

# UNFC STAKEHOLDER BENEFITS

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UNFC Workshop

Geneva, 23 April 2013

# Agenda

- Stakeholders for Resource Classification
  - 'Internal' / 'External' stakeholders
  - Characteristics
  - Useful information for stakeholders?
- Business View of Resource Progression

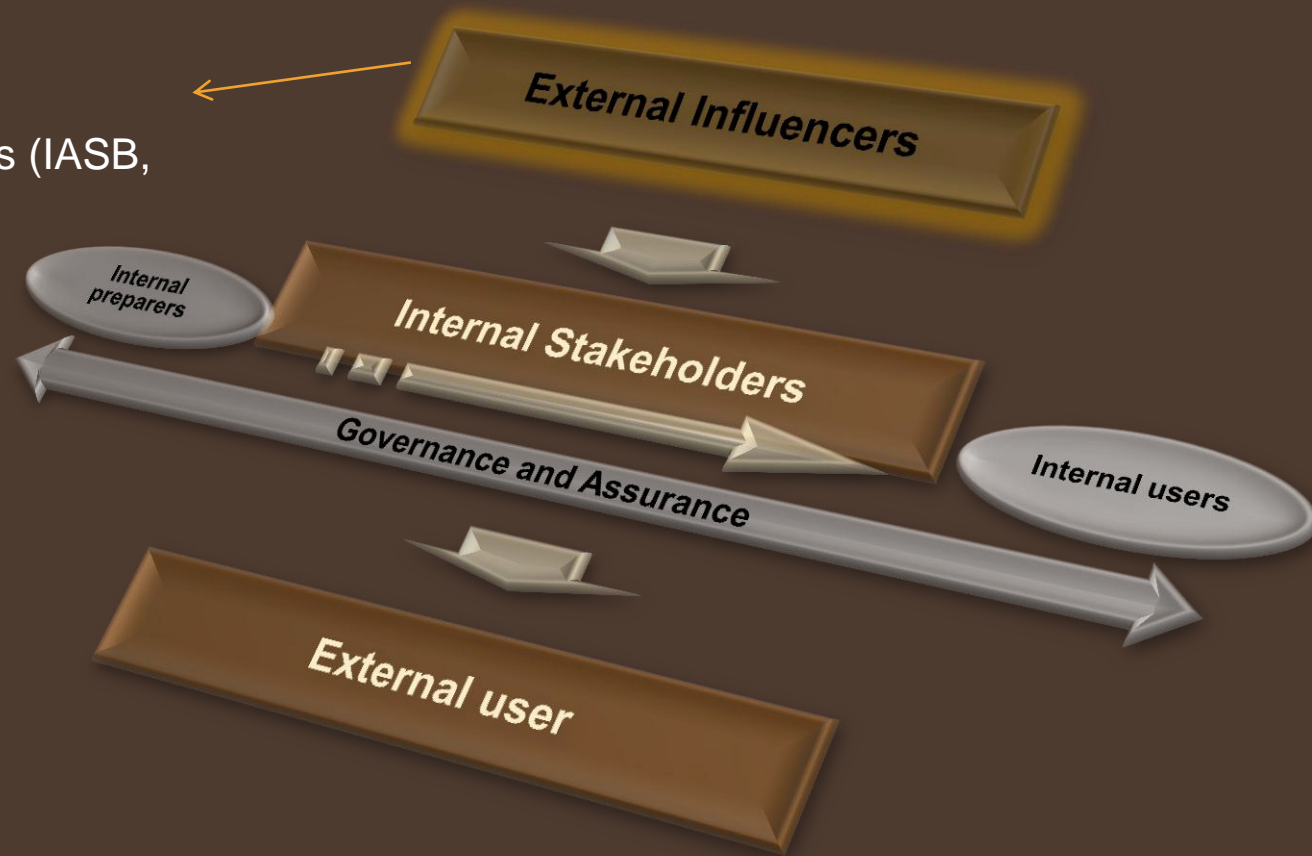
# Stakeholders for Resource Classification



