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Attachment 2: Shareholder resolution and supporting statement

Resolution at 2016 AGM of Royal Dutch Shell plc ("Shell")

SPECIAL RESOLUTION

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Shareholder resolution

Shell will become a renewable energy company by investing the profits from fossil fuels in renewable energy; we support Shell to take the lead in creating a world without fossil fuels and expect a new strategy within one year.

Supporting statement

As shareholders in Shell, we want you to know that we expect the company to move in a new direction. We want Shell to change course and make the move to sustainable energy.
We know you can make a difference.

Summary

Given the new realities in the energy market we ask Shell to embark on a new strategy. We support Shell as a leading energy company to become a renewable energy company. Given our vision that Shell is one of the most innovative companies in the oil and gas industry, we are convinced Shell is the right oil major to change course.
We therefore ask Shell to continue to take the profits from its existing oil and gas fields (for as long as they are there) but invest these profits (after paying dividend) in renewable energy instead of more fossil fuels.

We want Shell to stop the exploration and acquisition of more oil and gas and we want Shell to invest the thus freed cashflow in renewable energy.

As Shell's CEO Ben van Beurden has put it: "An organisation that has so many qualities, so much expertise, so much capital, has to be able to reinvent itself."
We ask the board to make the right investment decisions, in the interest of all stakeholders of the company; clients, personnel, shareholders and society. For the future of Shell.

You have our support

New realities

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- A worldwide consensus to end the fossil era as quick as possible and move to renewable energy
- Emerging disruptive technologies and business models in the energy market, for example decentralized, solar power on the supply side and electric cars, including energy storage, on the demand side
- Increasing political pressure and regulations to curb CO_2-emissions, increasing CO_2-taxes: fossil fuels could be taxed heavily upstream to pay for infrastructure adaptations required by the new climate realities
- Increasing costs of extracting fossil fuels
- Exponentially decreasing costs of renewable energy

Financial risks

- Risk of oil and gas reserves to become stranded assets
- Profits of Shell almost fully depend on oil and gas prices
- Increasing societal pressure on large shareholders such as pension funds to divest in fossil fuels
- Unpredictable federal regulatory environment
- One of the key assets of Shell is its staff. Will future generations be willing to contribute to global warming in their professional career?
- Operational risks will increase, as oil and gas will be harder to drill. The time of easy oil is over
- Reputational risks will increase, as more and more people in the world understand and face the consequences of global warming. Many people will see the oil majors as root cause of global warming and expect them to pay for it.
- Risk of being disrupted by new companies with new technologies and new business models

New strategy

We have trust in Shell's management, Future Energy Team, Scenarios Team and 90.000 employees to make the right investment decisions and excel in executing the right projects.

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The first step we want Shell to take is to stop the exploration and acquisition of more oil and gas. The second step we want Shell to take is to invest the thus freed cashflow in renewable energy.
Finding new business models will be the biggest challenge. Shell is excellently positioned to apply new technologies and new business models. Diversification of the energy supply will turn out to be an opportunity to decrease risks.

Transition period
We are not asking Shell to stop producing fossil fuels during the transition period. We fully understand oil and gas will still be needed for several years, maybe decades. We do however ask the board of Shell to work on a strategy and implement a strategy to finally replace fossil fuels.
The transition will have a huge impact on the business model of Shell and will take time. Starting too late might prove to be a danger for the future of the company. To start now will have only one risk: money is not spent in the right place. These kinds of risks are part of the energy business. The investments in the exploration of oil and gas in Alaska or tar sands in Canada were billion dollar investments with no returns. Shell can bear these capital losses.

- During the transition investments to sustain the production and refinement of proven oil and gas reserves will still be necessary
- The transition may in time involve the sale of fossil fuel production assets

Timing
We suggest Shell to set a tangible goal, a year in which the transition of the company should be complete, but fully realize this will be just a dot on the horizon and that the road still has to be discovered. To emphasize the urgency we suggest the year 2030 to complete the transition, but most important is to stop investing in exploration of fossil fuels.

New metric
To continually convince shareholders that Shell is on the right course, we suggest to provide an additional metric in reporting the company's results: CO_2 per unit of energy produced or a comparable metric. This number should decrease year after year towards zero.

New brand value
Imagine what happens to the brand value of a company with a clear zero-emission goal. Today gasoline is a commodity. We are convinced that setting a zero-emission goal will distinguish Shell from its competitors, because customers will know that the profits from Shell fossil fuels will be invested in renewables.

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Dividends
During and after the transition Shell will still be able to pay dividends. Changing course is the only way to sustain dividends on the long run.

Finally
As Shell's CEO Ben van Beurden has put it: "An organisation that has so many qualities, so much expertise, so much capital, has to be able to reinvent itself."
We ask the board to make the right investment decisions, in the interest of all stakeholders of the company; clients, personnel, shareholders and society. For the future of Shell.

You have our support