

Shell UK Ltd

Lambert Review Reply

Dear Richard,

Lambert Review of Business-University collaboration

I write with additional information as discussed at our meeting on 11th April.

As requested please find attached further information our three key social investment activities focused on education and enterprise for young people in the UK: *Shell Education Services*, the *Shell Technology Enterprise Programme (STEP)*, and *'LiveWIRE'*.

We also spoke about our recently introduced *Campus Ambassadors* programme. This programme involves teams of Shell leaders and professionals focusing on 10 universities to foster good relations with academics and students thereby promoting interest in careers with Shell. Through this programme we sponsor 22 student societies and, in the last quarter of 2002 alone, organised 52 on or off campus events – site visits, careers presentations, specialist lectures and the like. We also have well-established *vacation internships*, *business game workshops*, and *personal development award* programmes for students.

Over the years we have made a number of *university endowments* in the UK: academic chairs at Manchester, Imperial, and the pavement research centre at Nottingham are the most recent examples. A copy of a publication on the latter is also attached for your information.

As discussed our prime concern in the UK is about the falling supply of science and technology graduates. We participate in two national programmes, *'Getset'* and *'Headstart'*, that promote engineering, science and technology careers to young people. In addition we are piloting a UK *technical scholarship scheme* for 24 earth science and engineering students. However, employers alone cannot solve this problem and concerted action by government, employers, and education institutions is required. As a global business we are fortunate to be able to draw talent from many countries thus compensating for shortfalls in a particular location. Nevertheless we do wish the UK to continue to make a significant contribution to our global talent supply.

On the subject of business-university R&D links: as previously explained we do not centrally coordinate university liaison with regard to research and consulting assignments. These are handled directly by the business units concerned by means of a variety of direct contacts, contracts or participation in industry research consortia. In some cases this involves formal *'memoranda of understanding'* with particular institutions. Feedback from several business units emphasises the establishment of good relationships and mutual understanding as critical success factors. Group wide R&D expenditure is reported in the Royal Dutch/Shell annual reports and in 2002 was US\$ 472 million. I'm afraid we do not collate this information at national level.

I hope that our meeting and this additional information are of help to you. Good luck with your review, and please contact me if we can be of further assistance.

Yours truly,

Clive Mather

Chairman
Shell UK Ltd