

## **Exhibit P**

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IN THE UNITED STATES DISTRICT COURT

DISTRICT OF NEW JERSEY

Civ. No. 04-3749 (JAP)

(Consolidated Cases)

Hon. Joel A. Pisano

ORIGINAL

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IN RE ROYAL DUTCH/SHELL |

TRANSPORT SECURITIES |

LITIGATION |  
----- +

Videotaped Deposition of

SIMON HENRY

Washington, D.C.

Monday, October 16th, 2006

10:00 a.m.

Job No. 22-84924

Pages 1 - 236, Volume I

Reported by: Laurie Bangart-Smith



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Videotaped Deposition of

SIMON HENRY

Held at the offices of:

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Taken pursuant to notice, before Laurie  
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and Notary Public in and for the District of  
Columbia.

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P R O C E E D I N G S

THE VIDEOGRAPHER: Here begins Tape

Number 1 in the deposition of Simon Henry, in the matter of Royal Dutch/Shell Transport Securities Litigation, in the United States District Court, District of New Jersey, Case Number 04-374.

Today's date is October 16th, 2006. The time is 10:08 a.m. The video operator today is Cali Day of Legalink New York. This video deposition is taking place at 1875 Connecticut Avenue, Northwest, Washington, D.C., 20009.

Would counsel please identify themselves and state whom they represent.

MR. MACFALL: Timothy MacFall, Bernstein, Liebhard & Lifshitz, for plaintiffs in the class.

MS. LAURENT: Christine Laurent from Bernstein, Liebhard & Lifshitz on behalf of plaintiffs in the class.

MR. BERNSTEIN: Stanley Bernstein, Bernstein, Liebhard & Lifshitz.

MR. HABER: Jeffrey Haber, Bernstein, Liebhard & Lifshitz, on behalf of lead plaintiff, Peter M. Wood, in the class.

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10:08:33 2 MS. MACKINTOSH: Christine Mackintosh,  
10:08:34 3 Grant & Eisenhofer, on behalf of the opted-out  
10:08:36 4 plaintiffs.

10:08:37 5 MR. WARE: David Ware, Debevoise &  
10:08:37 6 Plimpton, on behalf of Royal Dutch/Shell.

10:08:41 7 MR. SMITH: Colby Smith from Debevoise &  
10:08:43 8 Plimpton on behalf of the corporate defendants,  
10:08:43 9 Royal Dutch Petroleum and Shell Transport and  
10:08:44 10 Trading, and for the witness.

10:08:50 11 MR. PLATT: Charles Platt, Shell  
10:08:51 12 International, on behalf of Royal Dutch/Shell.

10:08:54 13 MS. TISKA: Tracey Tiska from Hogan &  
10:08:55 14 Hartson for defendants KPMJ Accountants, N.V.

10:09:01 15 MR. FOUKAS: Savvas Foukas, Hughes,  
10:09:01 16 Hubbard & Reed, for PricewaterhouseCoopers, LLP.

10:09:06 17 MS. MAZARAKIS: Akrivi Mazarakis, Mayer,  
10:09:07 18 Brown, Rowe & Maw, Sir Philip Watts.

10:09:12 19 MR. MORSE: Adriaen Morse, Mayer, Brown,  
10:09:12 20 Rowe & Maw, for Phil Watts.

10:09:14 21 MS. WICKHEM: Rebecca Wickhem of Foley &  
10:09:14 22 Lardner, LLP, for Judith Boynton.

10:09:19 23 MR. FERRARA: Ralph Ferrara, LeBoeuf  
10:09:21 24 Lamb, on behalf of the corporate defendants, Shell  
09:23 25 Transport and Trading and Royal Dutch/Shell, and

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the witness appearing here today, Mr. Simon Henry.

THE VIDEOGRAPHER: The court reporter today is Laurie Bangart-Smith of LegaLink New York. Would the reporter please swear in the witness.

SIMON HENRY,  
having been duly sworn, testified as follows:

EXAMINATION BY COUNSEL FOR PLAINTIFFS

BY MR. MACFALL:

Q Good morning, Mr. Henry.

A Good morning.

Q We met a few moments ago. My name is Tim MacFall. I'm going to be asking you a few questions today with regard to this litigation pending against Royal Dutch/Shell.

I'd like to go over a few ground rules, which I'm sure your counsel has already covered with you, but just for the sake of clarity, if at any point you feel like you need a break or you would like to consult with counsel, just indicate that to me, and I'm sure we can accommodate you. If at some point I ask a question that you don't understand or is unclear, just indicate that, and I'll be more than happy to rephrase it for you.

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10:10:26 2 In order to have a clear record,  
10:10:28 3 although the deposition is being video-recorded,  
10:10:32 4 it's necessary for you to answer audibly, using  
10:10:34 5 words, in order for the court reporter to record  
10:10:37 6 it in the transcript.

10:10:38 7 Do you understand, sir?

10:10:40 8 A I do.

10:10:43 9 Q Mr. Henry, have you ever had your  
10:10:45 10 deposition taken before, sir?

10:10:47 11 A Yes, I have.

10:10:49 12 Q Okay. Could you please briefly describe  
10:10:52 13 what that deposition was taken in connection with.

10:10:56 14 A In November 2004 a deposition taken by  
10:11:00 15 Securities and Exchange Commission in relation to  
10:11:03 16 the same issues that this deposition covers.

10:11:07 17 Q And I take it by that you mean the  
10:11:09 18 recategorization of certain proved reserves by  
10:11:13 19 Royal Dutch/Shell; is that correct, sir?

10:11:14 20 A That's correct.

10:11:17 21 Q Separate and apart from that deposition,  
10:11:19 22 have you ever had your deposition taken before,  
10:11:23 23 sir?

10:11:23 24 A No.

11:24 25 Q Mr. Henry, could you please briefly



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10:11:26 2 describe for me your educational background,  
10:11:28 3 beginning with University.

10:11:30 4 A I studied mathematics at Cambridge  
10:11:33 5 University in England from 1979 to 1982. I  
10:11:38 6 graduated first class honors in 1982, was awarded  
10:11:46 7 a Bachelor of Arts degree, and in 1986 received a  
10:11:49 8 masters of arts degree from the same university.  
10:11:55 9 That is the academic education.

10:11:57 10 I have a professional qualification in  
10:12:00 11 addition. I'm an associate member of the  
10:12:03 12 Chartered Institute of Management Accountants, a  
10:12:04 13 U.K.-based institute, where I studied from 1986 to  
10:12:12 14 1988 and became an associate member in 1989, and I  
10:12:15 15 remained a member of that institution.

