

8. Only the operating unit itself had the responsibility and authority to submit, and did submit, the ARPR containing the estimates of its oil and gas resource volumes, including proved and proved developed reserves, to E&P headquarters.

9. After the operating units submitted their individual ARPRs to E&P headquarters, and after I aggregated the ARPR estimates into overall estimates of the Group's global oil and gas resource volumes, the estimates of proved and proved developed reserves were not considered final until they had been approved by members of ExCom and had been reviewed by the Group Reserves Auditor and KPMG and PricewaterhouseCoopers pursuant to the requirements of Statement on Auditing Standards No. 52. Only then were the estimates of proved and proved developed reserves included in the Group's Annual Report on Form 20-F.

Interactions with United States-Based Technical Service Providers

10. During my tenure as GRC, I interacted with personnel from SDS concerning two operating units' estimates of proved reserves. First, in 2002 I attended a meeting in Houston with personnel from SDS and Shell Nigeria Exploration and Production Company ("SNEPCO") concerning a forthcoming audit of SNEPCO's proved reserves by the Group Reserves Auditor. Second, in 2002 I met with personnel from SDS and Shell Development Angola ("SDAN") in Europe to discuss SDAN's reporting of proved reserves, again in preparation for an audit by the Group Reserves Auditor. In each case, the estimation of the proved reserves of the operating unit's assets was discussed, but the ultimate decision concerning

whether to report proved reserves, and the volume of proved reserves to report, for the operating unit in question remained with the operating unit itself, not with SDS.

11. During my tenure as GRC, to my knowledge SDS's technical work was not used to contribute to any increase in the magnitude of any pre-existing overstatement of proved reserves by SNEPCO; rather, SDS's technical work contributed to a reduction in SNEPCO's reported proved reserves during that period. Also, during my tenure as GRC, to my knowledge SDS's technical work was not used to contribute to any increase in the magnitude of any pre-existing overstatement of proved reserves by SDAN. Furthermore, to my knowledge the process of estimating and reporting the proved reserves for SNEPCO's fields and for SDAN's fields was at all times initiated, controlled and concluded from, respectively, SNEPCO's offices in Nigeria and SDAN's offices in the Netherlands and Angola.

12. At no other time during my tenure as GRC do I recall interacting with SDS in the context of an operating unit's estimating and reporting of its proved reserves that were later restated.

13. During my tenure as GRC I do not recall interacting with any other United States-based Group technical service provider, such as Shell Exploration and Production Technology, Applications and Research, in the context of an operating unit's estimate of its proved reserves.

14. On occasion during my tenure as GRC I interacted with Rod Sidle, a reservoir engineer employed by Shell Exploration and Production Company

("SEPCO"), E&P's United States-based operating unit. Sidle would sometimes convey information that he had learned in the United States concerning the SEC staff's interpretation of Rule 4-10(a) or the practices of the Group's competitors, and he occasionally provided information, or had questions, concerning the estimating and reporting of the oil and gas resource volumes of fields located in the United States. I consulted Sidle occasionally on matters of interpretation of SEC Rule 4-10(a) and he assisted me and my colleagues at E&P headquarters in preparing responses to enquiries that the SEC made to several registrants, including Shell, in 2002 and 2003 concerning industry practice in the estimation of proved and proved developed reserves. This included a meeting with SEC staff at their Washington, D.C., office concerning Shell's policy for reporting proved reserves below the location of the lowest known hydrocarbon. I invited Sidle, among other people, to review the changes to the Petroleum Resource Volume Guidelines that were proposed during 2003 prior to their implementation in 2003.

15. I was aware that, shortly before I took the position of GRC in 2002, Sidle had been requested to review the status of a SNEPCO asset, the Bonga South West field. He had provided an opinion that this asset did not yet meet the requirements necessary for the reporting of proved reserves and, to my knowledge, SNEPCO did not report any proved reserves for this asset during my tenure as GRC.

16. Apart from this interaction concerning SNEPCO, and prior to the commencement of Project Rockford in late 2003, I do not recall interacting with

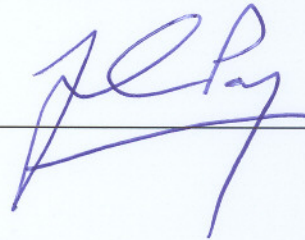
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Sidle in connection with the estimating and reporting of proved reserves for any other operating unit situated outside the United States.

17. Other than the interactions with SDS personnel and Sidle that are described above, and other than my interactions with employees of SEPCO and its subsidiaries, such as Pecten Producing Company, I do not recall interacting with any United States-based employees of Shell in connection with the estimation and reporting of proved reserves that were later restated. When coordinating the estimating and reporting of the operating units' proved reserves I interacted with the operating units themselves.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

JOHN R. PAY



Executed: RIJSSWIJK, THE NETHERLANDS

12 JUNE, 2007