# Stakeholders for Resource Classification

## Influencers

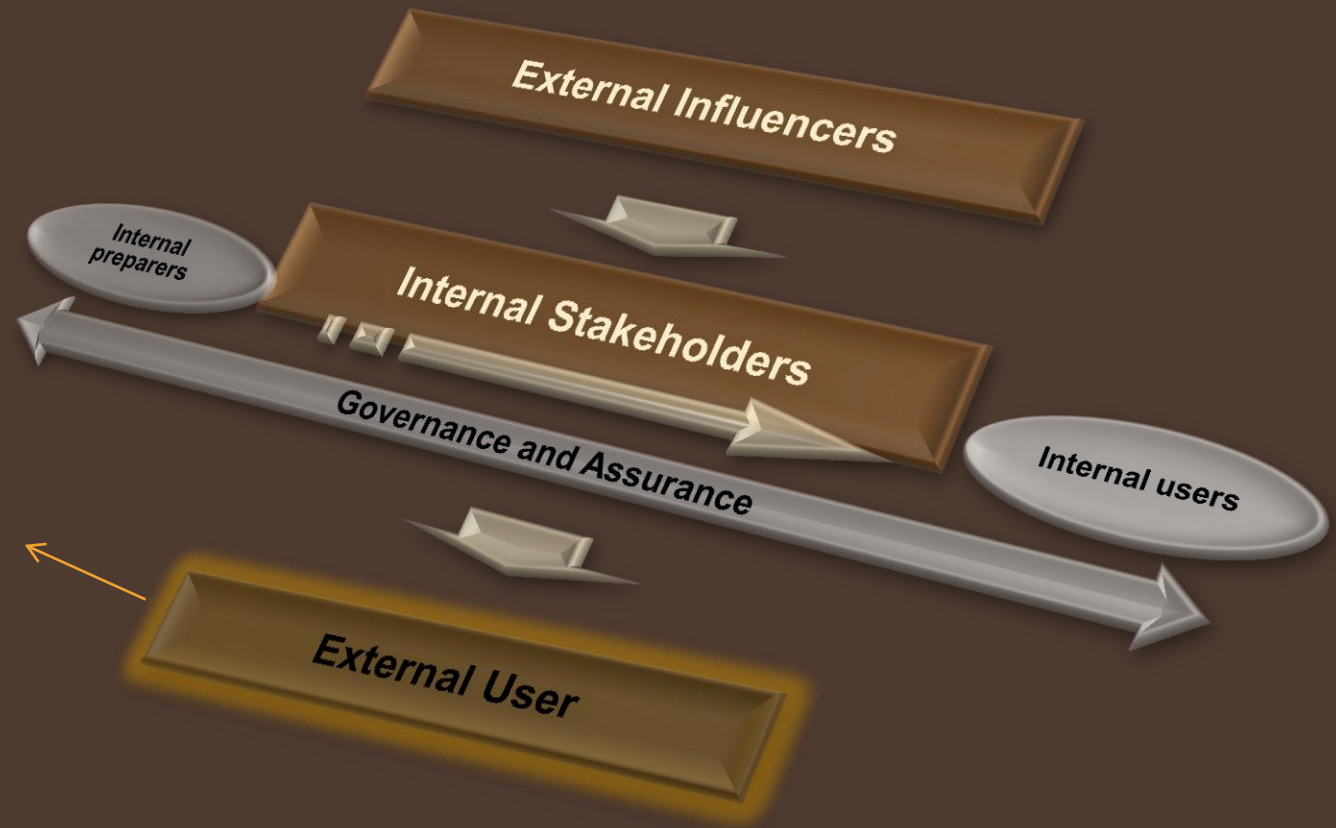
- Standard setting bodies (IASB, FASB, SEC etc)