10:12:20 16 Q I believe you used the term "Chartered  
10:12:22 17 Accountant." Is there another type of accountancy  
10:12:25 18 in the U.K.?

10:12:28 19 A Yes. There are at least three types of  
10:12:30 20 accountancy that I'm aware of: Certified  
10:12:34 21 Accountant, Institute of Chartered Accountants,  
10:12:46 22 and the Institute to which I belong, which is the  
10:12:46 23 Chartered Institute of Management Accountants --  
10:12:46 24 the Institute of Chartered Accountants of England  
10:12:47 25 and Wales, and then there's the Institute of which

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I'm a member, the Chartered Institute of  
Management Accountants, so technically I'm a  
Chartered Management Accountant.

Q Are you currently employed, sir?

A Yes, I am.

Q And could you please tell me by whom you  
are currently employed.

A I'm employed by Shell International  
Exploration & Production based in Rijswijk in The  
Hague and the Netherlands.

Q What position do you hold with Shell?

A I'm the Executive Vice President Finance  
for the Exploration & Production Business.

Q How long have you been employed by  
Shell?

A Twenty-four years and one month. I  
joined in September 1982.

Q I realize this is a very long period of  
time that we'd like to cover, but if you could  
very briefly describe for me the various positions  
that you've held within Shell since you've been  
employed.

A I joined as an instrument engineer, in  
the engineering function at Stanlow Refinery in

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the United Kingdom. After four years in that role, I moved to Internal Audit based in Manchester in England. After two years in that role, in 1988 I moved to Shell Haven Refinery in Southern England to head an IT project, and in 1990 I moved to ShellMex House in London as the head of Management Accounts for Shell U.K. Downstream Business. In 1992 I moved to Egypt to take over as Finance Manager of Shell Marketing Egypt, and in 1994 I stayed in Egypt but moved to the Upstream Exploration & Production Business as Finance Controller.

In 1996 I returned to London in Shell Center as the Shareholder Finance Advisor for the Downstream Businesses in Asia Pacific. In March 1998 I moved to Bangkok in Thailand as the Finance Director for the Mekong Cluster, which was Finance Director for all of Shell's Businesses in Thailand, Vietnam, Laos and Cambodia. While I was in Bangkok we reorganized, and I became the General Manager of Finance for the Retail Marketing Business in Southeast Asia, and for part of that time I was also the General Manager of Marketing in the Business. At the end of 2000,

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10:15:55 2 December 2000, I returned to London again to take  
10:15:58 3 over as head of Shell Group Investor Relations,  
10:16:04 4 which I did for just over three years, and in  
10:16:08 5 April 2004 I moved to my current position.

10:16:19 6 Q Could you please briefly describe for me  
10:16:23 7 your duties and responsibilities in your position  
10:16:26 8 at Internal Audit.

10:16:28 9 A I was a member of a ten-person team who  
10:16:32 10 covered audit for manufacturing facilities,  
10:16:39 11 supply, distribution in the U.K. Downstream and  
10:16:45 12 Chemicals Businesses. I was the specialist member  
10:16:48 13 of the team who had a manufacturing/refining  
10:16:52 14 background, so I was there as a specialist  
10:16:55 15 resource, but also at the same time I was studying  
10:16:58 16 for my accountancy examination. So I actually did  
10:17:02 17 a significant number of financial audit activities  
10:17:06 18 to help with that study, and also participated  
10:17:10 19 with some cross-audits with a different audit team  
10:17:14 20 in marketing audit, specifically retail marketing  
10:17:18 21 audit. I was both a Team Lead for an audit and a  
10:17:24 22 member of Audit Teams, depending on the size and  
10:17:28 23 the materiality of the audit.

10:17:30 24 Q Thank you. Are you familiar with the  
10:17:33 25 term "proved reserves"?

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10:17:36 2 A Yes, I am.

10:17:37 3 Q And could you please explain for me your  
10:17:39 4 understanding of that term.

10:17:41 5 MR. SMITH: His understanding today?

10:17:43 6 BY MR. MACFALL:

10:17:44 7 Q Yes.

10:17:45 8 A My understanding of "proved reserves,"  
10:17:47 9 reserves that are classified as reserves, proved  
10:17:51 10 reserves under Regulation 4-10, defined with  
10:17:58 11 reasonable certainty, meeting certain technical  
10:18:02 12 and economic criteria as outlined both in  
10:18:06 13 Regulation 4-10 and then subsequent guidelines  
10:18:10 14 issued by the SEC.

10:18:19 15 Q Is your understanding of "proved  
10:18:20 16 reserves" the same now as it was during the 2000  
10:18:26 17 and 2003 time period?

10:18:29 18 A No, it is not.

10:18:31 19 Q Okay. Could you please explain for me  
10:18:33 20 what your understanding of the term "proved  
10:18:35 21 reserves," if you had such an understanding, was  
10:18:37 22 during that time period.

10:18:40 23 MR. SMITH: Objection to form.

10:18:42 24 BY MR. MACFALL:

10:18:42 25 Q You can answer.

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10:18:45 2 A My understanding of the "proved  
10:18:46 3 reserves" at the time, 2000 to 2004, just in  
10:18:52 4 context, I have the financial background and  
10:18:56 5 clearly I was familiar with the requirements for  
10:18:58 6 reporting financial data and standards. As head  
10:19:01 7 of Investor Relations, I had a broader remit to  
10:19:06 8 understand more broadly information that was put  
10:19:08 9 into the public domain by Shell. And as my role  
10:19:15 10 evolved over the years and different items became  
10:19:19 11 of interest to investors, I took it on myself to  
10:19:22 12 ask people in Shell for explanation at various  
10:19:28 13 times of what "proved reserves" definitions meant  
10:19:32 14 largely in the context of current or future  
10:19:35 15 actions or events, such as an investment decision  
10:19:38 16 and what impact that might have on the proved  
10:19:43 17 reserves that Shell were to report. I had  
10:19:46 18 basically a series of communications which were  
10:19:50 19 usually on single, single issues. There was no  
10:19:53 20 overriding or broad training learning program that  
10:19:59 21 gave me that knowledge.

10:20:03 22 Q Describe for me how it is you came to  
10:20:04 23 that understanding during that time period. Do  
10:20:09 24 you recall what your understanding of the actual  
10:20:10 25 term was during that time period?

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10:20:14 2 MR. SMITH: Objection to form.

10:20:15 3 THE WITNESS: The -- just clarify the  
10:20:18 4 question. My understanding of what --

10:20:21 5 BY MR. MACFALL:

10:20:22 6 Q Of the term "proved reserves." Let me  
10:20:24 7 ask this: Did it differ from the understanding  
10:20:26 8 that you just described previously regard to SEC  
10:20:29 9 Rule 4-10?

