

UNFC

Stakeholder Benefits

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BP

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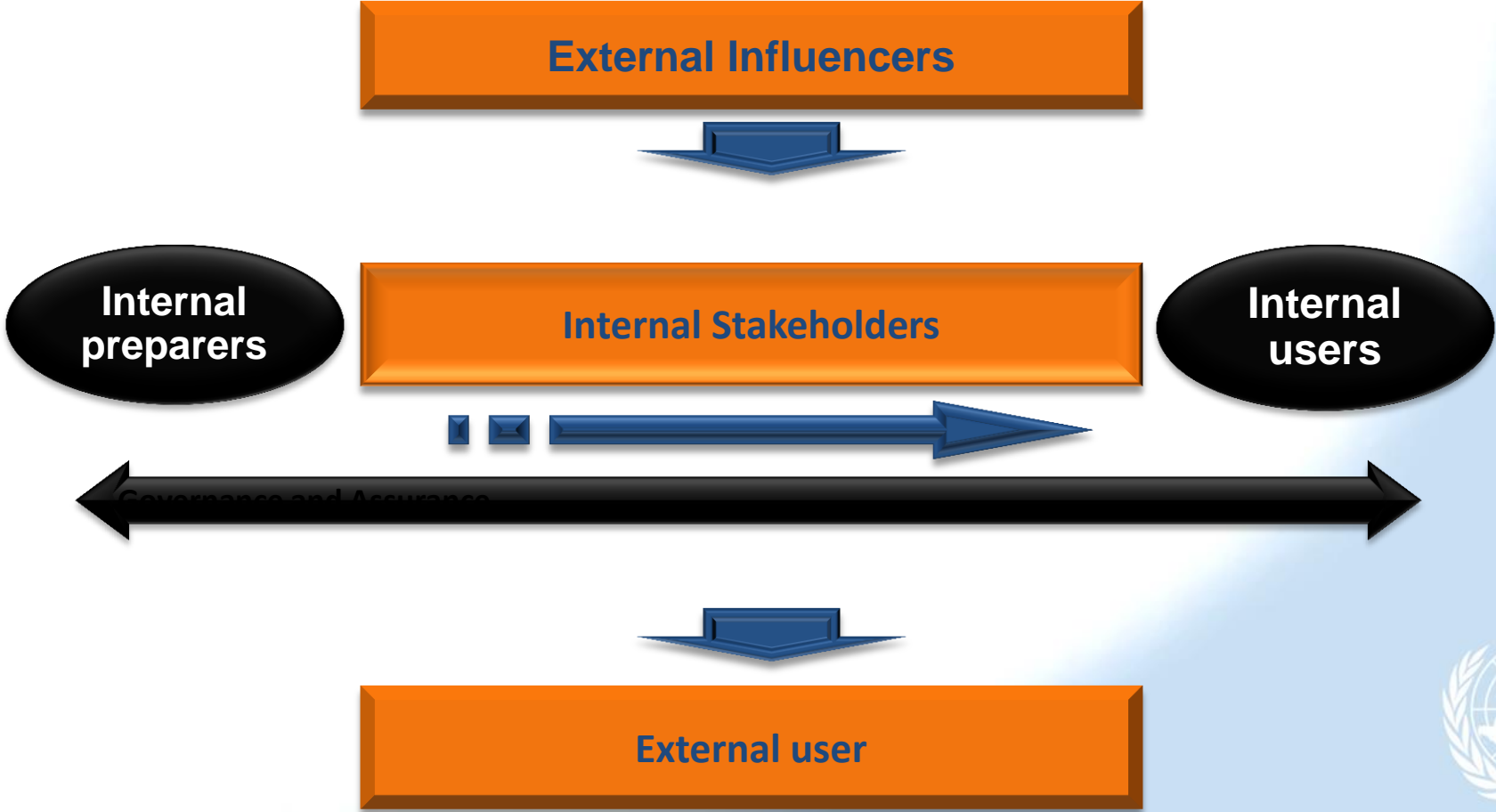
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Agenda

