

Fuelling a legal career in Shell: Interview with Michael Coates



Shell has been filling up our cars, motorbikes and trucks with fuel for many years. In fact, today it runs one of the largest retail networks in the world, with more stores than Starbucks or McDonald's. As demand for more and cleaner energy grows, the oil and gas sector is set to change.

We decided to take the opportunity to speak with Michael Coates, Associate General Counsel at Shell. Michael touches on his career at Shell, the challenges he overcomes and offers wise words to aspiring lawyers.

How did your perception of Shell change since you began working there? Was there anything in particular that took you by surprise?

I joined Shell initially in 2002 as a secondee from Slaughter and May in London, where I focused on mergers & acquisitions and corporate finance law. I had never worked in the oil and gas sector before and was surprised and fascinated by how international and "geopolitical" in character it is. As my career has progressed, I have learnt more about the company and the industry generally, but I still have retained that initial curiosity and interest. Many political and economic issues have a direct or indirect impact on our industry and it is always a challenge to try to stay ahead of developments.

What is the most challenging aspect of your job and how do you overcome this?

There are a number of interesting challenges but I will share two examples: one external and one internal. We at Shell operate in a range of different jurisdictions at various stages of economic and political development and that often is reflected in legal systems as well. Promotion of the Rule of Law is very important to ensure predictability and certainty of legal outcomes and the enforceability of legal rights and obligations. A strong Rule of Law can also directly promote economic development. We are active across a range of areas and one thing we do is to support the Bingham Centre for the Rule of Law, which is based in London. A second challenge is the management of our in-house legal team as if it were a business, and that includes a wide range of issues such as strategy, ways of working, cost and staffing. I am particularly passionate about our people and trying to inspire

the maximum level of engagement in them – I firmly believe that motivated and engaged staff produce the best work and can support our business colleagues most effectively.

What was your main motivation for specialising in law? Could you offer any words of wisdom to aspiring lawyers?

I was interested in law from a very early age but my first undergraduate degree was in Economics and, actually, I thought I might go into banking or management consulting. However, I'm glad that I finished my law degree and became a lawyer. Law is almost becoming a "generalist" degree and legal training offers a disciplined way of thinking, with logic and reason being paramount. Law can be a good springboard for other careers as well – just look at the number of lawyers working in politics, government, banking and the not-for-profit sector. My main advice for aspiring lawyers would be to recognise that both studying and practising law can be very demanding, with long hours and a significant amount of reading. I don't think people should choose a legal career by default – e.g. because of parental pressure or simply because they have sufficiently good grades to get into law school. I think people with a genuine interest in the law are the ones most likely to succeed.

You supported various M&A transactions on a global scale; apart from effective due diligence, what do you think is behind a successful transaction?

I think thorough planning, execution and attention to detail are critical. M&A transactions are, in large part, about process and the parties need to have clear and well thought-

through plans, including in relation to the integration phase after the closing of the relevant transaction. Equally importantly, I think alignment between the parties to a transaction about their objectives, together with a certain level of trust, are critical to a successful transaction.

What future can you foresee for the world of energy, oil and gas?

Most of the energy we use today comes from oil and coal, and increasingly from natural gas. These hydrocarbons power, heat and cool homes and workplaces, fuel transport systems and power industry. Experts agree that global energy demand is likely to double by 2050 compared to demand in the year 2000, driven by a growing population with rising living standards. At the same time, tackling climate change caused by carbon dioxide (CO₂) emissions and other environmental stresses has never been more important. Meeting these challenges will require a radical change in the global energy system and a range of new energy sources. Because the energy system is so large, and demand for energy is rising so quickly, to achieve these changes will take a huge collective effort.

Can you expand your role as a member of the Governing Board of the Energy and Natural Resources Law Institute and what you aim to accomplish there?

We are proud to support The Energy and Natural Resources Law Institute at Queen Mary, University of London. This Institute provides a focus for the development of energy and natural resources law, the training of energy lawyers through its specialist Masters of Law (LLM) in Energy and Natural Resources Law Programme, and the promotion of a broader understanding of this sector. In this role, I have the privilege to be able to provide input and suggestions into curriculum design on energy law topics as well as serve as a guest lecturer to the LLM students, which I very much enjoy.

What goals had you set out from when you joined Shell in 2004 and after 13 years, what do you hope to further accomplish?

I didn't have any particularly firm goals when I joined Shell, other than to enjoy my work and to try to learn as much as possible. As my career has progressed, I have been fortunate to have worked with some very talented people on some very interesting assignments. I think my personal highlight was when I worked as the Executive Assistant to our former global Chief Executive Officer, Peter Voser, for nearly three years. This was a challenging and fascinating experience which I will always remember. In the future, I hope to continue to develop and perhaps pass on some of my knowledge to more junior staff.

What do you think is the key to becoming a successful Head of Legal/General Counsel?

I think opinions may differ on this question, but from my perspective a good general understanding of the law, together with a business-focused and practical approach will always help. Paying sufficient attention to management issues such as innovation, strategy, cost control and staff engagement is also critical and I think these topics should be viewed as core parts of the role, rather than as "optional extras" in the management of a legal department.

Is there anything else you would like to add?

My final observation is that the role of in-house counsel is constantly evolving. When I first started, an in-house career was sometimes viewed as secondary in importance to private practice. However, as time has passed, in-house counsel have evolved to become valued business partners with a seat at the top management table and, often, with a formal seat on the board. I think the legal and risk environment is changing such that legal skills are becoming recognised as essential to the management of credible companies. **LM**



Michael Coates
Associate General Counsel, Shell

Michael joined Shell in 2004 from the London office of Slaughter and May, where he practiced as a solicitor with a focus on corporate finance, securities and mergers & acquisitions (M&A). Thereafter, Michael worked at Shell's Headquarters in The Netherlands in a number of business and corporate

legal roles, supporting international energy and M&A projects in Europe, the United States, Latin America, Australasia and Sub-Saharan Africa. During this period, Michael also served as legal adviser to the parent company of the Shell Group, Royal Dutch Shell plc.

Between March 2011 and December 2013, Michael was Secretary to the Shell Group Executive Committee and Special Adviser to the Chief Executive Officer of Royal Dutch Shell plc. Prior to his current role as Associate General Counsel for Upstream Joint Ventures at Shell's Headquarters in The Netherlands, Michael was based in London as UK Head of Legal, as well as Associate General Counsel, Downstream North West Europe.

Michael is an Officer of the Corporate and M&A Law Committee of the International Bar Association, and a member of the Energy Law Committee of the City of London Law Society. He serves on the Development Board of the Bingham Centre for the Rule of Law and on the Governing Board of the Energy and Natural Resources Law Institute at Queen Mary, University of London. Michael is a Fellow of the Institute of Directors.

He holds separate undergraduate degrees in Economics and Laws (Hons.) and a Masters degree in Law from the University of London (UCL and Queen Mary).

Firm Profile

Royal Dutch Shell was formed in 1907, although its history dates back to the early 19th century, to a small shop in London where the Samuel family sold sea shells.

Today, Shell is one of the world's major energy companies, employing an average of 92,000 people and operating in more than 70 countries. Its headquarters are in The Hague, the Netherlands, and its Chief Executive Officer is Ben van Beurden. The parent company of the Shell group is Royal Dutch Shell plc, which is incorporated in England and Wales.

"Our strategy seeks to reinforce our position as a leader in the oil and gas industry, while helping to meet global energy demand in a responsible way. Safety and environmental and social responsibility are at the heart of our activities."

Michael Coates, Associate General Counsel, Upstream Joint Ventures
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