# Stakeholders for Resource Classification

## Users

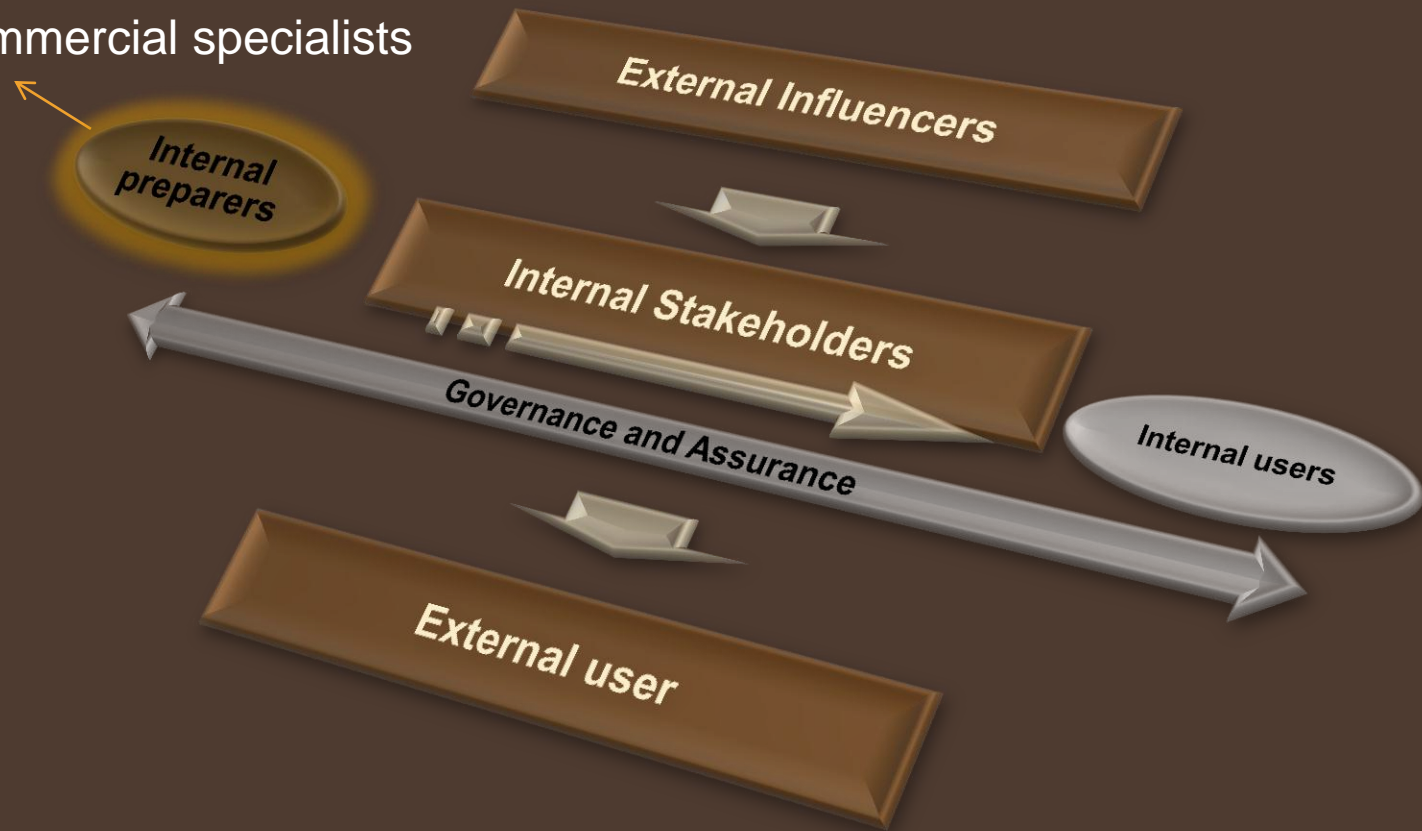
- Investor community
- Lenders
- Competitors
- M&A
- Government/ public interest bodies
- Technical consultants
- Accounting profession
- Interested public