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

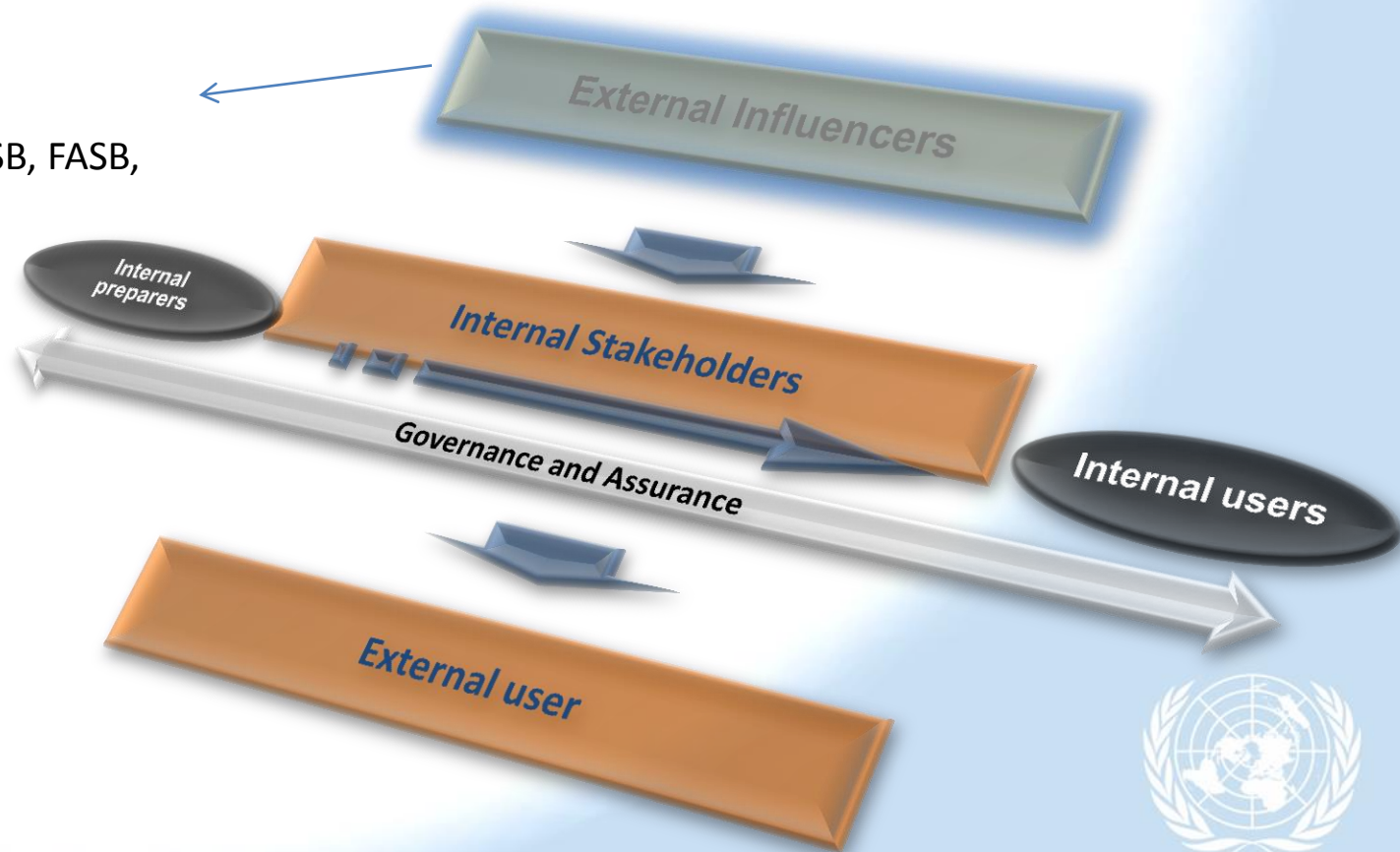
Stakeholders for Resource Classification