10:20:31 10 MR. SMITH: Objection to form.

10:20:34 11 THE WITNESS: Okay. Firstly, I wasn't  
10:20:36 12 familiar with Regulation 4-10 until a later date.  
10:20:42 13 However, the words "reasonable certainty," what I  
10:20:46 14 was familiar with, and the need to demonstrate  
10:20:51 15 conditions that matter, that phrase "reasonable  
10:20:54 16 certainty," such as commitment to proceed with a  
10:20:57 17 project, I was at that time less aware than I now  
10:21:03 18 am about some of the technical issues or some of  
10:21:09 19 the economic issues that might enable a  
10:21:14 20 hydrocarbon resource to be classified as proven  
10:21:19 21 reserves or not.

10:21:21 22 BY MR. MACFALL:

10:21:21 23 Q Did you ever receive any formal training  
10:21:24 24 within Shell in connection with proven reserves?

21:27 25 A Yes, I have.

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Q And could you please describe that for me.

A During 2004 -- and I can't recall the exact date, but most likely third quarter time -- I participated in the training, the reserves training that followed the recategorization exercise that was provided for the EP Leadership Team at that point in time, so roughly a full day in terms of the requirements. And I've subsequently been involved in various engagements through the Reserve Committee about updated guidance or updated understanding of the rules.

The formal training was the one day in 2004.

Q Prior to 2004 -- withdraw. In your position as Finance Controller in Egypt in 1994, did you ever have occasion to work with or utilize proved reserves?

A Yes, I did.

Q And could you please describe that for me.

A Proved reserves is the basis of the calculation of depreciation, depletion, amortization of the financial accounts, and therefore I was responsible for that calculation



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10:23:07 2 of the ultimate financial reporting of the  
10:23:09 3 company, and therefore at the end of each year and  
10:23:13 4 during each year at the quarter, quarter reporting  
10:23:17 5 date, I was aware of what the currently reported  
10:23:22 6 reserves for each of the assets within the country  
10:23:27 7 were and what impact that had on the reported  
10:23:29 8 depreciation, and I would be aware of changes that  
10:23:33 9 were made inasmuch as they impacted the  
10:23:36 10 depreciation charge, but I was not involved in or  
10:23:43 11 really knowledgable about the underlying reasons  
10:23:47 12 for the changes.

10:23:50 13 Q Could you please briefly describe for me  
10:23:53 14 the relationship between proved reserves and  
10:23:56 15 depreciation.

10:24:02 16 A The requirement under 569 for  
10:24:06 17 depreciation of balance sheet amounts for Upstream  
10:24:15 18 assets is to depreciate those assets on a unit of  
10:24:20 19 production basis. This means that, for example,  
10:24:23 20 if a hundred million dollars has been spent on the  
10:24:25 21 asset, and there are \$50 million -- 50 million  
10:24:30 22 barrels of proved reserves associated with the  
10:24:33 23 asset, typically we would depreciate two dollars  
10:24:36 24 for every barrel produced by that asset. The  
10:24:40 25 calculation is slightly more complex in that there

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1  
10:24:43 2 is a differentiation between proved developed and  
10:24:47 3 proved undeveloped reserve, but by and large, the  
10:24:56 4 driver of depreciation is the total proved  
10:25:00 5 reserves recorded against a given asset, and that  
10:25:07 6 drives the calculation of depreciation, which  
10:25:10 7 ultimately feeds into the net income calculation  
10:25:14 8 for the fiscal unit.

10:25:18 9 Q Thank you. Directing your attention  
10:25:27 10 specifically to late 2000, I believe you stated  
10:25:30 11 that that was the time when you first started with  
10:25:32 12 Investor Relations.

10:25:36 13 A That's correct. December 2000.

10:25:40 14 Q What position did you initially hold  
10:25:41 15 with Investor Relations?

10:25:42 16 A As the head of Group Investor Relations,  
10:25:45 17 I was responsible for all Investor Relations  
10:25:48 18 activity around the world.

10:25:56 19 Q Could you please briefly describe for me  
10:25:59 20 your duties and responsibilities a little more  
10:26:00 21 fully in that position.

10:26:02 22 A Okay. I -- firstly, I reported to the  
10:26:05 23 CFO at the time, Steven Hodge, and I was  
10:26:11 24 responsible for all communications with investors,  
10:26:17 25 current or potential, in Shell Transport and

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10:26:21 2 Trading and Royal Dutch, and any of the markets in  
10:26:26 3 which they traded or any investor community who  
10:26:31 4 might potentially invest in either of those  
10:26:33 5 securities.

10:26:35 6 I was responsible for regular  
10:26:39 7 communications in terms of Quarterly Results  
10:26:41 8 Announcements. I was responsible for some of the  
10:26:48 9 regulatory announcements such as 6-Ks, Stock  
10:26:53 10 Exchange releases that were made when an event  
10:26:57 11 took place that required such a release. I was  
10:27:01 12 responsible for the marketing and communications  
10:27:03 13 plan and program by which the company communicated  
10:27:08 14 with investors, both proactive and reactive. And  
10:27:14 15 I was responsible for ensuring that executives  
10:27:16 16 within the company were briefed on the market, on  
10:27:20 17 developments in the market, on concerns that  
10:27:22 18 investors had, and that meant that I was quite  
10:27:29 19 involved in issues such as strategy discussions  
10:27:34 20 and Business Plan development over that period.

10:27:44 21 Q Now, excuse me. When you say that you  
10:27:46 22 were responsible for providing management with  
10:27:51 23 feedback from the market, who specifically are you  
10:27:55 24 talking about in terms of management?

10:28:00 25 A Primarily Sir Philip Watts, Judith

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10:28:05 2 Boynton. I mentioned Steven Hodge when I first  
10:28:07 3 arrived, in December 2000. Judith arrived in --  
10:28:12 4 and she took over formally in September 2001, so  
10:28:16 5 for most of my period in Investor Relations I  
10:28:20 6 reported to Judy. And Sir Philip took over as  
10:28:24 7 Chairman of CMD in June 2001, so again for most of  
10:28:28 8 my period Sir Philip was the Chairman of CMD. He  
10:28:36 9 was the main contact with the markets. So they  
10:28:38 10 were my main individual contacts, but I also had a  
10:28:41 11 role in broader sharing of information with  
10:28:44 12 people, heads of Strategy, the heads of the  
10:28:47 13 Business Units such as EP or Downstream, their  
10:28:51 14 planners and particularly their finance  
10:28:58 15 representatives.