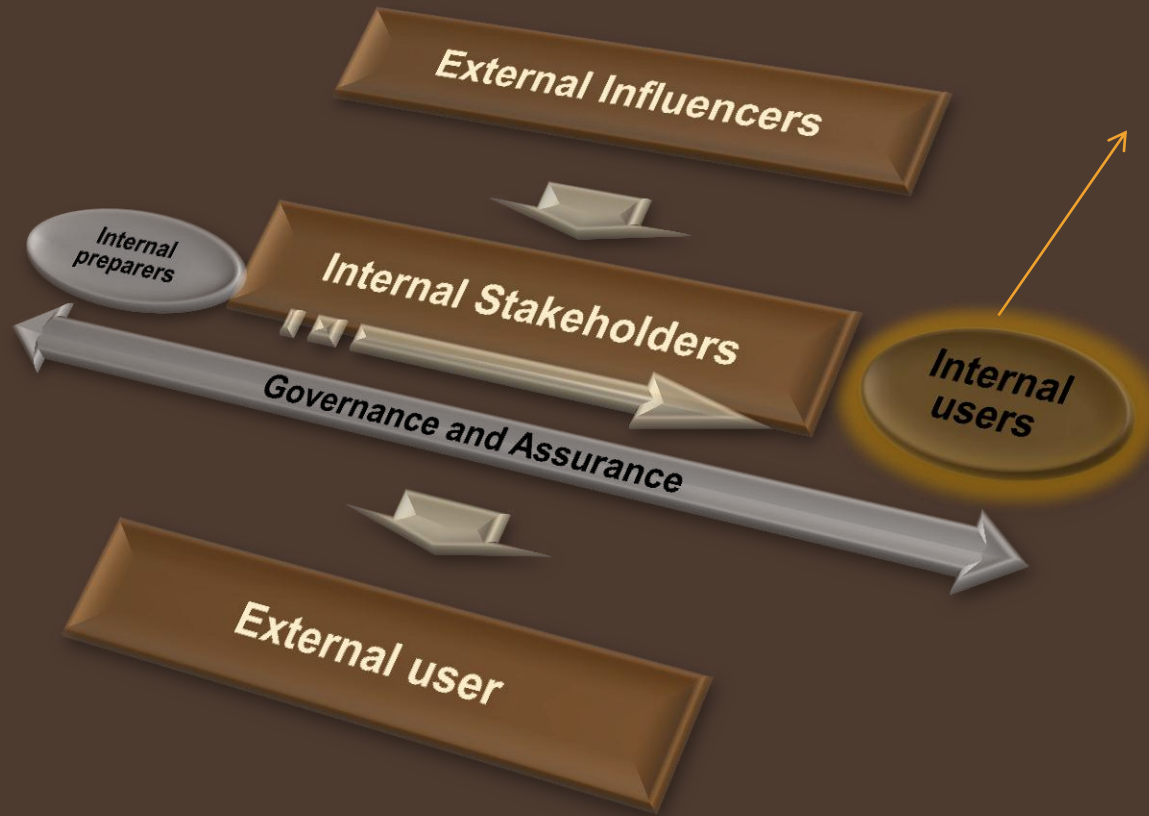
# Stakeholders for Resource Classification

## Preparers

- Technical / Commercial specialists
- Internal use
- External use
- Partners



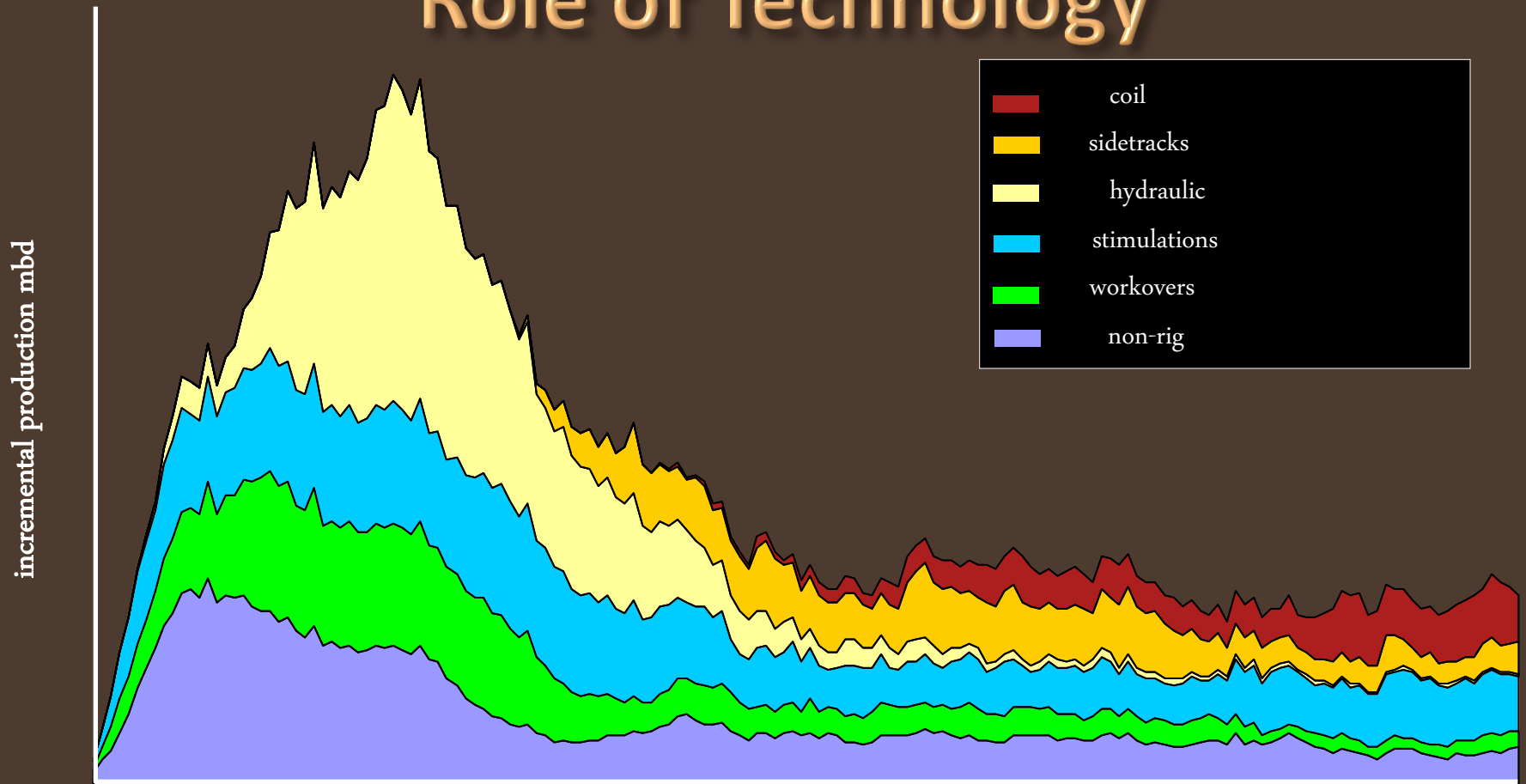
# Stakeholders for Resource Classification