Stakeholders for Resource Classification

Influencers

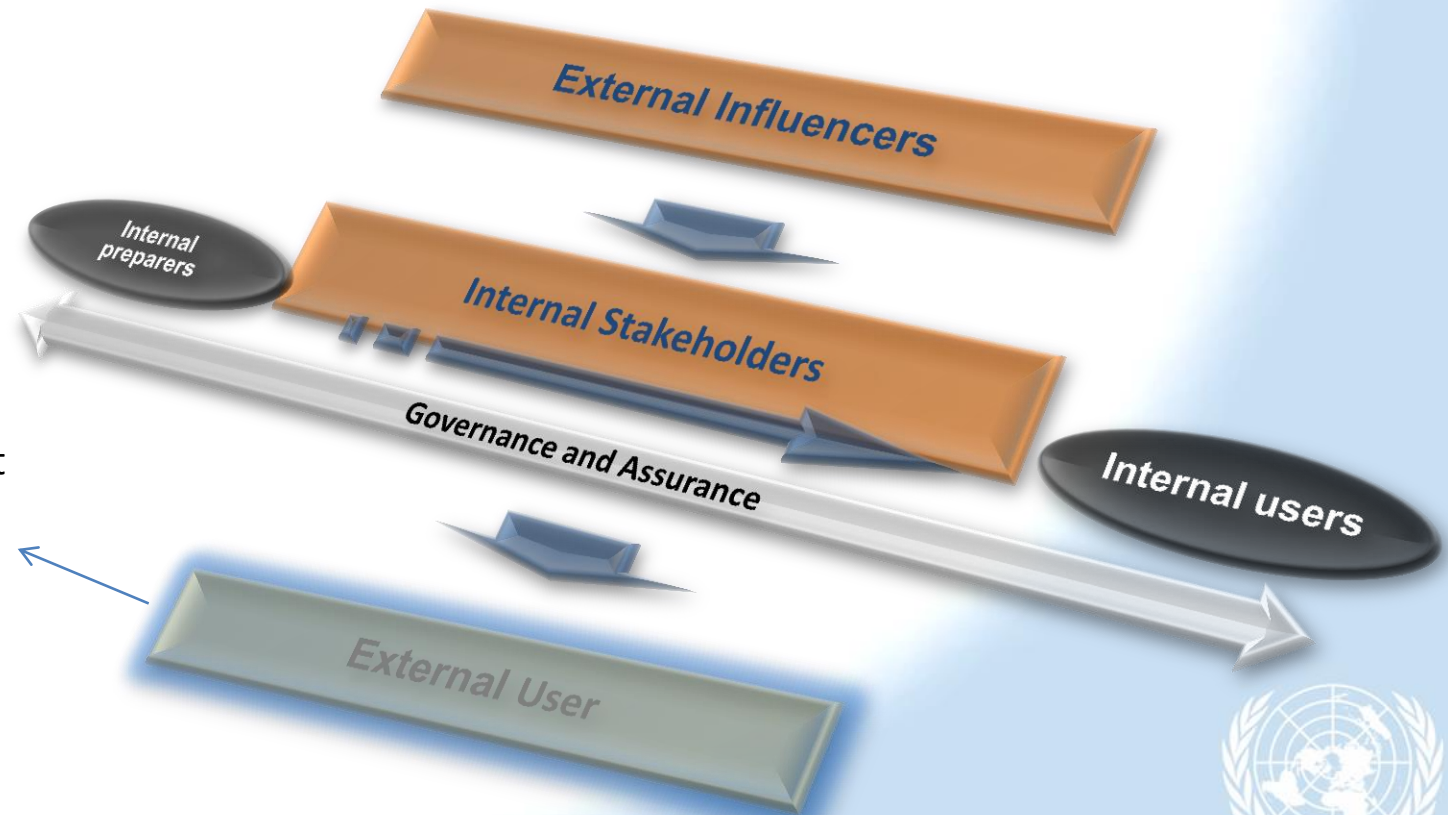
- Standard setting bodies (IASB, FASB, SEC etc)