10:29:00 16 Q During the period that you were at IR,  
10:29:04 17 who was the head of EP?

10:29:06 18 A Initially it was Sir Philip Watts, as he  
10:29:08 19 was then, until June of 2001, and then that month  
10:29:13 20 he was replaced by Walter van der Vijver.

10:29:22 21 Q Now, in terms of the organization of  
10:29:24 22 Investor Relations, did you have any direct  
10:29:27 23 reports, meaning people who reported to you?

10:29:30 24 A Yes. We had a small team of ten people,  
10:29:36 25 and we ran three offices, and I had three senior

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10:29:39 2 individuals report to me, which, when I first, uh,  
10:29:44 3 first arrived, were Michael Harrop, who was based  
10:29:48 4 in London who was responsible for the U.K. and  
10:29:54 5 Republic of Ireland, all investors in those  
10:29:58 6 countries. I had -- I'm struggling. I can't  
10:30:02 7 remember his name. Jan, in the Netherlands, who  
10:30:09 8 was shortly after replaced by Bart van der  
10:30:16 9 Steenstraten, who was based in The Hague. My mind  
10:30:26 10 has gone blank as to Jan's surname. Bart van der  
10:30:34 11 Steenstraten was based in The Hague in the  
10:30:36 12 Netherlands, and he was responsible for all  
10:30:39 13 investors based in Continental Europe, and Dave  
10:30:42 14 Sexton or David Sexton was based in New York, and  
10:30:46 15 he was responsible for communication with  
10:30:49 16 investors based in North America, both the U.S.  
10:30:53 17 and Canada.

10:30:54 18 We also dealt with some Japanese  
10:30:56 19 investors. Primarily we dealt with them in  
10:31:01 20 London. They had small teams, and Dave Sexton  
10:31:07 21 ultimately had one supporting analyst and an  
10:31:11 22 assistant in New York. Mike had between two and  
10:31:17 23 three supporting analysts based in London, because  
10:31:20 24 London was the head office for the activity, and  
10:31:23 25 London was where we did all the regulatory

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10:31:26 2 reporting, such as the quarterly results, and any  
10:31:31 3 contribution to the annual filings were  
10:31:33 4 coordinated out of London. And we had one analyst  
10:31:36 5 in The Hague.

10:31:40 6 Q I believe you indicated that these  
10:31:42 7 individuals, Mr. Harrop, Mr. van der Steenstraten  
10:31:47 8 and Mr. Sexton, were responsible for  
10:31:49 9 communications with investors. Could you please  
10:31:52 10 elaborate on what it is you mean by responsible  
10:31:55 11 for communications with investors.

10:31:58 12 A Each of them would be the first contact  
10:32:01 13 for any questions that an investor might have  
10:32:04 14 about the companies, it's complex, and listing  
10:32:10 15 with two companies forming a single group with  
10:32:13 16 listings in different countries, but typically  
10:32:16 17 investors were looking at the overall performance  
10:32:21 18 of the Royal Dutch/Shell Group of Companies and  
10:32:23 19 the questions -- any questions they had on  
10:32:26 20 performance or events affecting the company,  
10:32:30 21 events in the market, changes in oil price, for  
10:32:33 22 example, questions would come into one of the  
10:32:37 23 three offices, and any U.S.-based investor would  
10:32:41 24 contact the New York office, and a European-based  
10:32:44 25 investor would contact The Hague, so first point

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of contact.

Secondly, proactive communications around, for example, Quarterly Results Announcement, where any of the three individuals would be tasked with proactive contact with investors, either direct with the investment company or with sell side research analysts around those events, so proactive contact, typically on the telephone or maintaining general contact through regular meetings with effectively the important opinion formers in the market.

And lastly, they were tasked with arranging events, communication events within their own market, aligned with the Global Communications Plan or the Marketing Plan, which was a roll-in plan that I maintained in London, agreed with Judy and Phil about the communication strategy and the key events, the key communication requirements, usually on a look-forward basis between three and nine months, maybe up to 12 months, as to when we would visit certain locations, when executives would meet with investors. And for example, if we planned a presentation in the United States, we would

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10:34:15 2 typically meet with investors around that meeting  
10:34:19 3 or that presentation, and Dave Sexton would make  
10:34:23 4 those arrangements. That was his relationship  
10:34:28 5 with the U.S.-based investors, and he would  
10:34:32 6 arrange the meetings and arrange all of the  
10:34:35 7 communication around a particular event, and that  
10:34:38 8 was done basically on three different markets,  
10:34:41 9 given that the markets had quite different  
10:34:46 10 characteristics.

10:34:47 11 Q Now, with respect to the Global Strategy  
10:34:48 12 Plan, in addition to logistics -- for example,  
10:34:52 13 site visitations, dates, et cetera -- were -- did  
10:34:58 14 that plan include substantive issues or points or  
10:35:02 15 information that Shell wanted to communicate to  
10:35:04 16 the markets?

10:35:06 17 MR. SMITH: Objection to form.

10:35:11 18 THE WITNESS: Typically the plan would  
10:35:13 19 look at, first of all, as I mentioned earlier,  
10:35:20 20 what is the current state of the company in the  
10:35:36 21 market, what are the current concerns of  
10:35:45 22 investors, what are the questions they are asking,  
10:35:53 23 what are the competitors doing. So it was  
10:35:55 24 externally focused. What are the typical events  
10:35:58 25 in the external market or events within Shell,



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1  
10:36:01 2 such as a major investment decision, that we  
10:36:04 3 expect to happen over a period; and how should we  
10:36:08 4 best manage the communication process, both in  
10:36:14 5 content, so yes, we did look at specific issues  
10:36:17 6 whether they were of concern to the market, and  
10:36:22 7 also in processes to which markets had different  
10:36:25 8 specific concerns, which markets had we not been  
10:36:29 9 making as much impact as we would have wished.  
10:36:35 10 That's essentially a Marketing Plan.

10:36:47 11 BY MR. MACFALL:

10:36:48 12 Q Did that Global Strategy Plan make  
10:36:54 13 allowances for the different geographic regions  
10:36:59 14 you described in terms of presentation? By that I  
10:37:01 15 mean the United States, Continental Europe and the  
10:37:04 16 U.K.

10:37:06 17 A Yes, it did. Three very different  
10:37:09 18 markets in terms of the way companies communicated  
10:37:17 19 to the market, the type of concerns, the type of  
10:37:19 20 investors in the market, and where they perceived  
10:37:26 21 value to be in the company. The securities are  
10:37:28 22 primarily listed in London and Amsterdam, and the  
10:37:34 23 price for all of the securities associated with  
10:37:35 24 the Royal Dutch/Shell Group of Companies is very  
10:37:38 25 firmly set in the London market. It is set there

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10:37:42 2 because that is where the major shareholders are,  
10:37:45 3 that is where the major trading takes place, that  
10:37:50 4 is where the major opinion-formers on the  
10:37:52 5 performance of the company in terms of the City of  
10:37:54 6 London and the research analysts sit.

