



399 REASONS FOR SHELL MANAGEMENT TO HANG THEIR HEADS IN SHAME

This photograph was taken in 2004 immediately after a Malaysian High Court ruled in favour of 399 former Shell employees known as "Team A" in a class action lawsuit. The Judge ruled Shell had acted "unlawfully" in making deductions from employee retirement pension funds.

Under a hard-hearted Shell Malaysia management, headed by Country Chairman Jon Chadwick, Shell appealed the decision and as a result has been dragging out the litigation, year-after-year, in the hope of evading its legal and moral obligations. It hopes to exploit a legal loophole relating to litigation time limits. In the meantime, many of the relevant former employees are elderly, sick and dying, while Shell's *scandal tainted executives have been busy treating themselves to huge remuneration packages and a fleet of luxury private jets. (Other groups of former employees of Shell Malaysia are also suing Shell.)

***11 of the 15 member Board of Directors of Royal Dutch Shell Plc are tainted by what the Chairman of the U.S. Securities & Exchange Commission, Mr Christopher Cox, has branded a fraud (the Shell reserves debacle). He has described the fraud as being on a par with the Enron, WorldCom, Global Crossing, Tyco, Vivendi and Parmalat scandals (FT article 7 October 2005). Aad Jabobs, Lord Kerr, Jeroen van der Veer, Malcolm Brinded, Rob Routs, Maarten van den Bergh, Sir Peter Burt, Sir Peter Job, Wim Kok, Jonkheer Aarnout Loudon and Lawrence Ricciardi, are ALL named Defendants in a US Class Action lawsuit brought by the UNITE National Retirement Fund and the Plumbers and Pipefitters National Pension Fund. The lawsuit actually names 27 directors and officers of Royal Dutch/Shell. The suit accuses Shell executives of breach of duties to shareholders, abuse of control, mismanagement, fraud and unjust enrichment. Shell has agreed to settle the lawsuit for \$9.2 million (USD). Although Shell officially denies any wrongdoing, the settlement amounts to a tacit admittance of misdeeds in return for a lesser penalty. Shell management has also agreed to changes in respect of corporate structure and governance, including business ethics.**