke ingress protection
Lifeboats

Compliance Plus Water
Treatment System

"A Goal Zero environment is a prerequisite to achieve a Goal Zero culture"

Perdido Safety Philosophy

“Goal Zero – One shift at a time”

Demonstrate Safety Leadership

- Strong safety governance
- Visible leadership on worksites.
- Use of external resources.
- Proactive implementation of Life Saving Rules

Helping Contractors to Succeed

- UNDERSTANDING AND SUPPORTING the Contractors HS&E goals.
- Major Contractor Sr. Management HS&E reviews
- Sharing Shell experiences and expectations

Investment in Strong Site Teams

- Support/Challenge the HS&E culture
- Experienced and strong site leadership team
- Commitment to safety coaches on site 24/7.
- Buffer schedule pressures from workforce.

Changing A Safety Culture – Supporting Contractor Initiatives

- All Companies are on a Safety Journey
- Shell chose not to impose their culture on Contractors but challenge and support their goals and initiatives
 - Introduced Mgmt Safety Walks
 - Pictures of Dropped object demonstration at Technip's yard

Life-Saving Rules

											
Work with a valid work permit when required.	Conduct gas tests when required.	Verify isolation before work begins and use the specified life protecting equipment.	Do not walk under a suspended load.	Do not smoke outside designated areas ¹ .	No alcohol or drugs while working or driving.	Obtain authorisation before entering a confined space.	Obtain authorisation before overriding or disabling safety critical equipment.	Protect yourself against a fall when working at height.	While driving, do not use your phone and do not exceed speed limits.	Wear your seat belt.	Follow prescribed Journey Management Plan.
Welding on drilling rigs or seismic crews, work on pressured pipes, etc.	Inspection or cleaning of mud tanks on rigs, etc.	Depressurise pipes, isolate chemicals, disconnect electricals on rigs/seismic.	Supply (pipe) yards, supply vessels, rig (de)mobilisation, construction sites etc.	Most working areas. Also applies to crew accommodation areas, hotels etc.	Applicable to almost all work areas.	Entry of mud tanks, mixers, containers, legs of semi-submersible rigs, etc.	Smoke detectors, H ₂ S and gas alarms, IVMS devices in vehicles, etc.	Work on rigs, climbing on trucks & containers, rock cliffs in field trips, etc.	All work-related road transport and logistics operations, incl. business travel.	Everybody, every time, everywhere.	Rigs and seismic ops, logistics/supply, ad-hoc journeys, geol. field trips, etc.

Changing A Safety Culture – Large Site Teams

- **Support/Challenge the HS&E culture**
- **Experienced and strong site leadership team**
- **Commitment to safety coaches on site 24/7**
- **Buffer schedule pressures from workforce**

The Power of Intervention Helping our Contractors Get Better - TOF



Changing A Safety Culture – Safety Leadership

- Visible Leadership
- Listening to the workers
 - Investing in safety Equipment needs
 - Addressing Issues
- Active Caring – Camp Ike (post Hurricane damage to Houston)