Stakeholders for Resource Classification

Users

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



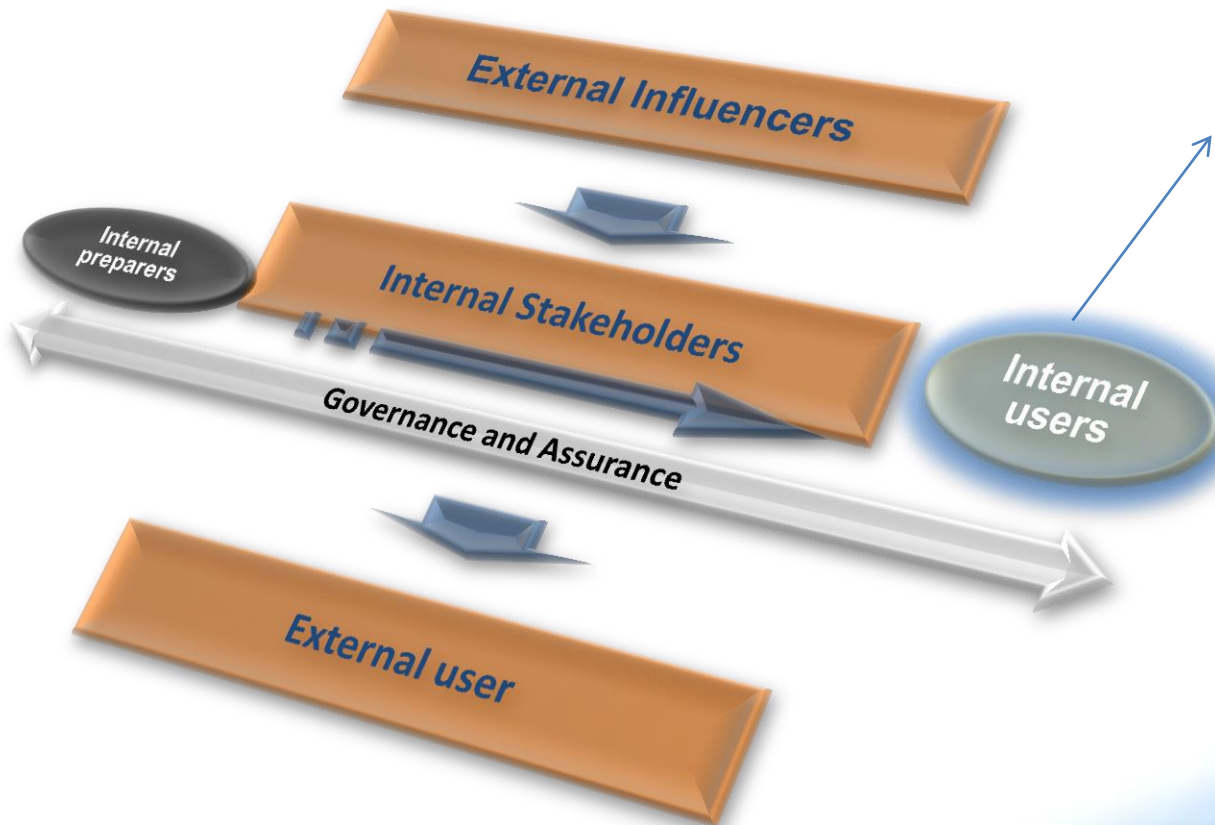
Stakeholders for Resource Classification

