



Shell International Limited
Shell Centre
London
SE1 7NA
www.shell.com

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Dear

I am writing to inform you that a review of the Company's support for former employees has reaffirmed the need for the Shell Pensioners Association and the Shell Pensioners Benevolent Association but recommended that the network of Pensioner Liaison Representatives is ceased.

2016 has been a year of transition for Shell. Integrating the BG Group at the same time as adjusting to the reality of a lower oil price environment has caused us to review many aspects of our operations. One area reviewed has been the support provided by Shell to pensioners in the UK. The review:

- reaffirms the Company's support for the Shell Pensioners Association (SPA) and the Shell Mex BP Association (SMBPA), highlighting the positive role former Shell staff can play as ambassadors for the Shell brand. The review also identified a number of opportunities to strengthen the SPA, including changing current arrangements so that membership of the SPA becomes the default option for future leavers.
- reaffirms support for the Shell Pensioners Benevolent Association (SPBA).
- recommends that the network of Pensioner Liaison Representatives (PLRs) is closed next year.

The PLR network was established over 40 years ago, when similar arrangements were not uncommon amongst blue chip companies and public sector employers, with the objective of *"maintaining a link between the Company and the pensioner" and to "assist them in solving problems which they cannot handle by the means of their own resources or those of the state and other agencies"*.

While acknowledging that the contribution of the PLR network has been greatly appreciated by many Shell pensioners over the years, the recent review found that the support provided by the PLR network:

- is being delivered inconsistently across the pensioner community – unsurprisingly given that 45 PLRs support over 28,000 pensioners
- is not well positioned to solve problems for pensioners due to increased regulation requirements for the certification of professional advisors
- presents an increasing challenge to manage the Health & Safety and IT requirements of modern business
- is significantly beyond the support and services provided by our peer group of UK blue chip companies.

The review therefore recommends that, subject to consultation with the PLRs, support via the PLR network ceases from around mid-2017. This consultation will be conducted early next year and details of the outcome will be shared with pensioners by email* and on the Shell Pensions website (www.pensions.shell.co.uk) during the second quarter of 2017. This is a significant change but I do hope that you can appreciate why this is appropriate at this time.

The changes outlined in this letter do not affect the Company's commitment to paying pension benefits in line with its obligations.

Your sincerely,

Jonathan Kohn
VP HR Operations UK

** If you have not already registered to receive email communications and no longer have your unique code, please contact the SCPF Trustee at SCPFtrustee@shell.com (quoting your full name and pensioner number) for instructions.*

Frequently Asked Questions

Q: Will the Company review affect my Shell pension?

A: No. Pension benefits currently in payment were not part of the review and will continue at their current levels.

Q: If following consultation the decision is to cease the PLR network where can I go for help?

A: While the PLR network has been an important source of support for Shell pensioners, it was never intended as the primary or only source of support. It sits within a wider support provision that includes support available to only Shell pensioners (such as the SPBA) and support offered by other well-established organisations including the charity Age UK (you can call them on their advice helpline on 0800 678 1174) and Citizens Advice (for more information please visit www.citizensadvice.org.uk).

Q: How long will the consultation with PLRs last?

A: The Company propose to start the consultation with the PLR network in January 2017. The consultation will run for 45 days.

Q: Can I still contact a PLR in the meantime?

A: Yes, you can still contact your PLR while the network exists.

Q: How can I find out who my PLR is?

A: If you are a pensioner member and you don't know who your PLR is, please email pensions-administration-london-l@shell.com.

Q: Who are the other Pensioner Associations and how do I contact them?

A: The Shell Pensioners Association (SPA) is open to Shell deferred and pensioner members. For only £10 you can become a lifetime member of the SPA. Benefits include a quarterly magazine, free guidance on pensions and benefits, and preferential rates with third party suppliers. In addition, the SPA branches organise social activities. For further information and an application form visit www.pensions.shell.co.uk/pensioners-association.html.

The Shell Pensioners Benevolent Association (SPBA) is a charity set up to help Shell pensioners suffering distress and/or financial hardship. The SPBA relies on voluntary donations from SPA members. To find out further information on the SPBA you can contact the SPBA Secretary and Treasurer Ian Landeryou at Ian.C.Landeryou@shell.com.

Q: How can I register my email address to receive future communications?

A: If you wish to receive future communications via email and you haven't already registered your email address please visit the website at sp.pensioncomms.info and enter your surname and unique pin included in the letter you received with this year's Source Newsletter. If you have misplaced the letter please contact the SCPF Trustee at SCPFtrustee@shell.com (quoting your full name and pensioner number) for further instruction.