PRICEWATERHOUSECOOPERS

Drilling deeper

Managing value and reporting in the petroleum industry

Contents

Introduction

More than ever, investors are on guard against corporate reports that may be technically correct, but fail to provide a true picture of a company's health and prospects. The need for reporting measures and techniques that fully communicate the potential of a company's strategy and operations and promote trust is possibly greater than ever before. Petroleum companies have built solid relationships with investors but, as this survey shows, there is potential for fine-tuning and deepening communication to deliver more value for investors and companies alike.

The debate is intensifying. In the rush, post-Enron, to scrutinise reporting practices, it is inevitable that the oil and gas industry will be high on the list for politicians and regulators. The danger for companies is that such scrutiny may be driven disproportionately by political factors rather than insight and understanding of the industry, its strategies and its processes.

Drilling deeper identifies the industry-specific indicators that companies believe are critical to manage the value of their business, and contrasts these with the reporting priorities of investors and analysts. It is clear that there is potential both for companies to educate the investment community on the significance of certain indicators, and for the investment community's priorities to be matched by better reporting progress against those indicators.

The potential benefits for companies are two-fold. By increasing disclosure, companies have the prospect of deepening relationships with long-term investors, reducing stock volatility and maximising share value. It also provides a clear platform for influencing and educating the regulatory climate.

We hope the results of our survey provide insights that you will find useful.

Rich Paterson
Global Petroleum Leader, PricewaterhouseCoopers

Methodological note

PricewaterhouseCoopers commissioned an independent market research firm, Market & Opinion Research International (MORI), from November 2001 to March 2002, to survey three key groups:

• **Petroleum companies:** The respondents included 39 senior petroleum executives, either Chief Financial Officers or Heads of Investor Relations. They represented leading global petroleum companies headquartered in North America, South America, Europe and Russia. Companies from the integrated, exploration and production (E&P), downstream and service sectors were included.

The collective market capitalisation of respondents' companies was in excess of US$800 billion.

• **Investors:** The respondents included 50 institutional investors (or fund managers). In total, they manage more than US$2.6 trillion in funds, including more than US$31 billion in oil and gas funds.

• **Analysts:** The respondents included 30 leading sell-side analysts from top investment banks in the US and Europe.

Acknowledgements

PricewaterhouseCoopers thanks all the company executives, investors and analysts who contributed to this study by completing the survey.

Executive summary

The traditional, predominantly financial, indicators used to measure corporate performance no longer meet the needs of the global capital markets. They do not tell a company's full story and are not adequate to deliver true insight into its capacity to grow, adapt and change. Our survey of petroleum companies, investors and analysts, demonstrates the case for more comprehensive reporting.

Eighty per cent of petroleum companies in the survey believe their share price falls short of their company's true value. But the reporting practices of petroleum companies in turn fall short of what investors and analysts say they need to assess companies for investment purposes. Investor feedback revealed that for about three of every five indicators they highlight as having particular value in assessing companies, the information flow from companies is significantly below what they need.

Only a few of the indicators fall into the category of traditional financial reporting. Instead, they cover ground such as the geopolitical environment, strategic direction and quality of management. Investors also express a desire for information to be better-segmented in the upstream and downstream sectors.

The survey indicates that petroleum companies need to work more effectively to achieve their investor dialogue goals. More than half of companies (52 per cent) believe they work proactively to initiate contact or maintain continuous dialogue with investors, yet only 14 per cent of investors characterised petroleum companies in this way.

A shift to more comprehensive reporting will help petroleum companies move away from the treadmill of continuous focus on short-term earnings. Investor cynicism about short-term earnings runs high. Three-quarters of investors feel that petroleum companies have considerable discretion on earnings figures, yet this leeway is firmly refuted by companies themselves.

A move to wider reporting is seen by companies, investors and analysts as likely to lead to tangible gains for companies. Reduced share-price volatility, increased valuations, more long-term investment, a lower cost of capital and greater management credibility are among the benefits of better disclosure cited by a majority of those surveyed.

Market imperatives

Today's petroleum companies face the ongoing challenge of delivering superior returns. As industry consolidation creates larger companies, the pressure of growth results in ever-increasing demands. Moving beyond the short-term earnings game and communicating long-term value is of prime importance.

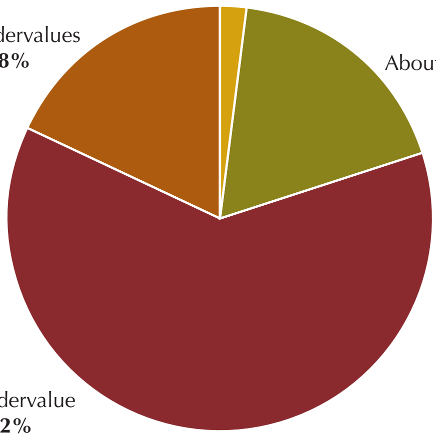
Consolidation has been a key driving force in a sector now significantly impacted by the emergence of a group of super-majors. The economics of reserve replacement in the upstream sector, and cost control in the downstream sector, favour large companies with the balance-sheet leverage to allocate necessary capital resources. Larger independents have strategies driven by growth-oriented goals. This places an extra onus on these companies to convince the capital markets that they have the structures, resources and strategies in place to deliver the growth required.

For all players, the top-line rollercoaster ride of oil and natural gas commodity prices puts even greater pressure on the bottom line of cost control and efficiency. Finally, the larger oil and gas companies that merged or made acquisitions in recent years are now beginning to divest their non-core assets. In turn, this creates buying opportunities for senior and medium producers as well as the need for more capital to develop those acquired assets.

Recognising value

All these factors serve to heighten the need for companies to convince the capital markets of the value of their strategies and operating processes. Yet the vast majority of petroleum companies believe the markets undervalue them. No fewer than 80 per cent of company executives feel that their company's share price is below its true worth. Perhaps most CEOs would be expected to say this but, nonetheless, if this is what they believe, then the onus is on companies to communicate their value more effectively.

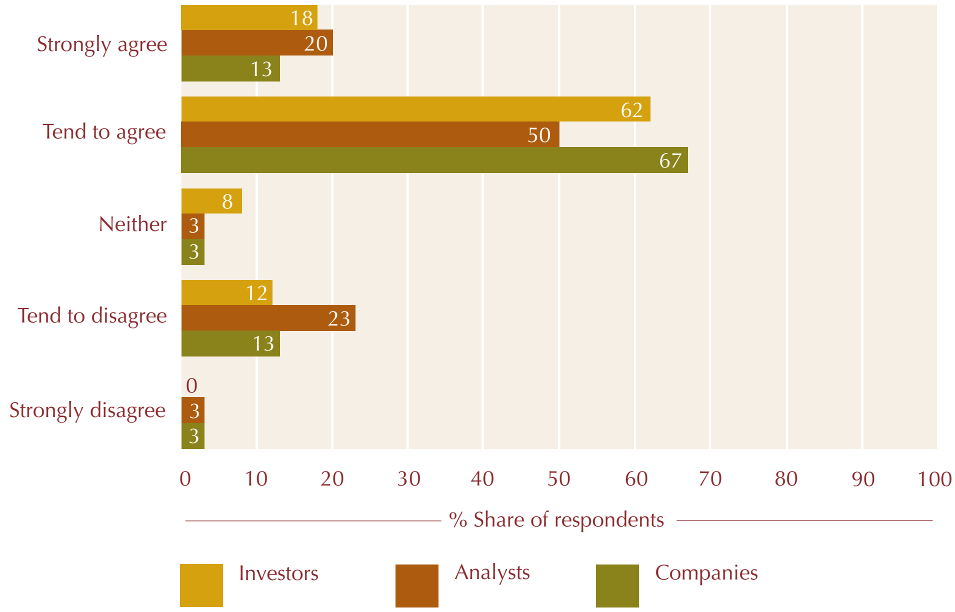
Figure 1: **Petroleum companies' view on whether their share price reflects their company's true value**



Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

In the petroleum sector more than any other, true value requires a long-term perspective. Exploring and realising oil and gas assets does not happen overnight. Yet, if there is one thing that both companies and the investment community agree on, it is that the markets continue to focus on short-term earnings. Some 80 per cent of companies and investors and 70 per cent of analysts signal their agreement with this view.

Figure 2: **The financial community focuses on short-term earnings**



Note: Chart does not reflect "don't know" responses.
Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

The undervaluation sentiment is felt most strongly by companies in the US. Only 16 per cent of US petroleum companies feel their share price is 'about right' as compared to 29 per cent of European companies. Undervaluation is a perception of company management in other sectors. But, in contrast to other industries, when it comes to keeping the markets focused on the long-term value, none of the petroleum companies surveyed feel that the short-term earnings game inhibited their long-term investment strategy.