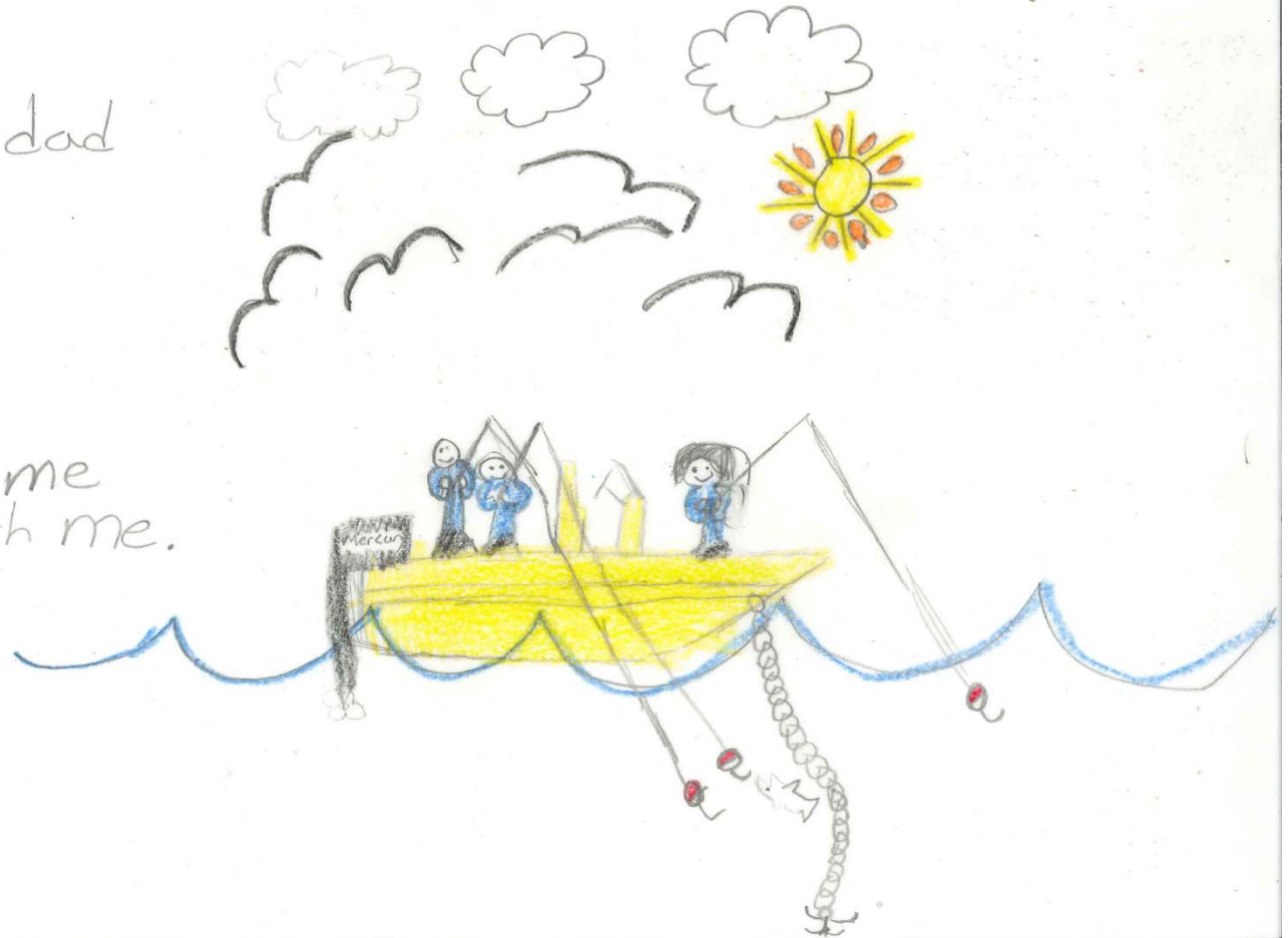
Changing A Safety Culture – Engagement

- KOS - Why do we work safe?

Brandon Wiggins

Why should
my mom and dad
work safe?

so they can
always love me
and be with me.



Perdido Safety Philosophy - Delivered Performance

“Goal Zero – One shift at a time”

Demonstrate Safety Leadership

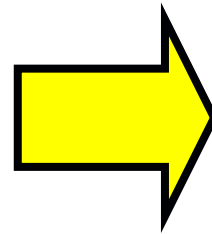
- Strong safety governance
- Visible leadership on worksites.
- Use of external resources.
- Proactive implementation of Life Saving Rules

Helping Contractors to Succeed

- UNDERSTANDING AND SUPPORTING the Contractors HS&E goals.
- Major Contractor Sr. Management HS&E reviews
- Sharing Shell experiences and expectations

Investment in Strong Site Teams

- Support/Challenge the HS&E culture
- Experienced and strong site leadership team
- Commitment to safety coaches on site 24/7.
- Buffer schedule pressures from workforce.



Technip Offshore Finland - Hull

- Perdido was their best ever yard safety performance

Kiewit Offshore Ingleside Tx - Topsides

- The yard achieved their best ever safety performance
- 2.2 million man-hours with 2 recordables

Heerema Marine – Topsides Lift

- The Shell Perdido team awarded the HMC corporate safety award

Noble Clyde Boudreaux (MODU) –Wells

- Received the MMS (US government) Safe Gulf Award

Helmerich & Payne - Platform rig

- Achieved 5 years without a recordable (started before Perdido)

Perdido – National Ocean Industries Association (NOIA)

- Received 2010 Safety in Seas Award

11 mln man-hours LTI free,

TRCF of 0.54 per 200,000 man hours

The Perdido Development Project - Summary

- **A Goal Zero culture starts with Senior Management Commitment to care for people**
- **Safety Must Be A Value that is embraced by Safety Leaders At All Levels**
- **A Goal Zero working environment is a prerequisite to achieve a Goal Zero culture**
- **Companies can significantly influence Contractor safety commitment and performance**

PERDIDO



CAUTIONARY NOTE

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate entities. In this presentation “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 presentation refer to companies in which Royal Dutch Shell either directly or indirectly has control, by having either a majority of the voting rights or the right to exercise a controlling influence. The companies in which Shell has significant influence but not control are referred to as “associated companies” or “associates” and companies in which Shell has joint control are referred to as “jointly controlled entities”. In this presentation, associates and jointly controlled entities are also 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 34% shareholding in Woodside Petroleum Ltd.) ownership interest held by Shell in a venture, partnership or company, after exclusion of all third-party interest.

This presentation 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”, “intend”, “may”, “plan”, “objectives”, “outlook”, “probably”, “project”, “will”, “seek”, “target”, “risks”, “goals”, “should” 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 presentation, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for the Shell’s products; (c) currency fluctuations; (d) drilling and production results; (e) reserve 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 presentation 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 factors that may affect future results are contained in Royal Dutch Shell’s 20-F for the year ended December 31, 2009 (available at www.shell.com/investor and www.sec.gov). These factors also should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, 29 October 2010. Neither Royal Dutch Shell 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 presentation.

The United States Securities and Exchange Commission (SEC) permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We may have used certain terms in this presentation that SEC’s guidelines strictly prohibit us from including in 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.