10:37:57 7 Shell and BP constitute then I think  
10:38:01 8 about something like 13, 14 percent of the FTSE  
10:38:04 9 Index, FTSE 100 Index. It's a similar percentage  
10:38:12 10 today but slightly higher today at unification.  
10:38:17 11 So any U.K. investor has to have an opinion on  
10:38:20 12 those two companies. Also, any investor who is  
10:38:24 13 making a choice about what they can invest in will  
10:38:28 14 not go long on both BP and Shell, because then  
10:38:34 15 they will be overweighted, overexposed to the U.K.  
10:38:42 16 Index.

10:38:42 17 So not only was the price set in London,  
10:38:44 18 but it was very sensitive to issues between Shell  
10:38:48 19 and BP. It was very difficult for a long-term  
10:38:52 20 investor with a large holding to favor both  
10:38:54 21 companies, because it increased that portfolio  
10:38:59 22 risk and exposure to one industry. So that was  
10:39:04 23 clearly the focus, and the U.K. market would not  
10:39:08 24 just be on the strength of the company, but it  
10:39:10 25 would be on the issues that impacted people's

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10:39:15 2 perceptions of BP and Shell. That is where we  
10:39:18 3 differentiate. We couldn't make a difference to  
10:39:22 4 people's view of the Oil and Gas sector. It was  
10:39:26 5 difficult to make in-roads into that prospectus on  
10:39:29 6 the major multi-nationals versus the mid caps.  
10:39:33 7 Therefore, the focus was very much Shell versus  
10:39:35 8 BP.

10:39:37 9 Continental Europe investors tend to  
10:39:40 10 have what we would term a longer time frame, a  
10:39:43 11 longer, a mindset, a different mindset. They were  
10:39:46 12 very much focused on strategy and much less  
10:39:50 13 focused on quarterly results, so in Continental  
10:39:55 14 Europe we could -- the only discussions I had on  
10:40:00 15 long-term environmental performance and renewable  
10:40:04 16 energy opportunities while I was in Investor  
10:40:14 17 Relations re Continental Europe, and that was a  
10:40:19 18 reflection of the fact that large investors in  
10:40:22 19 Scandinavia or in Germany or the Netherlands place  
10:40:26 20 a higher premium on certain types of activities by  
10:40:30 21 energy companies.

10:40:33 22 The Continental Europe, the main  
10:40:38 23 competition was Total, a French company, and BP,  
10:40:44 24 and therefore again you ensure that you are  
10:40:47 25 pressing the right buttons from an investor

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10:40:49 2 perspective when talking to them in terms of  
10:40:52 3 competitive positioning against those two  
10:40:55 4 companies.

10:40:55 5 For the U.S., the U.S. itself is by far  
10:40:59 6 the largest market in terms of available capital,  
10:41:03 7 but as a non-U.S. company we were competing  
10:41:09 8 against -- the competition was much tougher, so to  
10:41:15 9 have a voice that would be heard, you needed to  
10:41:18 10 target investors perhaps with more choice. In the  
10:41:24 11 U.K. there are only a certain number of investors,  
10:41:27 12 and similarly in Continental Europe. The U.S. is  
10:41:32 13 a much larger market, so we had to be more  
10:41:35 14 selective in looking to talk to people who were  
10:41:38 15 potential buyers and not wasting our time and  
10:41:41 16 effort where that was not a possibility.

10:41:43 17 U.S. investors had their highest focus  
10:41:49 18 on the quarterly results and are much more  
10:41:56 19 analytical than European investors, so numbers  
10:42:00 20 mattered to U.S. investors more than the European,  
10:42:04 21 and typically large U.S. investors have a longer  
10:42:11 22 time horizon than the U.K., and therefore you're  
10:42:14 23 always looking to appeal to people who will keep,  
10:42:17 24 buy and hold the stock for a significant period of  
12:20 25 time. Clearly our main competitors in the U.S.

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market in our own sector were Exxon, Chevron, Conoco, plus their various offshoots, Texaco, Phillips. BP and Total also are competitors here, because they were an alternative investment for a U.S. investor who was interested in non-U.S.-based oil and gas companies, large oil and gas, but the U.S. market has also much more competition from other large caps or other major capitalized companies, so we're also in competition with GE, Microsoft, much less so in Europe where people are more sector-focused.

So given that we knew investors had a different perspective -- there was also the issue that U.S. investors very rarely looked at the value of the business outside North America, and therefore any communications inside North America would have an element focused on our Business inside North America, a much greater element than our global presentations. So the U.S., while being important to our other investors, was just one country, whereas to a U.S. investor it's "the" country, the domestic versus foreign split.

Q Now, with regard to United States, with United States investors, did those communications

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10:44:10 2 also focus on Shell's global operations or  
10:44:13 3 operations outside North America?

10:44:18 4 A Yes. They would always talk about the  
10:44:20 5 global position. Quite frequently a third to  
10:44:23 6 50 percent of the content would focus on North  
10:44:25 7 American operations, whereas typically for a  
10:44:30 8 global presentation it may be somewhere from zero  
10:44:33 9 to 15 percent of the presentation, depending on  
10:44:38 10 the global investor concerns.

10:44:47 11 Q Directing your attention specifically to  
10:44:51 12 the 2001 to 2003 time frame, do you recall the  
10:44:56 13 approximate breakdown of investment by investors  
10:45:04 14 in the United States versus investors in  
10:45:07 15 Continental Europe versus investors in the U.K.?

10:45:13 16 MR. SMITH: Objection to form.

10:45:14 17 THE WITNESS: When I first took over, we  
10:45:15 18 had little or no direct information about current  
10:45:20 19 holders of Shell stock. We didn't do market  
10:45:24 20 analysis in terms of taking -- doing research,  
10:45:30 21 regular research on who was currently holding the  
10:45:33 22 stocks. The U.S. market is relatively easy and  
10:45:36 23 transparent, the U.K. slightly less so, and the  
10:45:40 24 Continental European market where they were  
10:45:45 25 primarily holders of Royal Dutch bearer shares

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10:45:51 2 listed on the Amsterdam Exchange, and bearer  
10:45:51 3 shares meaning you don't have to identify  
10:45:53 4 yourself, so fundamentally it was very difficult  
10:45:55 5 to identify shareholders in Royal Dutch trading on  
10:45:59 6 the Amsterdam Exchange.