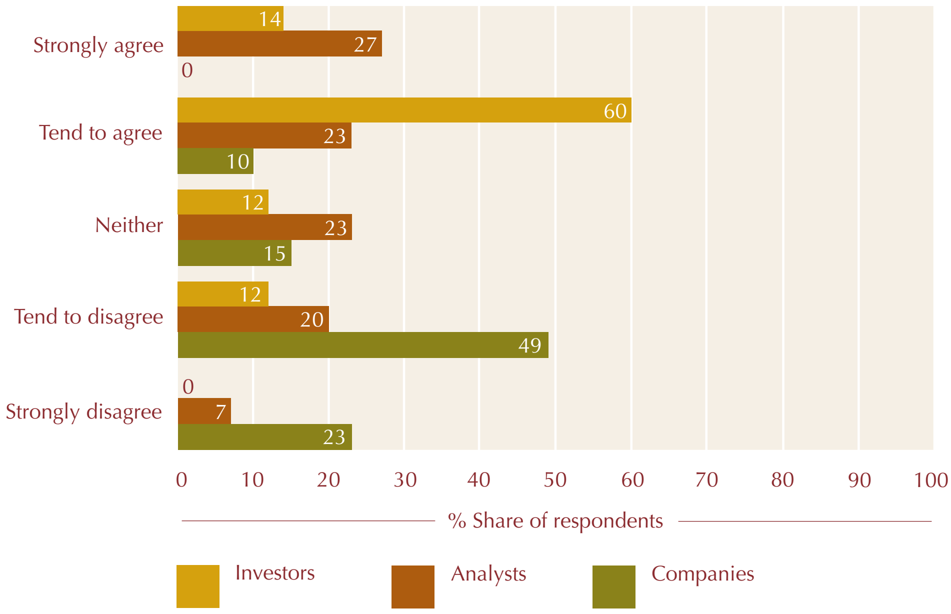
Companies and the investment community are divided about the effects of this short-term focus. Both investors and analysts are worried that it places pressure on companies and that it can result in a skew in earnings reporting: indeed three-quarters of investors feel that companies have a great deal of discretion on earnings figures. In contrast, only one in ten companies think they have any leeway at all.

Beyond the short-term

Cynicism about the numbers cannot be good news for investor relations. Why the contrast between companies and investors? One factor is simply that there are many different earnings lines to focus on: net income, cash earnings, pre-or after-tax, continuing or after special items. Companies may also choose to present some other 'pro-forma earnings' number.

On top of this possible confusion are the accounting standards and choices specific to the petroleum sector. Measuring and accounting for oil and gas reserves can pose a fundamental dilemma. While pooling accounting may now be a thing of the past, everyone recognises that pooling and purchase accounting can produce strikingly different earnings results. This makes drawing comparisons between companies more difficult.

Figure 3: **Companies have discretion in determining the level of reported earnings**



Note: Chart does not reflect "don't know" responses.
Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

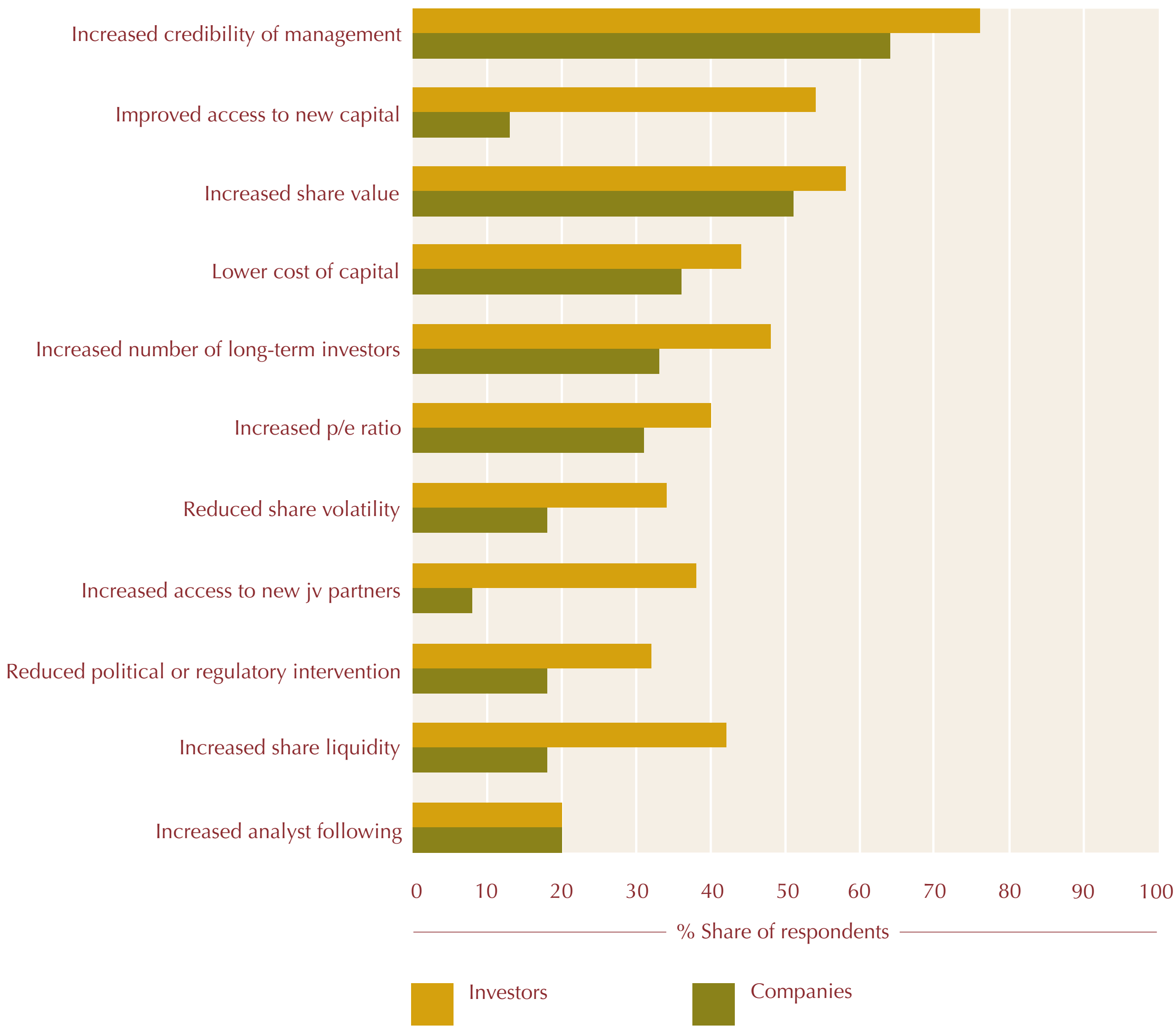
The absence of consistent global accounting standards increases the difficulties for investors trying to make meaningful comparisons. Indeed, accounting standards can sometimes compound the difficulty in understanding short-term earnings.

Certainly companies face a credibility issue on earnings reporting that will be important to overcome. However, the earnings dilemma also presents a compelling reason to shift the focus from earnings to other value measures, particularly those that investors and analysts rate as important.

Potential for unlocking value

A move to wider reporting is seen by companies, investors and analysts as likely to lead to tangible gains for companies. The consensus view is that the potential rewards of improved disclosure are immense. Investors emphasize this particularly. Eighty per cent of investors believe better disclosure is key to enhancing the credibility of management. Investors, more than companies, also identify improved access to new capital and new joint venture partners among the potential benefits. In common with investors, companies identify increased share value, more long-term investors, increased p/e ratios and reduced share volatility among the specific benefits to be derived from better disclosure.

Figure 4: **Benefits of better disclosure**



Source: PricewaterhouseCoopers
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Market reality

As the market comes to terms with understanding company strategies in a post-Enron world, and the reporting of results against those strategies, the asset-rich base of petroleum companies has an opportunity to reassert itself.

The companies which take most advantage of this post-Enron opportunity will be those which can gear their reporting practices both to what the market needs and to their own insight of what matters most about their strategy and operations. We investigated the reality of what investors and analysts rated as most important in assessing the investment value of a petroleum company. We then mapped this against the performance measures that petroleum companies themselves deem most important in managing their companies.

A framework for value

Our survey asked petroleum companies, investors and analysts to assess the relative importance of 51 potential value indicators for the industry (see Figure 5). Seventeen of these indicators are relevant to all petroleum companies, while others are tailored specifically to upstream E&P, downstream and service companies. These indicators have been brought together into a framework called ValueReporting™. The framework comprises four overall categories developed in response to the findings of earlier global capital markets surveys. In short, this ValueReporting™ Framework provides a comprehensive picture of the business and reflects the key indicators that are vital in determining value (see Appendix 1 for more explanation of this framework).