## Users

- Management
  - Strategic / business planning, forecasting and budgeting
  - Investment decisions- internal & external
  - Performance management and compensation awards
- Preparers of reporting
- Board, Audit Committee
- Partners

# Role of Technology

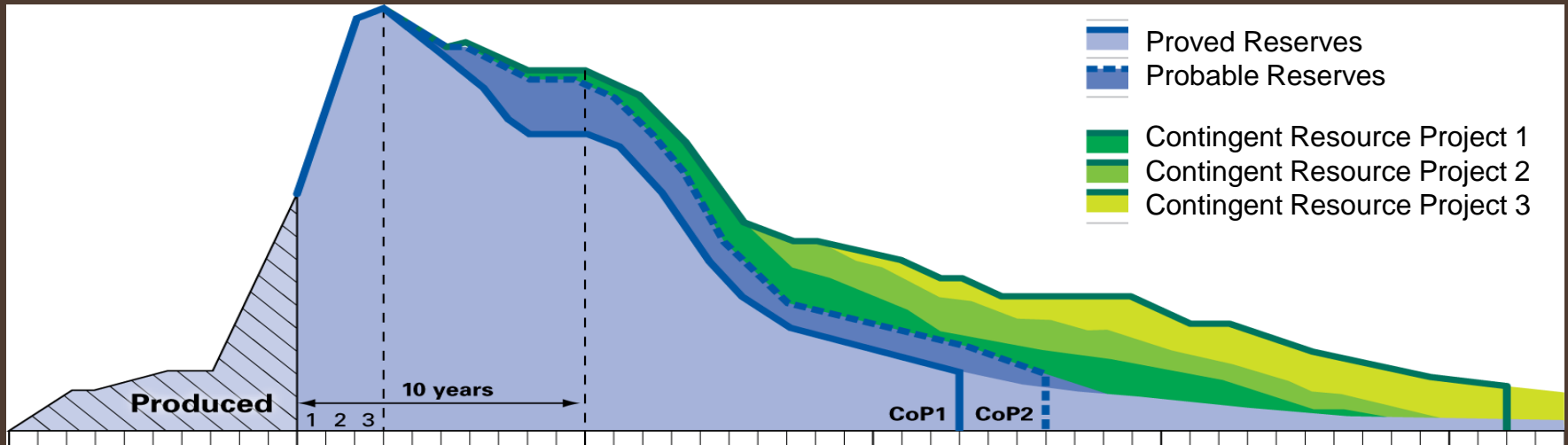


The improvement of hydrocarbon recovery and investment efficiency is demonstrably linked with advances in technology.

The right linkage between depletion and technology plans is vital to maximising value from our assets.