10:46:03 7 To the best of our knowledge at the  
10:46:05 8 time, the total percentage of shares held in the  
10:46:09 9 U.S. was between 25 and 30 percent. At the time  
10:46:14 10 also, Royal Dutch Petroleum was a full member of  
10:46:18 11 the Standard & Poore's 500 index, which meant that  
10:46:22 12 index funds investing in the United States were  
10:46:25 13 typically based in and investing in the United  
10:46:28 14 States would hold some Royal Dutch/Shell as part  
10:46:33 15 of their Index fund.

10:46:38 16 In July 2002 the S&P changed their  
10:46:44 17 requirement for membership of the Index to exclude  
10:46:49 18 any companies that were primarily listed and  
10:46:55 19 traded outside the United States, so Royal Dutch  
10:46:57 20 was removed from the Index in the middle of 2002,  
10:47:02 21 after which we saw, as you might expect, some  
10:47:05 22 flowback of stock held to Europe. The percentage  
10:47:12 23 fell to be, we believe, between 20 and 25 percent,  
10:47:17 24 maybe lower than 20 percent over a period, bearing  
10:47:21 25 in mind always that some of the bearer shares who

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10:47:25 2 we could not identify may have been based in the  
10:47:27 3 United States.

10:47:28 4 So our main source of information, we  
10:47:30 5 did set up market intelligence through Thompson  
10:47:36 6 Financial. We also did a one-off survey of  
10:47:43 7 holders by a company called Taylor Rafferty that  
10:47:48 8 helped us to identify in a much better way who  
10:47:53 9 were our current shareholders and where they were,  
10:47:56 10 and we maintained that on a monthly basis until  
10:48:00 11 I -- until after I left Investor Relations. So we  
10:48:04 12 started off above 25 percent. We ended up  
10:48:08 13 somewhere probably around 20 percent over that  
10:48:11 14 period.

10:48:12 15 BY MR. MACFALL:

10:48:13 16 Q Okay. Am I correct that the loss of  
10:48:22 17 approximately five percent of the investors in the  
10:48:26 18 United States as a consequence of Royal Dutch's  
10:48:34 19 exclusion from the S&P 500 Index was primarily a  
10:48:41 20 result of the loss of investors whose investment  
10:48:44 21 decisions were keyed into the S&P 500 Index; is  
10:48:47 22 that correct?

10:48:48 23 MR. SMITH: Objection to form.

10:48:51 24 THE WITNESS: That was our  
10:48:51 25 interpretation of the facts as we saw them,



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1  
10:48:54 2 because there's no way we could tie everybody's  
10:48:58 3 transactions. It was an approximate loss at the  
10:49:01 4 time, and in fact, I think the actual loss was  
10:49:04 5 more than that over a longer period of time,  
10:49:06 6 because many of the non-index funds in the U.S.  
10:49:11 7 would actually track their performance against an  
10:49:13 8 index and therefore probably held Royal Dutch as a  
10:49:16 9 hedge against the Index itself for their own  
10:49:19 10 performance. And once that link was broken, there  
10:49:21 11 was less incentive for them to hold Royal Dutch as  
10:49:24 12 well, so I think over time it probably led to a  
10:49:27 13 greater reduction, but that's a personal opinion  
10:49:31 14 based on the facts that we saw.

10:49:33 15 BY MR. MACFALL:

10:49:36 16 Q At that time, approximately July of  
10:49:38 17 2002, did Shell embark on any strategy in order to  
10:49:44 18 compensate for the loss of those investors in the  
10:49:47 19 United States?

10:49:50 20 A It was around about that time, not  
10:49:51 21 necessarily pursuant to, we looked at our, the  
10:49:57 22 holdings we could identify in the U.S. retail  
10:50:01 23 investor sector, a very large sector in which we  
10:50:13 24 felt, on analysis, we were underrepresented and  
10:50:15 25 that there was potential to market the stock into

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10:50:19 2 the U.S. retail investor sector. Now, one of our  
10:50:21 3 primary competitors, Exxon, is very highly  
10:50:25 4 represented in that sector and is a not dissimilar  
10:50:28 5 type of stock. We felt that we should have a good  
10:50:31 6 opportunity, because it was a very large and  
10:50:33 7 liquid market.

10:50:34 8 Q Did Shell undertake any actions in order  
10:50:36 9 to become more active in the retail sector?

10:50:40 10 A Firstly, we recruited an individual into  
10:50:42 11 the New York office who helped to develop  
10:50:48 12 materials to communicate with brokers who  
10:50:55 13 typically communicated ultimately to the retail  
10:50:58 14 investors, and we held various communication  
10:51:03 15 events that were targeted primarily at the  
10:51:10 16 brokers, who would then communicate down into the  
10:51:12 17 retail sector, but obviously, if it was a webcast  
10:51:16 18 type communication, retail investors could listen  
10:51:18 19 in direct as well, so yes, we developed a  
10:51:21 20 marketing program targeted at U.S. retail  
10:51:23 21 investors.

10:51:32 22 Q As part of that retail marketing  
10:51:34 23 program, did Shell increase the number of  
10:51:38 24 one-on-one meetings between senior management and  
10:51:42 25 investors or potential investors in the United

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States?

MR. SMITH: I just want to make sure we're clear about the time frame. We're still talking about after the removal from the S&P 500?

MR. MACFALL: That's correct.

MR. SMITH: Okay.

THE WITNESS: Well, strike that truth, no, because one-on-one meetings with investors, with retail investors would not be very efficient use of management time. You communicate to retail investors through brokers, essentially, and through -- if you hype mass market communications techniques such as materials available from the website mail shots, the one-on-one meetings were typically with large investors, Fidelity, Putnam, State Street, and they were pretty much held at the same level, following the exclusion from the S&P.

BY MR. MACFALL:

Q Now I'd like to go back to some of the types of communications that Shell had with the market, and I believe you mentioned quarterly announcements; is that correct?

A That's correct.

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10:53:02 2 Q Could you please describe for me what  
10:53:04 3 that was.

10:53:07 4 A A Quarterly Results Announcement is --  
10:53:12 5 technically it is roughly a 20-page document  
10:53:20 6 reporting the financial results of the prior three  
10:53:22 7 months. Our quarters are the calendar quarters.  
10:53:25 8 They're from January to March, April to June and  
10:53:28 9 so on, and typically four weeks after the end of  
10:53:31 10 the quarter we would make a Stock Exchange release  
10:53:38 11 in the London market or on the London Exchange,  
10:53:40 12 simultaneously with the Amsterdam Exchange, and  
10:53:48 13 this release was primarily financial figures, but  
10:53:51 14 also contained supporting text narrative to  
10:53:55 15 explain the results in the given period in  
10:53:59 16 comparison with previous or prior periods.