Figure 5: **ValueReporting™ Framework for the global petroleum industry**

	Market overview	Value strategy	Managing for value	Value platform: Innovation	Value platform: Other
All petroleum companies	**Geopolitical environment** Regulatory environment	**Strategic direction** Partnering strategy Environmental strategy	**Cash flow** **Earnings** **ROACE or similar return measures** **Performance by business segment** Risk management Equity NPV per share	Implementation of new processes and technologies	**Quality of management** Distribution channel efficiency Quality of workforce Evidence of compliance with environmental protocols Compliance with health and safety regulations
Upstream	Supply, demand and prices for crude oil and natural gas	**Hedging strategy**	**Volume of proven and probable reserves for crude oil and natural gas by geographic location** **Reserve replacement costs per equivalent unit by geographic location** Operating profit per equivalent measure by geographic location SFAS 69 data (FASB-mandated disclosure of E&P operations results) Net cash flow per equivalent unit by geographic location	**Exploration success rate**	Quality of crude reserves (eg. light, medium, heavy)
Downstream (refining)	**Market share** Supply, demand and prices for petroleum products by region		**Capital expenditure** **Refinery margins by region (refining centres)** Refinery acquisition cost of crude Unit cost by refinery Petroleum product sales by volume by refinery		**Refinery capacity (nameplate or distillation)** **Refinery utilisation**
Downstream (marketing)	**Market share** Supply, demand and prices for fuel by region	Customer strategy	Petroleum product sales by volume by region Capital expenditure		Brand awareness Product and service quality Customer loyalty
Service company	**Market share** **Supply, demand and prices for crude oil and natural gas** **Overall rig utilisation in the industry (for non-drilling contractors)**	**Product/services pricing** Strategy for hiring and retaining intellectual talent	**Capital expenditure** Contract value-added provisions Foreign DSO (days sales outstanding)	Analysis of current success of previous R&D expenditures	**Crew downtime** **Rig utilisation (for pure drilling contractors)** **Product utilisation** Customer loyalty Integrated project management/solutions Product and service quality

Note: Indicators highlighted in **bold**: 80 per cent or more of investors said these indicators were important to valuing petroleum companies.

More comprehensive reporting

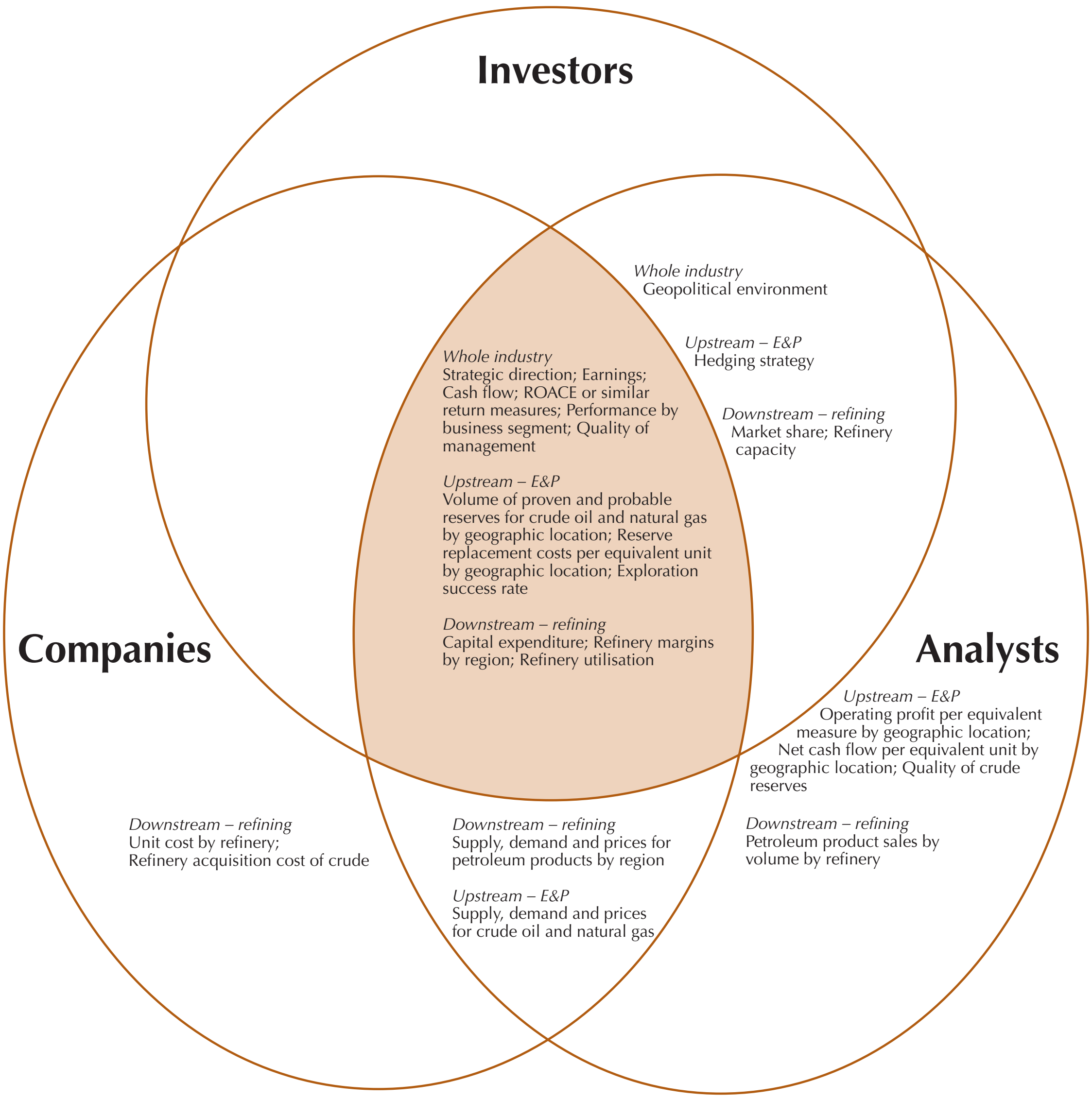
The responses of companies, analysts and investors show the case for deeper and more comprehensive reporting by petroleum companies to their investors. The investment community is interested in understanding precisely how the oil and gas sector will create value for them and how, within the sector, specific companies are likely to perform. Investors say they do not get all the information they need. Investors also say they do not rely very heavily on the recommendations of analysts. Both these features mean that there is a significant unfulfilled opportunity for petroleum companies to communicate a better story.

Eighty per cent or more of investors identify 22 of the 51 potential value indicators as being of particular value to them in assessing companies for investment purposes.

Analysts go further, with 32 of the indicators being deemed to be particularly valuable. Companies pinpoint a smaller number, 19 in total, as being particularly valuable.

Due to the small sample size of downstream (marketing) and service companies, the analysis in this report only focuses on the indicators that are relevant to all petroleum companies, plus specific measures relevant to upstream exploration and production and downstream refining. The total number of indicators that are relevant to these sectors is 35. Sixteen of these indicators are deemed to be of critical importance to investors.

Figure 6: **Overlap among companies, investors and analysts of value indicators that are highly important**



Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

Figure 7: **Gap analysis**

Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

Understanding Gap

The difference between the importance that managers attach to a measure and the importance that analysts and investors attach to it.

Information Gap

The difference between the importance the markets attach to a measure and how they feel these information needs are being met.

Quality Gap

The difference between the importance that managers attach to a measure and the reliability of the information provided by internal systems.

Reporting Gap

The difference between the importance managers attach to a measure and how actively they work to report on it.

Perception Gap

The difference between how actively managers think they are working to communicate a measure and how adequate investors and analysts perceive the information to be.

Value Gap

The difference between the management's view of a company's value and the market's view of the same company's value.

The choice of indicators highlights the depth and scope of communications that investors and analysts are seeking. Only a few fall into the category of traditional financial reporting. Instead, they cover ground such as geopolitical environment, strategic direction, quality of management, reserves volume by location, reserve replacement cost per equivalent unit, refinery margins, and refinery and rig utilisation.

Getting in tune with the market

The extent of overlap between the indicators rated as important by investors and those selected by companies suggests that petroleum companies have developed a sound understanding of the needs of their investors. This is to be expected in a sector characterised by its maturity and the scale and longevity of its relationship with the capital markets. However, the survey does highlight many significant areas where gaps exist between what investors need and what is being delivered by current disclosure from petroleum companies. Equally, there are some areas where companies have insights into what is significant that are not being communicated to or understood by investors.

To understand the difference between the approach of companies and the needs of investors and analysts, we have analysed the survey responses in terms of a number of different gaps. We have focused the analysis in the main body of the report on the differences between companies and investors. This is to aid clarity and also because, in general, the responses of analysts follow the same trend as investors, with the characteristic that analysts tend to want an even wider range of information. (Readers interested in the specific responses of analysts can find this in Appendix 2.)

Better understanding

Improved understanding between investors and companies is a two-way street. Our survey looked at areas where significant understanding gaps exist between investors and companies.
The existence of understanding gaps reveals the indicators that investors value most are simply not being prioritised by companies. These gaps carry fundamental implications for the effectiveness of dialogue between companies and their investors.

In an industry so influenced by the wider socio-political climate and so dependent on international partnerships, with governments, joint venture allies and suppliers, investors understandably value highly information on the geopolitical environment and partnering. Investors in our survey are also signalling their appetite for more detailed information on crude quality and refining capacity. For companies reporting under US standards, SFAS 69 data, which is unaudited, is surprisingly considered more valuable to investors than companies may have thought. As SFAS 69 is a standardised analysis which requires, for example, disclosure of movements on oil and gas reserves: companies may want to consider giving more attention to the preparation of this data.