# The Depletion Plan & Business Planning



## Activity Plan

Focuses on production of proved and probable reserves and timely execution of activity to complete future projects, such as water and/or gas injection

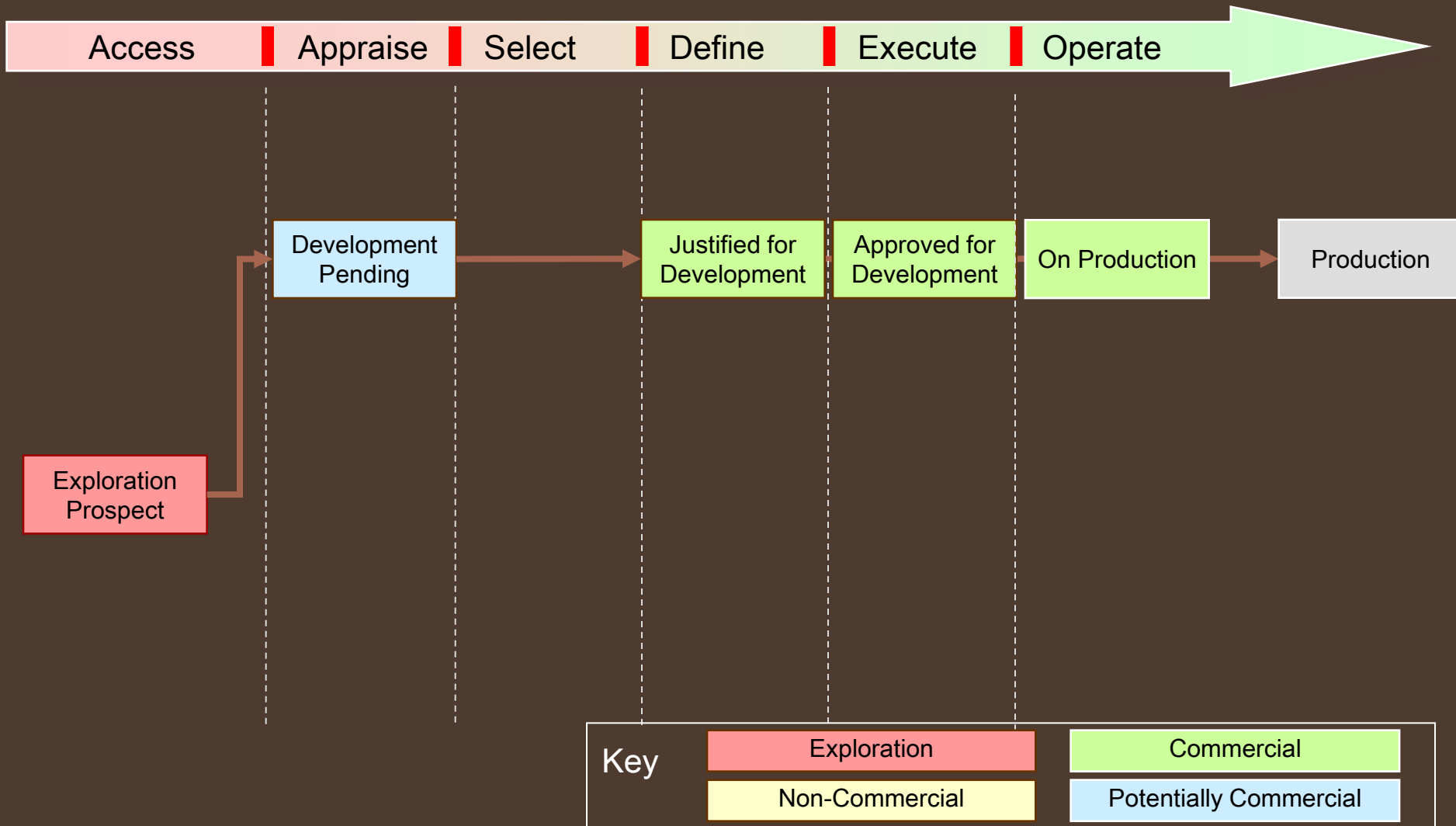
## Business Plan

Focuses on the medium to long term value of the Asset but is constrained by assumptions regarding corporate strategy and investment availability.