10:54:05 17 That would usually be accompanied with,  
10:54:08 18 depending on what time of year and the current  
10:54:13 19 state of performance, either a conference call  
10:54:15 20 with analysts hosted by myself or a physical  
10:54:20 21 presentation, which would also be typically  
10:54:23 22 webcast to analysts, hosted by either the CFO,  
10:54:28 23 which would have been Steven Hodge or Judy Boynton  
10:54:33 24 later, or on occasion by the Chairman of CMD, Sir  
10:54:42 25 Philip Watts.

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10:54:47 2 Q And just going back to the actual QRA  
10:54:50 3 for a moment, you indicated that it reported  
10:54:54 4 financial information. Did the QRA report proven  
10:54:58 5 reserves?

10:54:59 6 A No, it did not.

10:55:00 7 Q Do you recall if the QRA reported --  
10:55:05 8 withdrawn. Are you familiar with the term  
10:55:07 9 "Reserves Replacement Ratio"?

10:55:14 10 A Yes, I am.

10:55:15 11 Q Could you please describe for me your  
10:55:17 12 understanding of that term.

10:55:18 13 A Reserves Replacement Ratio is, for any  
10:55:23 14 given period, equal to the number of new additions  
10:55:28 15 to proved reserves, reported proved reserves,  
10:55:32 16 divided by the production in the same period.

10:55:39 17 Q Do you recall if Shell reported its  
10:55:43 18 Reserves Replacement Ratio in the QRAs?

10:55:47 19 A Within the narrative, typically for a  
10:55:50 20 fourth quarter QRA, there would be a reference to  
10:55:56 21 the Reserves Replacement Ratio for the previous  
10:56:00 22 year, although this was not a regulatory  
10:56:04 23 requirement to include it in that document, so I  
10:56:07 24 cannot recall every single year that we've done  
10:56:10 25 that explicitly. I'm just thinking typically

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10:56:16 2 we've given -- more recently we've given a range,  
10:56:21 3 not a specific figure.

10:56:22 4 Q When you say "more recently," what  
10:56:25 5 period --

10:56:26 6 A Since 2004.

10:56:37 7 Q Do you recall if Discounted Cash Flow  
10:56:39 8 was reported in the QRAs?

10:56:41 9 A The standardized measure?

10:56:44 10 Q Yes.

10:56:45 11 A No, it was not reported in the QRAs.

10:56:51 12 Q Are you familiar with the term "Return  
10:56:53 13 On Average Capital Employed"?

10:56:55 14 A Yes, I am.

10:56:56 15 Q Could you please explain for me your  
10:56:59 16 understanding of that term.

10:57:05 17 A Simply, that's the net income divided by  
10:57:08 18 the capital employed at the beginning and end of  
10:57:13 19 the period, the average across the period. That's  
10:57:15 20 a simple definition. There's slightly more  
10:57:19 21 nuances to it if you wish to calculate it from a  
10:57:26 22 given set of figures.

10:57:31 23 Q Is the ROACE or the Return On Average  
10:57:34 24 Capital Employed something that Shell reported in  
10:57:41 25 its QRAs?

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10:57:49 2 A Q1, 2 and 3 reporting, typically not.

10:57:53 3 For Q4 it would be in the narrative and possibly  
10:58:02 4 in some of the tables for the QRA. I'd have to  
10:58:06 5 say I don't recall exactly what we would include.  
10:58:10 6 It may not have been the same from year to year.

10:58:19 7 Q Do you know who was responsible for  
10:58:21 8 drafting the QRAs?

10:58:25 9 A Michael Harrop, when he reported to me,  
10:58:27 10 and from -- in other words, one of my team, and  
10:58:30 11 from December 2002 Michael was replaced by Gerard  
10:58:37 12 Paulides with the same role and responsibility.  
10:58:41 13 They drafted the QRA under my guidance.

10:58:51 14 Q And when you say under your guidance,  
10:58:52 15 could you please describe for me more fully your  
10:58:58 16 involvement in the preparation of the QRAs.

10:59:00 17 A I mentioned the QRAs in two sections.  
10:59:03 18 There is a narrative and there is a set of data.  
10:59:04 19 The data was prepared by the Group Reporting  
10:59:07 20 function, a small team based in London. All  
10:59:13 21 financial statements would come through there with  
10:59:16 22 auditors normal financial reporting process.  
10:59:23 23 Based on those data, Mike and then Gerard would  
10:59:29 24 prepare a first draft of what they believed should  
10:59:34 25 be in the QRA for that period.

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The prime purpose of the QRA, the narrative, was to communicate an explanation for Business drivers that were impacting the results to enable investors to understand what had driven the earnings, the cash generation and the balance sheet for the period. So they were looking for explanations. They, in turn, worked with each of the primary Businesses. We had four primary Businesses: Exploration & Production, Gas and Power, Oil Products and Chemicals. So they worked with the finance contacts in each of the Businesses to help draft the narrative, and they would bring in events that had happened, new acreage, drilling success or whatever there happened to be.

That draft would then be discussed with myself. We would make amendments, we would take it back into the Businesses for their comments, because typically it's a very small group of people involved, so two, maybe three people in a given Business. We would get agreement with the Business, and then the final draft would be presented to both the Group Controller, the Group Treasurer as it was then, and the CFO, so



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11:01:06 2 ultimately the CFO was the owner in the company,  
11:01:11 3 and with support from the CFO it would then be  
11:01:15 4 sent to what was then the CMD.

11:01:18 5 Typically they would review that the  
11:01:20 6 Tuesday before the results, which were on a  
11:01:24 7 Thursday, always released on a Thursday morning,  
11:01:26 8 and on Wednesday the Board would meet or  
11:01:30 9 effectively what was called then "The Conference,"  
11:01:33 10 which was both Boards, the Board of Royal  
11:01:35 11 Dutch/Shell Transport, and then they would be  
11:01:38 12 appraised of the release, and very occasionally  
11:01:42 13 they would have a comment to make a change to the  
11:01:50 14 QRA release, so that was the process, and I was  
11:01:51 15 ultimately driving that process.

11:01:53 16 Q On those rare occasions when the Boards  
11:01:55 17 had a comment, would that have been to the  
11:01:58 18 narrative portion of the QRA?

11:02:00 19 A Correct.

11:02:01 20 Q To whom would they communicate those  
11:02:04 21 comments?

11:02:04 22 A The Board?