Figure 8: **The understanding gap – information rated highly by investors**
All petroleum company measures

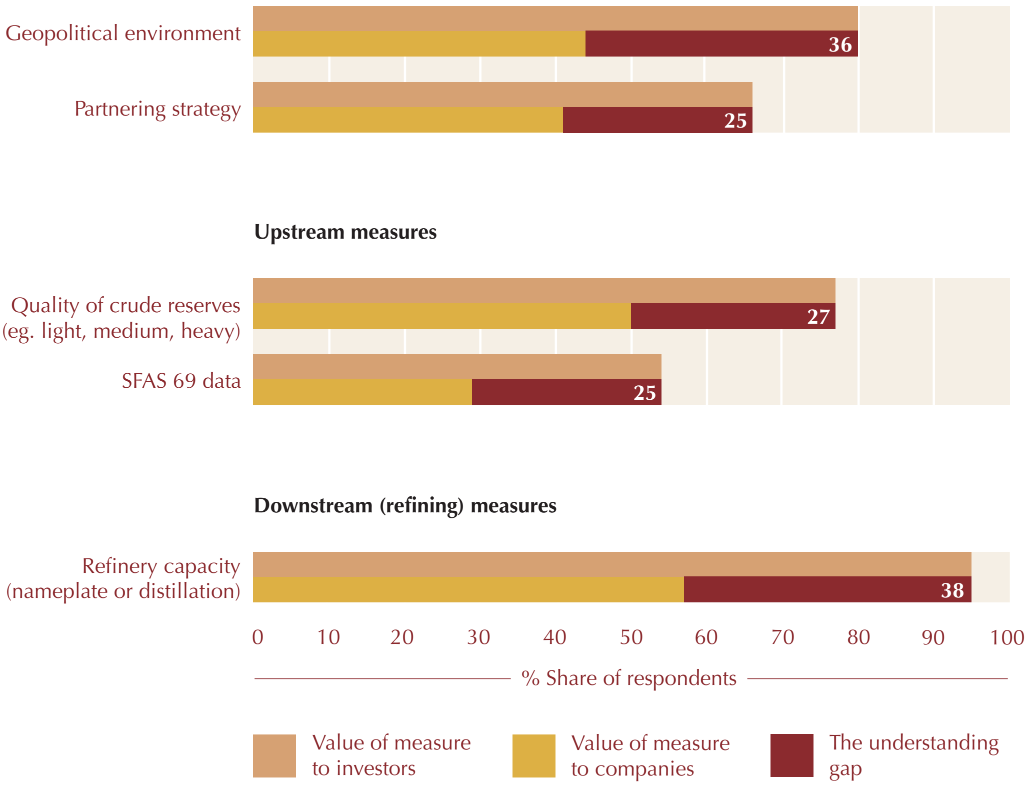
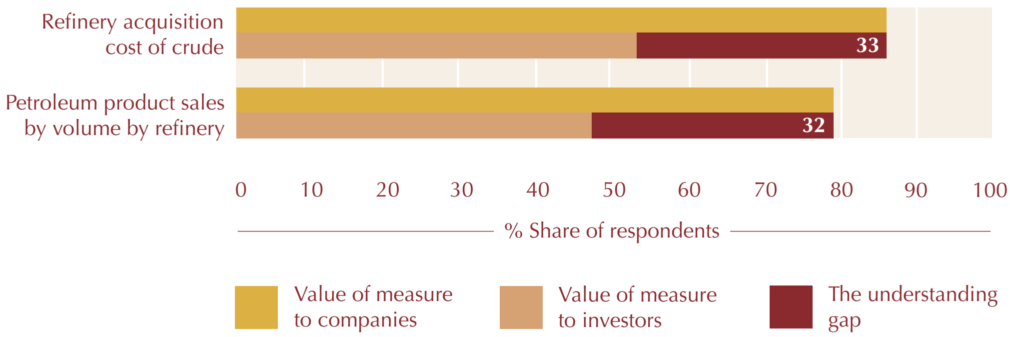


Figure 9: **The understanding gap – information rated highly by companies**
Downstream (refining) measures



Note: Graph shows indicators with understanding gaps of 20 per cent or more.
Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

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Reporting gap

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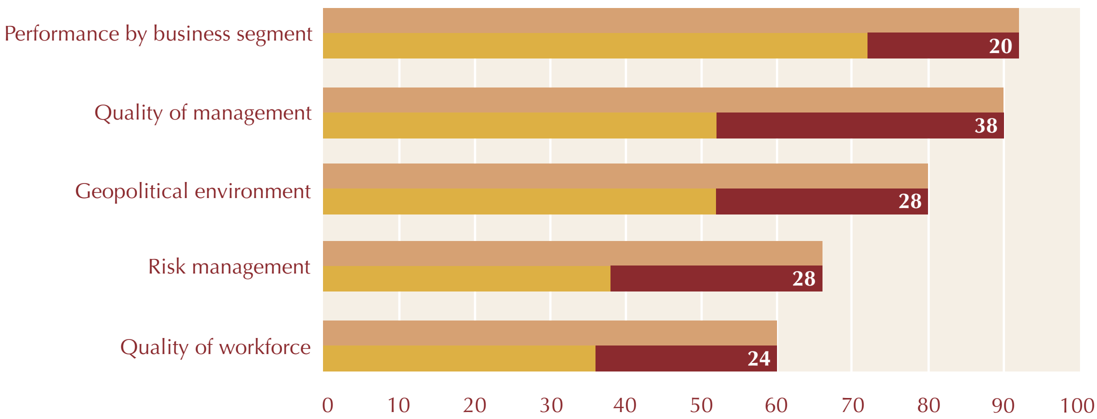
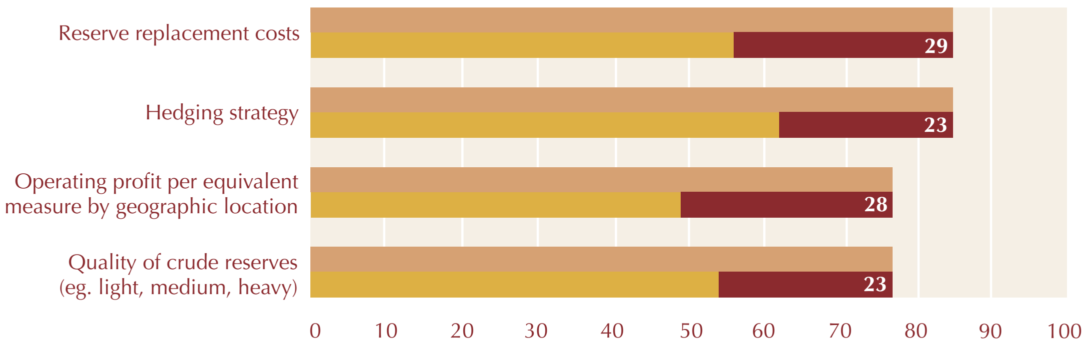
The right information

Investors and companies in petroleum tend to agree, with the exception of the understanding gaps outlined above, on the indicators that are of most value. However, actual reporting in the industry falls short of what investors say they need to judge a company's investment potential. Investors reported significant information gaps for no fewer than 10 of the 16 value indicators that they deemed to be most important. Many of these are indicators in the downstream sector of the industry where investors want detailed cost and productivity information.

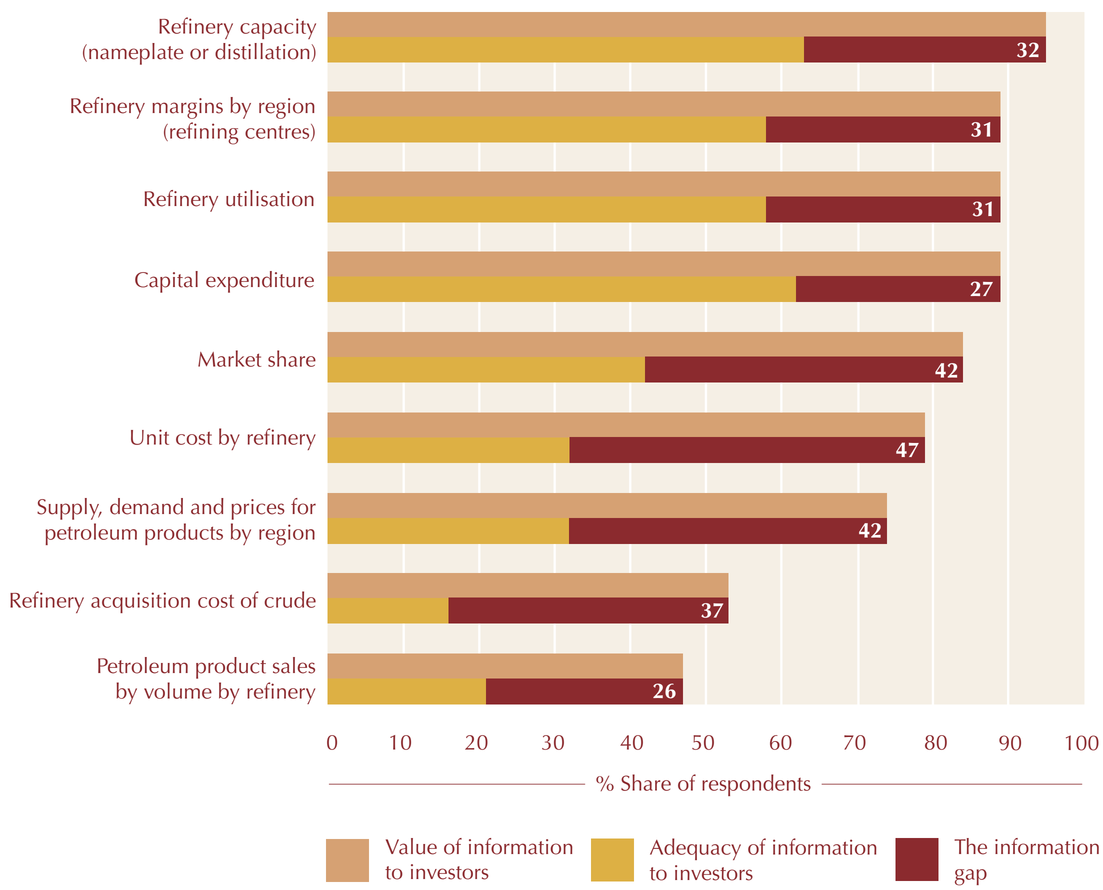
Figure 10: **The information gap – information rated highly by investors**
All petroleum company measures