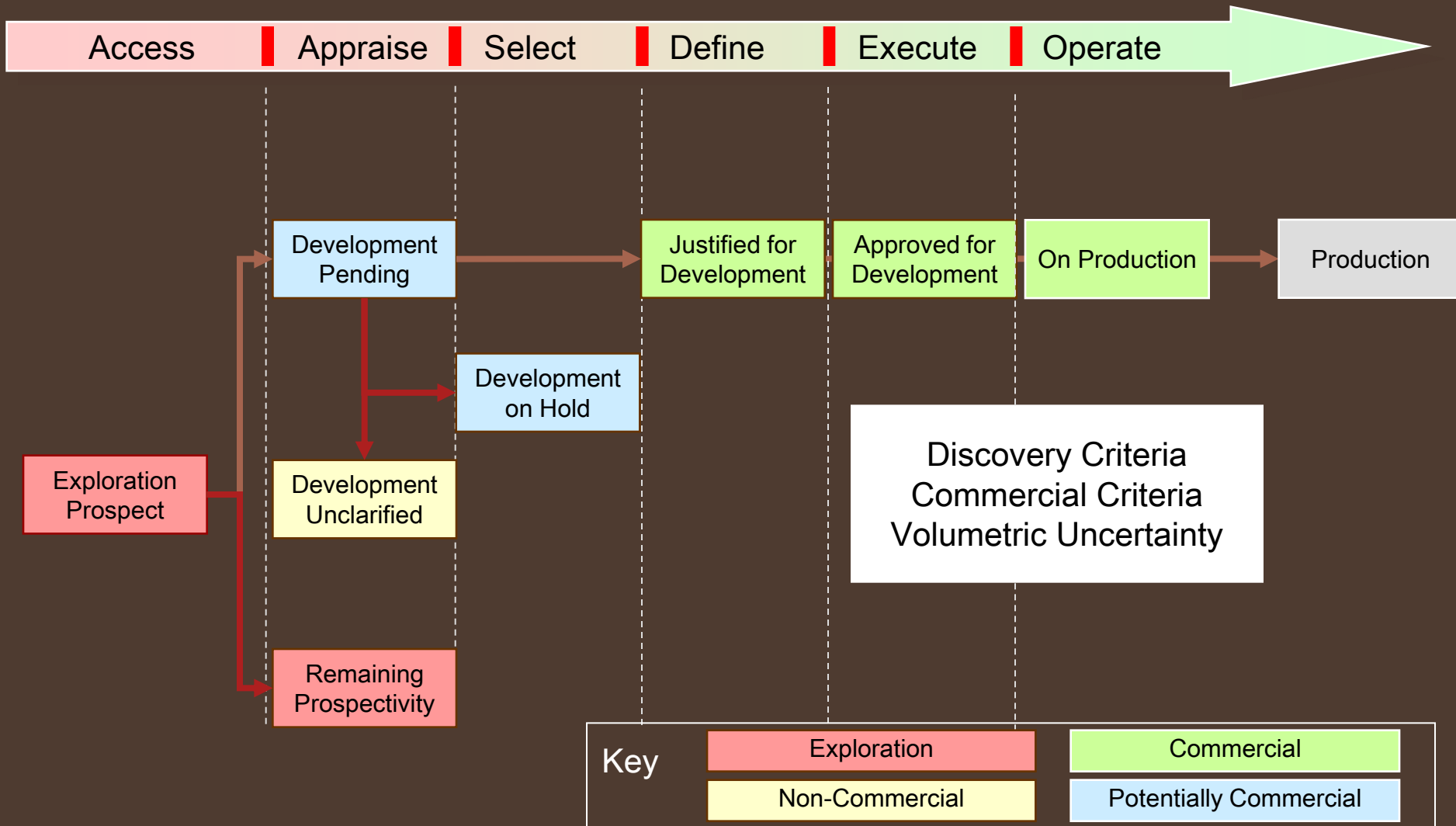
## Depletion Plan

Describes the total resource envelope including the proved and probable reserves and Contingent Resources up to the estimated ultimate recovery or technical limit.

# Resource Progression



# Resource Progression



# Diversity in stakeholder characteristics

- Ability to tailor reporting information
  - Range of information available- financial statements or beyond?
- Level of sophistication
  - Sophisticated users
    - Industry specialists
    - Use of information as inputs to own analysis using own assumptions
    - Use of full range of value relevant information
  - Less sophisticated users
    - Greater reliance on financial statements
- Conflicts between stakeholders?
  - Views on cost/ benefit of information
- View of what is useful information
  
- Is there one 'answer' that meets the needs of all users?