11:02:05 23 Q Yes.

11:02:06 24 A They would communicate them immediately  
11:02:08 25 back to me.

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11:02:12 2 Q I take it then that you would effect --  
11:02:13 3 well, what action, if any, would you take in  
11:02:16 4 response to a Board comment?

11:02:19 5 A I would do as I was asked.

11:02:24 6 Q Do you recall any specific instances of  
11:02:26 7 the Boards providing you with comments to the  
11:02:29 8 QRAs?

11:02:33 9 A I remember one specific instance around  
11:02:37 10 Q4 2002, which would have been in February 2003, I  
11:02:44 11 had in feedback on some of the narrative then.

11:02:52 12 Q Do you remember specifically the topics  
11:02:53 13 that that feedback concerned?

11:02:55 14 A It was associated with production  
11:02:57 15 growth.

11:03:10 16 Q Do you have any more specific  
11:03:11 17 recollection? I mean can you describe any more  
11:03:13 18 specifically for me what those comments involved?

11:03:27 19 A The QRA, as drafted, sometimes contained  
11:03:30 20 forward-looking statements with appropriate  
11:03:33 21 provisos at random but expectations either for  
11:03:37 22 industry developments or for the performance of  
11:03:39 23 the company, and it is a Stock Exchange release,  
11:03:43 24 and therefore if you're making a projection about  
11:03:46 25 future production growth, we would take -- we

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11:03:48 2 would put the statements into the Stock Exchange  
11:03:50 3 Release, as that is the primary file document, and  
11:03:54 4 we would then later communicate on them.

11:03:57 5 So at the end of that particular year,  
11:03:59 6 end of 2002, we had been looking at future  
11:04:02 7 production projections, and the wording that we  
11:04:08 8 were seeking to achieve was not accepted by the  
11:04:12 9 Board, and they made some changes.

11:04:14 10 Q Okay. And I don't mean to belabor the  
11:04:18 11 point, although I am. Do you recall specifically  
11:04:21 12 what the issue of the wording was?

11:04:26 13 A We, we were proposing rather less  
11:04:30 14 specificity around future production growth  
11:04:33 15 targets. They wanted to include a more specific  
11:04:39 16 target for production growth.

11:04:41 17 Q Whether you say "a more specific  
11:04:43 18 target," are you talking about a quantification of  
11:04:46 19 the production target?

11:04:48 20 A Yes.

11:04:50 21 Q Now, I believe you also stated that in  
11:04:52 22 conjunction with the QRAs, there were  
11:04:55 23 presentations made, either a press conference,  
11:05:00 24 teleconference, or a more formal -- or a live  
11:05:03 25 physical meeting; is that correct?

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11:05:06 2 A That is correct. All of those could  
11:05:07 3 take place: Press conference, teleconference, and  
11:05:13 4 a physical conference with investors and analysts.

11:05:18 5 Q Dealing with the first of those, press  
11:05:20 6 conferences, were such conferences held in  
11:05:26 7 connection with each QRA?

11:05:29 8 A Typically, no. It was just done in the  
11:05:31 9 mid-year and at the end of the year, and that's  
11:05:35 10 reflected U.K. market practice. It's not a  
11:05:38 11 requirement in the U.K. to report quarterly  
11:05:43 12 financial results. It's just a requirement to  
11:05:44 13 report six-monthly. And the customer practice in  
11:05:46 14 the London market is for the Chief Executive or  
11:05:49 15 the CFO to hold a press conference in releasing  
11:05:54 16 the mid-year results and the full-year results, so  
11:05:57 17 we tended to follow that practice.

11:05:59 18 The press conferences would be held in  
11:06:00 19 London, by exception they would be held in The  
11:06:04 20 Hague, and sometimes simultaneously in London and  
11:06:10 21 The Hague, depending on the needs of the moment.  
11:06:16 22 And they were organized by our press team, but all  
11:06:21 23 the material, all the messages, all of the  
11:06:25 24 preparation of the executives would be coordinated  
11:06:30 25 as one exercise by myself and the head of Media

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11:06:32 2 Relations.

11:06:37 3 Q I was about to ask: Who was the head of  
11:06:38 4 Media Relations during the period of 2001 and  
11:06:45 5 2004?

11:06:46 6 A It was a lady by the name of Mary Jo  
11:06:49 7 Jacobi. Her actual title was a bit more broad,  
11:06:53 8 but she drove the strategy in the communication  
11:06:56 9 approach for external relationships other than  
11:07:01 10 investors, which included the media.

11:07:10 11 Q I believe you indicated that the CFO  
11:07:12 12 would normally speak at a press conference; is  
11:07:14 13 that correct?

11:07:15 14 A Would usually be there, quite often  
11:07:18 15 speak, but if the conference was in the  
11:07:23 16 Netherlands, it would be hosted by whoever was the  
11:07:27 17 President of Royal Dutch at the time, which  
11:07:29 18 throughout this period was Jeroen van der Veer,  
11:07:33 19 and the conference was typically held in Dutch as  
11:07:36 20 well, not in English. In the U.K., if Sir Philip  
11:07:43 21 Watts was present, Sir Philip would lead the  
11:07:46 22 presentation, and usually Judy would be at the  
11:07:48 23 presentation, and maybe she talked to the  
11:07:50 24 financial results and answered the financial  
11:07:52 25 questions.

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11:07:57 2 Q I take it by your answer then that  
11:07:59 3 Mr. Watts would not participate in all press  
11:08:01 4 conferences regarding QRAs.

11:08:04 5 A Not all press conferences, no. He  
11:08:06 6 didn't participate in the Dutch, and I think there  
11:08:09 7 were one or two in the period where Judy would  
11:08:12 8 lead.

11:08:17 9 Q Now, were members of the financial media  
11:08:19 10 and other media invited to these press  
11:08:21 11 conferences?

11:08:24 12 A The financial media, yes. We also  
11:08:28 13 typically held a teleconference before a physical  
11:08:31 14 press conference that was held at the wire  
11:08:35 15 services: Bloomberg, Reuters and AFP, and other  
11:08:43 16 news services. We would hold a brief 30-minute  
11:08:49 17 teleconference immediately after we had issued the  
11:08:52 18 results to the Stock Exchange, the purpose there  
11:08:55 19 being to give an opportunity for the wire  
11:09:00 20 journalists to ask questions of -- again typically  
11:09:06 21 it was either Sir Philip or Judy or both, to ask  
11:09:15 22 questions of them so they had a better  
11:09:17 23 understanding to put the stories out on the wires,  
11:09:20 24 because on any given results announcements of the  
11:09:20 25 day, the wires tend to set the tone for the day