Upstream measures



Downstream (refining) measures



Note: Graph shows indicators with information gaps of 20 per cent or more.
Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

A common theme, besides a desire for a wider reporting of non-financial as well as financial data, is a thirst among petroleum investors for better-segmented information, for example, by oil and natural gas in the upstream sector, refining assets in the downstream sector and geography in both sectors. This is accompanied by a demand for better information on fundamental issues such as:

- Reserve replacement costs,
- Quality of crude reserves in the upstream sector, and
- Key refining statistics in the downstream sector.

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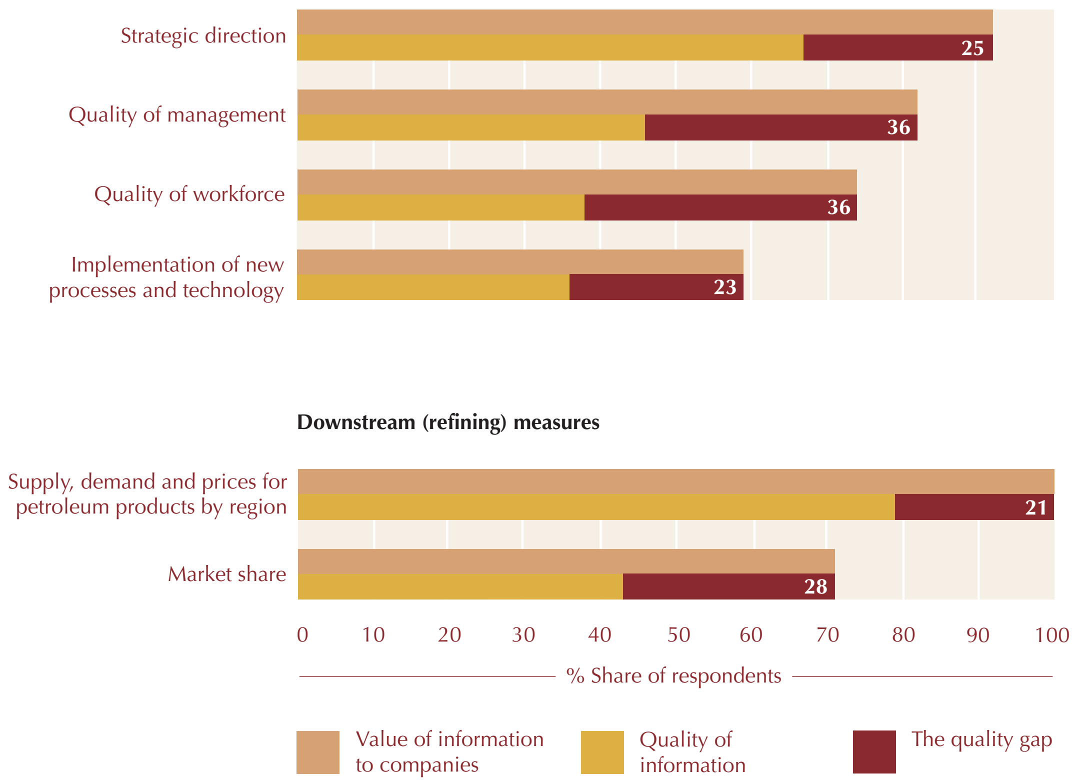
What's holding companies back?

Given the critical importance of investor relations, why do investors perceive a shortfall in the information that they are getting from petroleum companies? In the case of three of the indicators – geopolitical environment, crude reserve quality and refinery capacity – companies may simply be underestimating the importance that investors place on them. As discussed previously, these indicators all have significant understanding gaps as they are rated significantly higher in importance by investors than companies. For some of the other indicators, we have to turn to an analysis of two further gaps – the quality gap and the reporting gap.

Figure 11: **The quality gap – information rated highly by companies**
All petroleum company measures



Note: Graph shows indicators with quality gaps of 20 per cent or more.
Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

In the case of some key indicators, companies identify a difficulty with gathering data of sufficient quality. In common with other industries, petroleum companies are still struggling with how best to communicate, for example, the quality of their management and the quality of their workforce. In other cases, though, reporting shortfalls may have more to do with insufficient or unreliable information systems.

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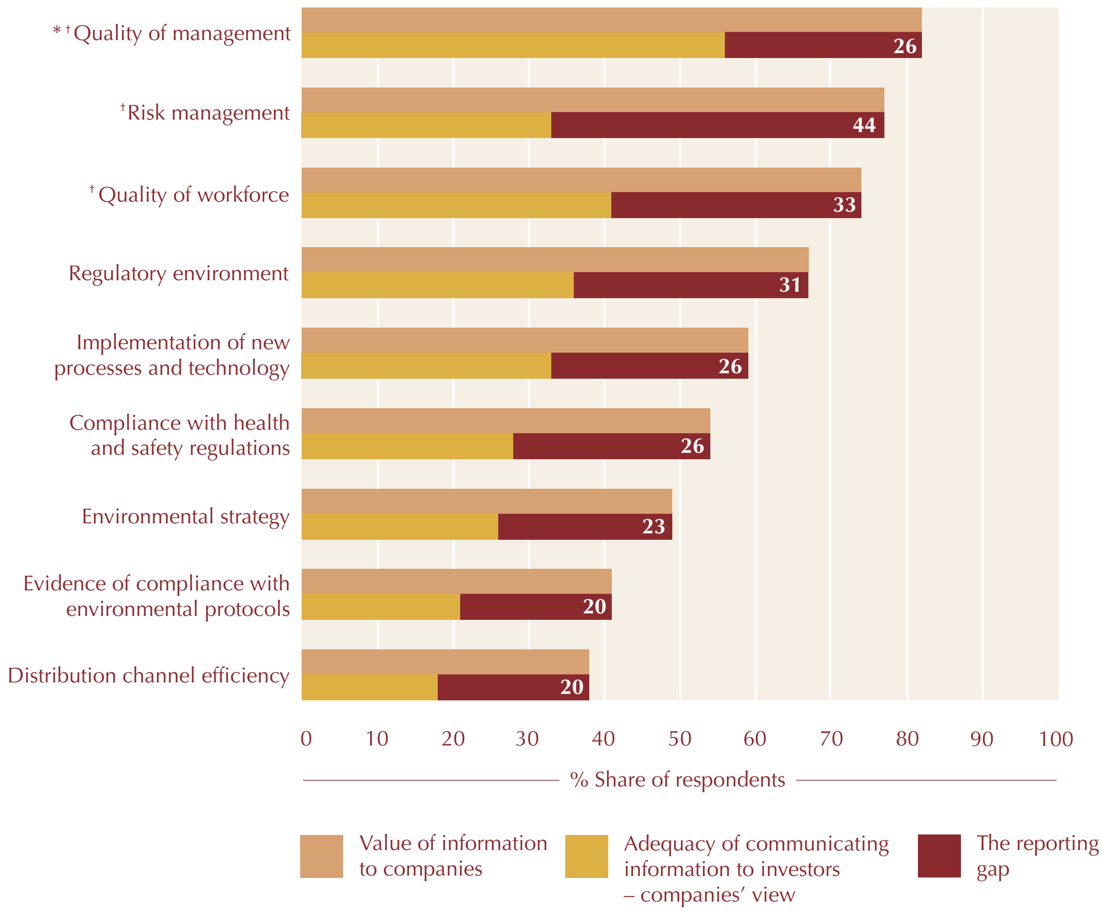
More significant than quality gaps, however, is possibly a clear choice being made by many petroleum companies not to relay information to investors. The survey of companies shows significant reporting gaps for 16 indicators. This means that, while companies are recognising the value of the data for their own management purposes, they are not matching this with a similar commitment to relay it to investors. However, in many of the cases, this is information that investors want. Three of the 16 indicators are among those identified by 80 per cent or more of investors as particularly valuable, and nine are indicators where investors are frustrated by an information shortfall (see Figure 12).

Part of the reason for companies not relaying data is explained by concerns about quality. However, quality shortfalls only account for five of the 16 indicators with significant reporting gaps. Some companies may be worried about competitor confidentiality. Any such worries need to be weighed against the danger of reduced investment potential and the other tangible benefits identified in Figure 4.

Figure 12: **The reporting gap – information rated highly by companies**
All petroleum company measures



Note: *Rated by 80 per cent or more of investors as important.
Note: †Investors report a significant information gap.
Source: PricewaterhouseCoopers
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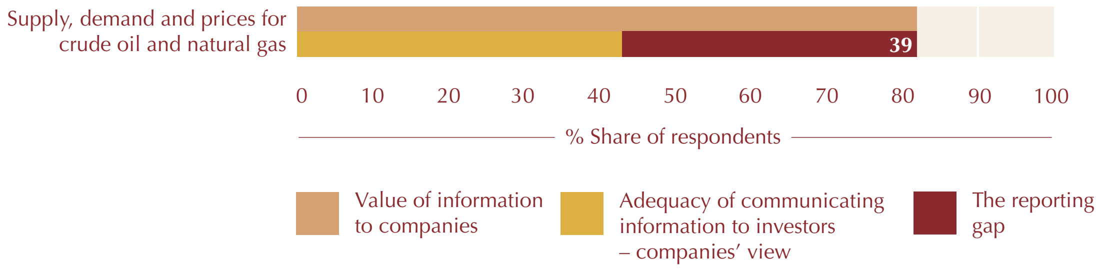
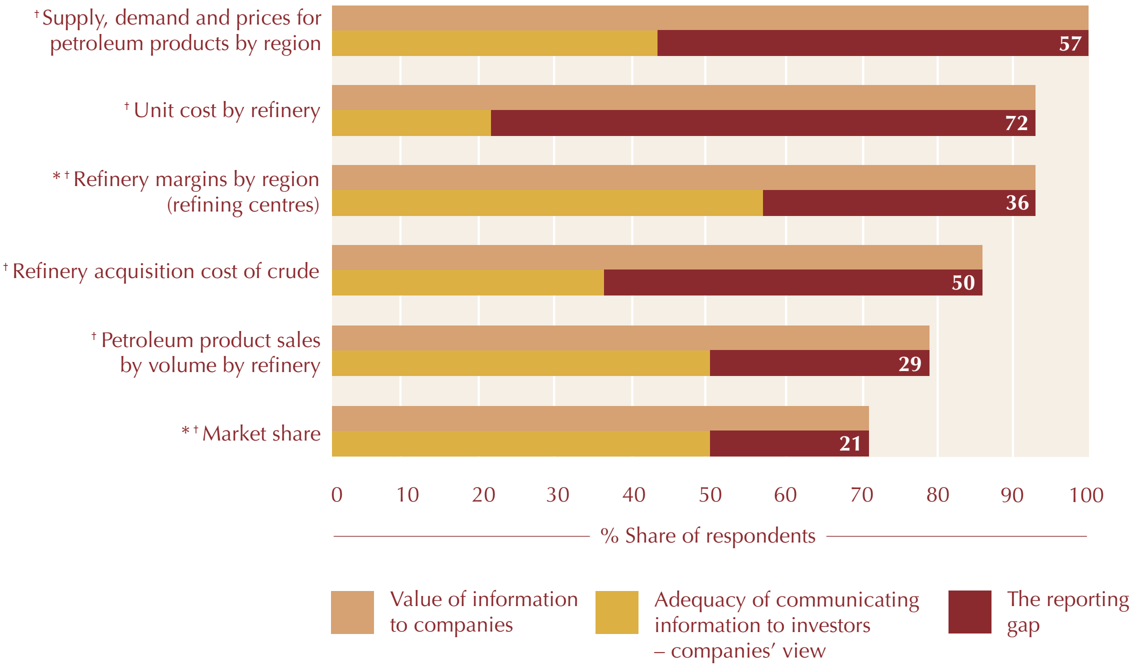
Upstream measures



Downstream (refining) measures



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Market dialogue

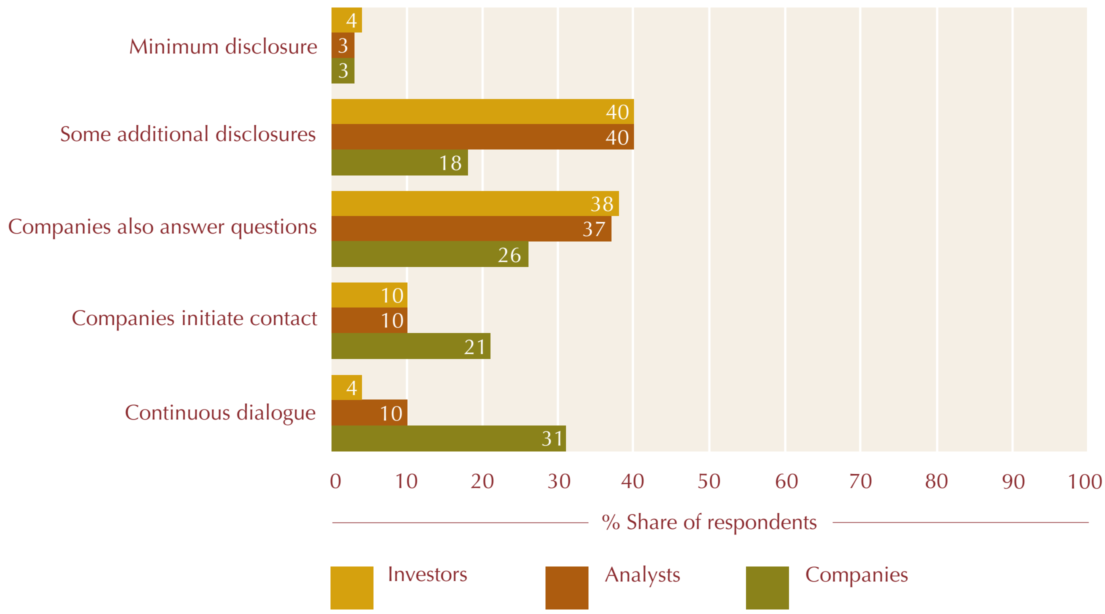
Getting the quality of disclosure right needs to be matched by getting the dialogue right. If one side is perceived to be holding back, then opportunities for mutual gain may be lost.

Our survey found that investors and analysts are not enjoying the dialogue that companies themselves think they are providing. We asked respondents to assess their perception of the type of dialogue they felt they had, on a scale of one to five, from minimal disclosure at one end through to proactive continuous dialogue between the enterprise and its investors and analysts, at the other. Nearly a third (31 per cent) of companies thought they were at the most proactive end of the spectrum, but only 4 per cent of investors and 10 per cent of analysts shared this view of company communications.

Becoming proactive

Petroleum companies are certainly beyond the basic level of minimum disclosure in their dialogue with the market. Around three-quarters of investors and analysts in the sector characterise petroleum companies as ready to offer additional information and to answer questions. However, only 14 per cent of the investors and 20 per cent of analysts think that petroleum companies are proactive in initiating contact as soon as new information becomes available or that they work actively to anticipate concerns and questions through continuous dialogue. By contrast, more than half (52 per cent) of companies believe that this was how they are doing. Companies should consider working more effectively to achieve their investor-dialogue goals.

Figure 13: **The dialogue spectrum**



Note: Chart does not reflect "don't know" responses.
Source: PricewaterhouseCoopers
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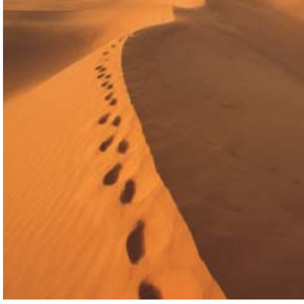
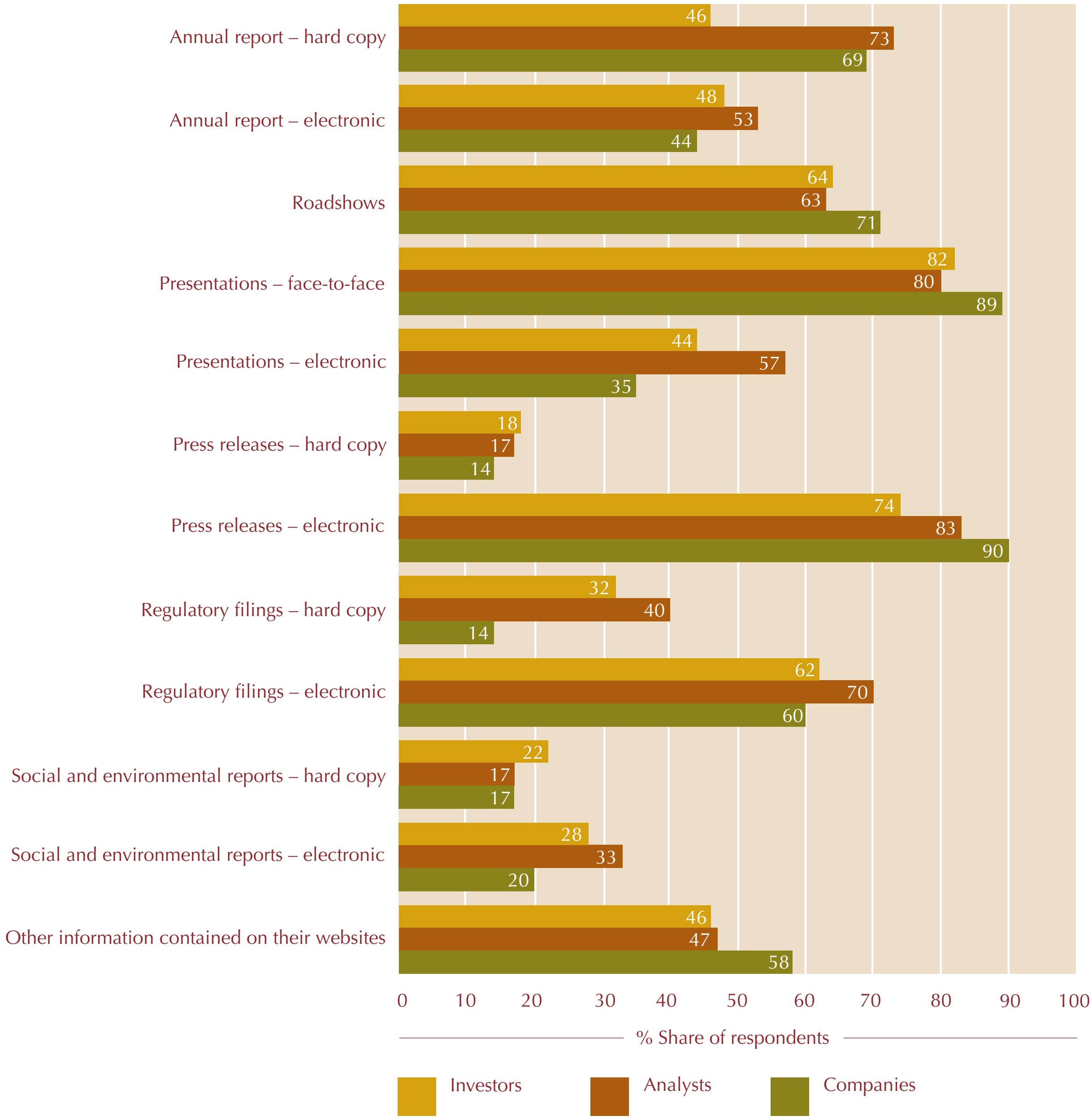


Getting the communications channels right

While the level of dialogue may not be quite what petroleum companies are aiming for, their choice of communications formats is in tune with the market. The importance given to face-to-face contact for key information and fast electronic distribution of news and regulatory filings by companies is mirrored in investor and analyst preferences. Choosing the right communications format is vital for building investor relations. The survey indicates that this is an area of strength for petroleum companies, although, possibly, they are tending to underrate the usefulness of developing electronic presentation sets for analysts.

Figure 14: **Preferences for different reporting formats**



Note: Graph shows investor and analyst preferences for receiving company information, and company perceptions of investor preferences.
Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

Market potential

The survey results indicate that the potential for better reporting is high. Reduced share-price volatility, increased valuations and more long-term investment are among the benefits identified by investors. The need to demonstrate integrity and win trust in the current environment gives a further incentive to companies to re-examine their reporting strategy.

A company's reporting strategy is an essential component in its value-creation process. Credible communication of pertinent data to the capital market has two positive and complementary effects on a company's cost of capital. First, it attracts a suitable base of long-term investors, and second, it provides those investors with greater comfort in their forecast of future cash flows.

More reporting, though, is not automatically better reporting. Companies will want to evaluate the cost-benefit of more comprehensive disclosure. To develop a coherent reporting strategy, management needs to consider whether moving towards best-practice disclosure will unambiguously reduce the volatility of its stock price. Similarly, it needs to understand that effort should not be expended where superior reporting is unlikely to be rewarded by the capital markets.

Companies need to develop sophisticated mechanisms for understanding the answers to these questions and for creating the right internal tools and systems to deliver effective measurement of both financial and non-financial data. By building up a picture of investor needs and analysing the effect of company communications not only on share-price movement, but also on corporate reputation and transparancy, one can identify areas that may strengthen a company's competitive position within the capital markets. An assessment then needs to be made of the benefits to value, compared with the long-term cost of providing and monitoring the data.

But it is not just about reporting to investors. It is also about managing the company better. By creating synergy between the indicators that external stakeholders most value and the internal measures used for managing the company, petroleum companies are placing themselves in a much more advantageous position for steering a strategic course with the potential to build shareholder value and satisfy other stakeholders.

Appendices

Appendix 1:
The ValueReporting™ Framework

Appendix 2:
Responses of analysts

Appendix 1

The ValueReporting™ Framework

External	Internal		
Market overview	**Value strategy**	**Managing for value**	**Value platform**
Competitive environment	Goals and objectives	Economic performance	Innovation
Regulatory environment	Governance	Financial position	Brands
Macro-economic environment	Organisational design	Risk management	Customers
		Segmental performance	Supply chain
			People
			Corporate reputation

The ValueReporting™ Framework has been developed from responses to PricewaterhouseCoopers' findings from earlier global capital markets surveys. It enables companies to identify the financial and non-financial indicators that demonstrate how they are creating value for investors and communicate that information to the markets in an open, consistent and timely fashion. Together, those indicators comprise the basis of the information that should be provided in any report, presentation or other communication.

• **Market Overview:** The first category focuses on providing an overview of the market or markets in which a company operates, including the economic, competitive and regulatory environment – both current and expected – for the group as a whole or for individual business units.

• **Value Strategy:** The second category focuses on articulating the company's goals – what it is striving to be, what steps it is taking to achieve its aims and how those steps will create value for its shareholders.

• **Managing for Value:** The third category focuses on communicating the financial indicators that management is using to monitor the financial performance, risk and value created by individual business units as well as by the company as a whole.

• **Value Platform:** The fourth and last category focuses on the action that management is taking to execute the corporate strategy and invest in the activities that underpin long-term growth. The components of the 'value platform' are innovation, brands, people, customers, supply chain and corporate reputation.

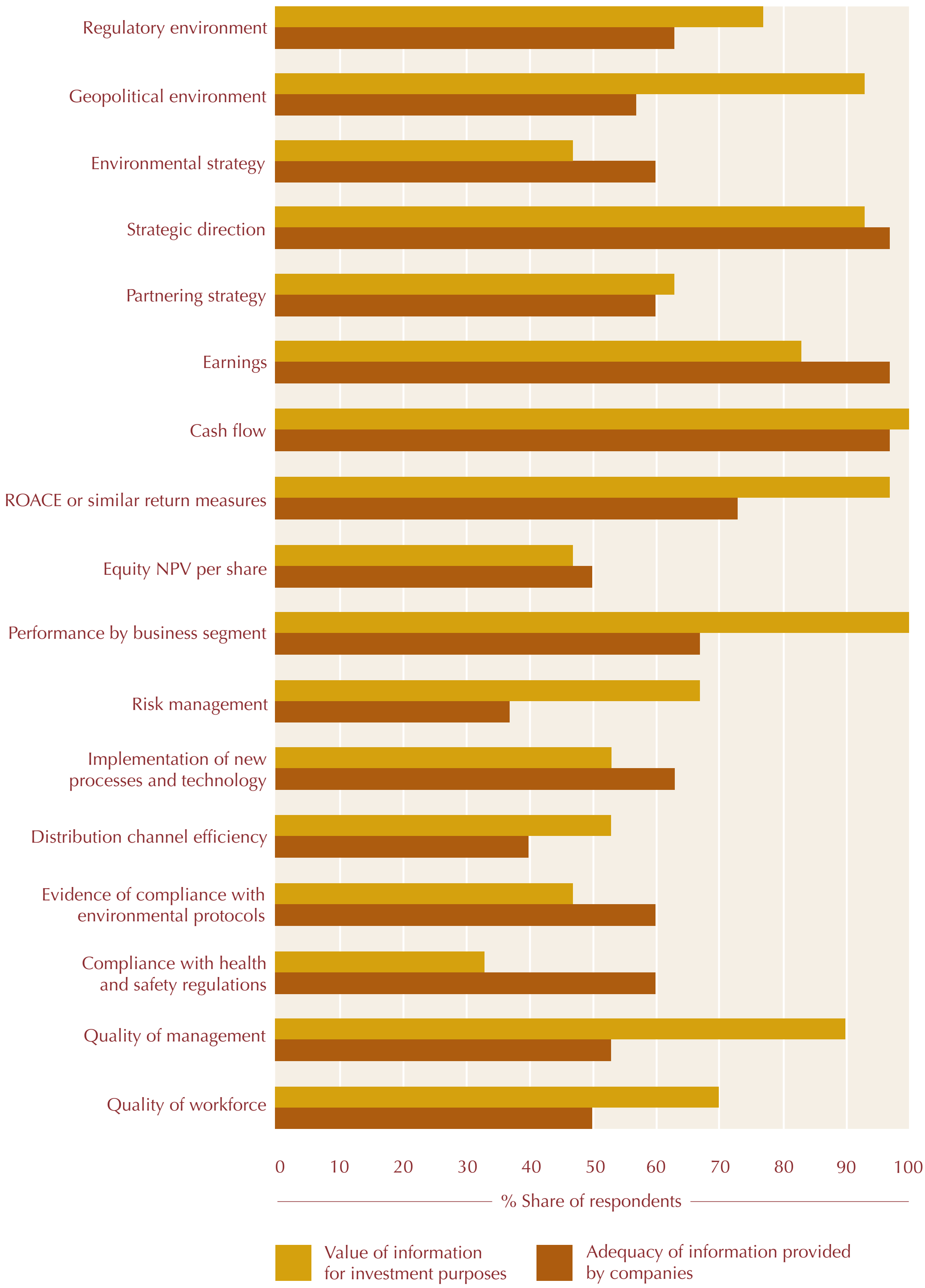
In short, the ValueReporting™ Framework provides a comprehensive picture of the business by making the connections between the global capital markets and other stakeholders, between targets and performance.

For the complete ValueReporting™ Framework for the petroleum industry, refer to Figure 5.

Appendix 2

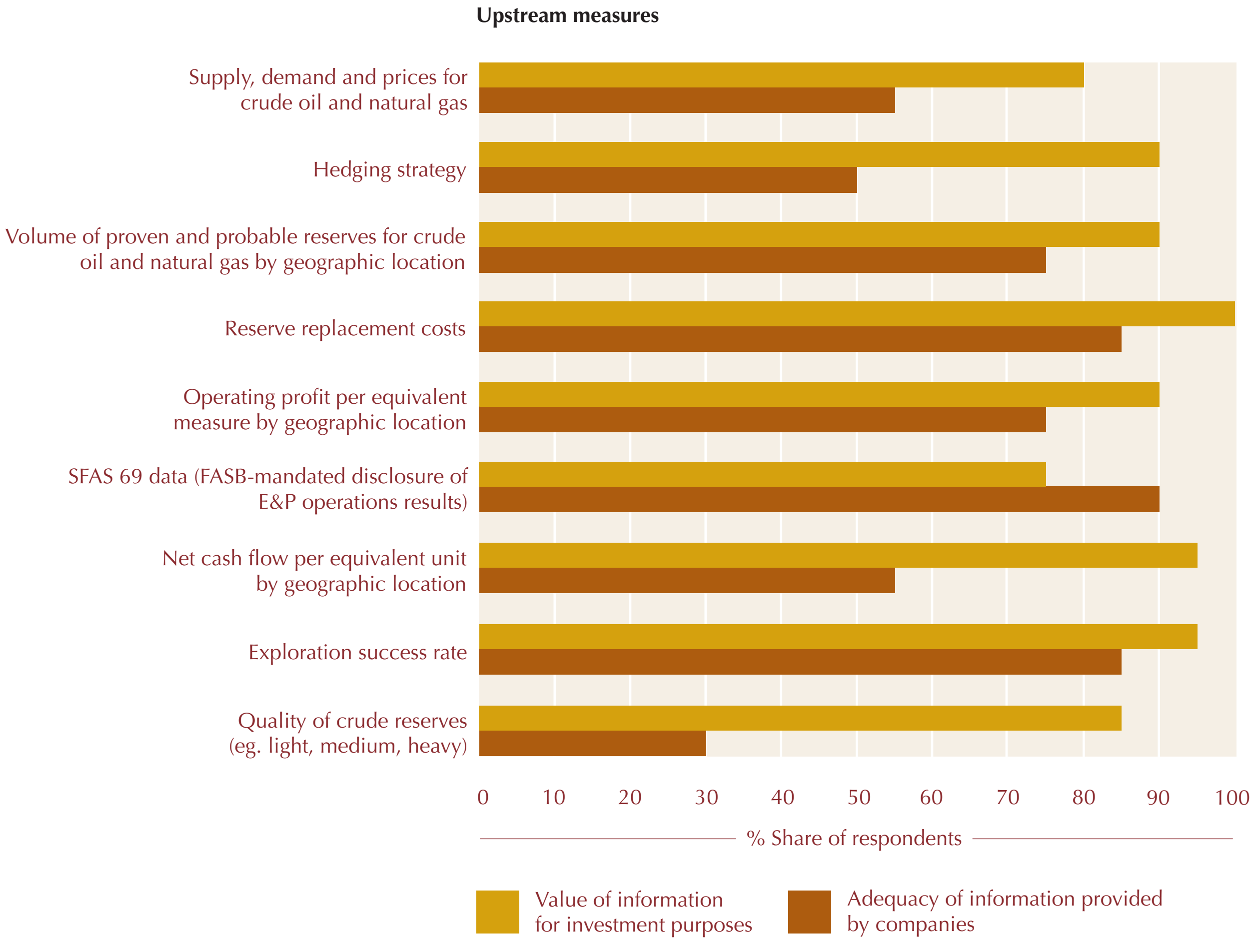
Value indicators – Responses of analysts for the indicators in the general, upstream E&P and downstream refining sectors.

All petroleum company measures



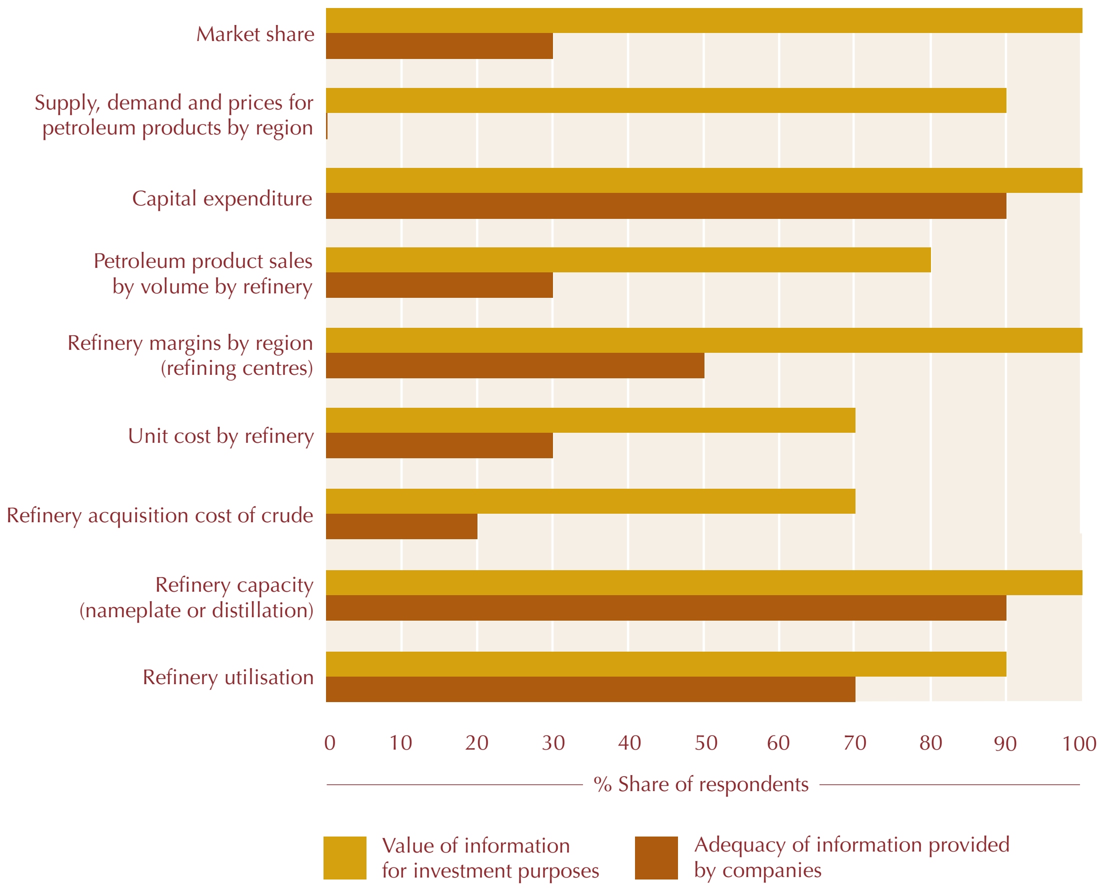
Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

Value indicators – Responses of analysts for the indicators in the general, upstream E&P and downstream refining sectors. *Continued*



Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

Downstream (refining) measures



Source: PricewaterhouseCoopers
Drilling deeper – Managing value and reporting in the petroleum industry, 2002

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Global enquiries:

Rick Roberge
Petroleum ValueReporting™ Champion
Telephone: +1 713 356 8285
Email: rick.b.roberge@us.pwcglobal.com

Steve Bell, PricewaterhouseCoopers
Telephone: +1 713 356 6548
Email: steven.s.bell@us.pwcglobal.com

Alison Foster, PricewaterhouseCoopers
Telephone: +44 20 7212 5301
Email: alison.foster@uk.pwcglobal.com

For copies of the report, contact:

Mark Johnson
Publications Manager
PricewaterhouseCoopers
Plumtree Court
London EC4A 4HT
Telephone: +44 20 7212 4980
Email: mark.s.johnson@uk.pwcglobal.com

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