Preparers

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



Stakeholders for Resource Classification

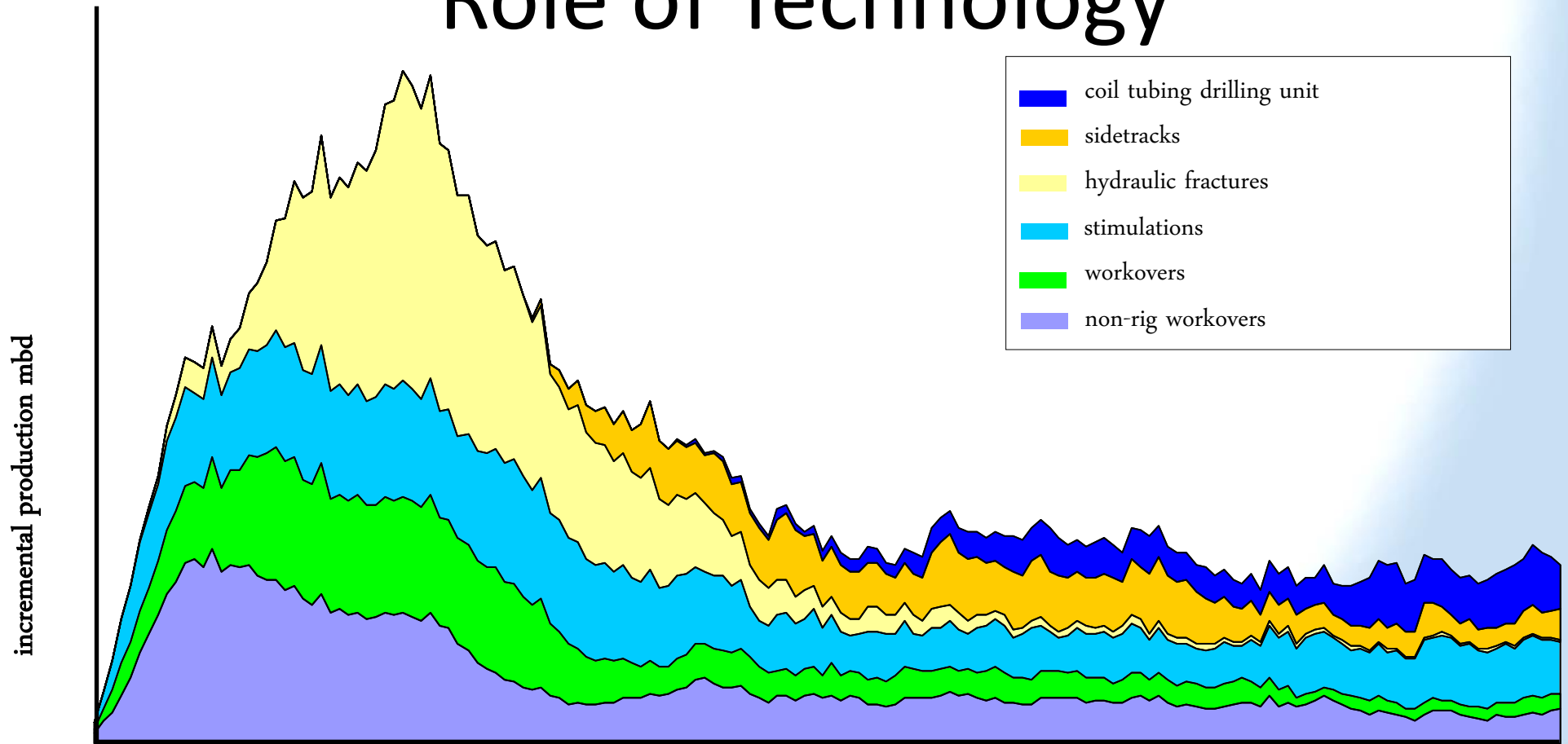


Users

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



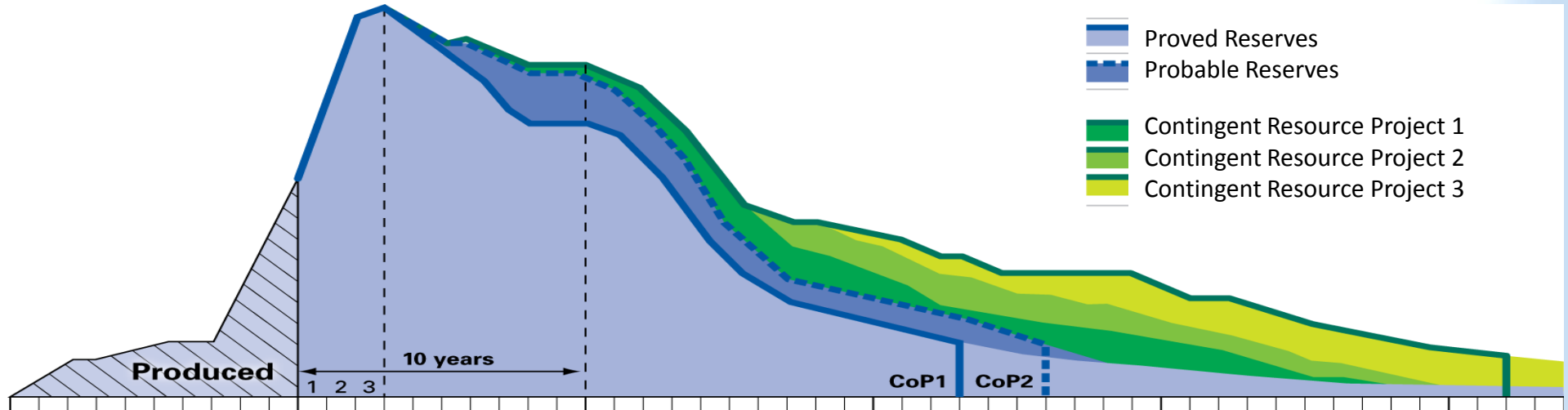
Role of Technology



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

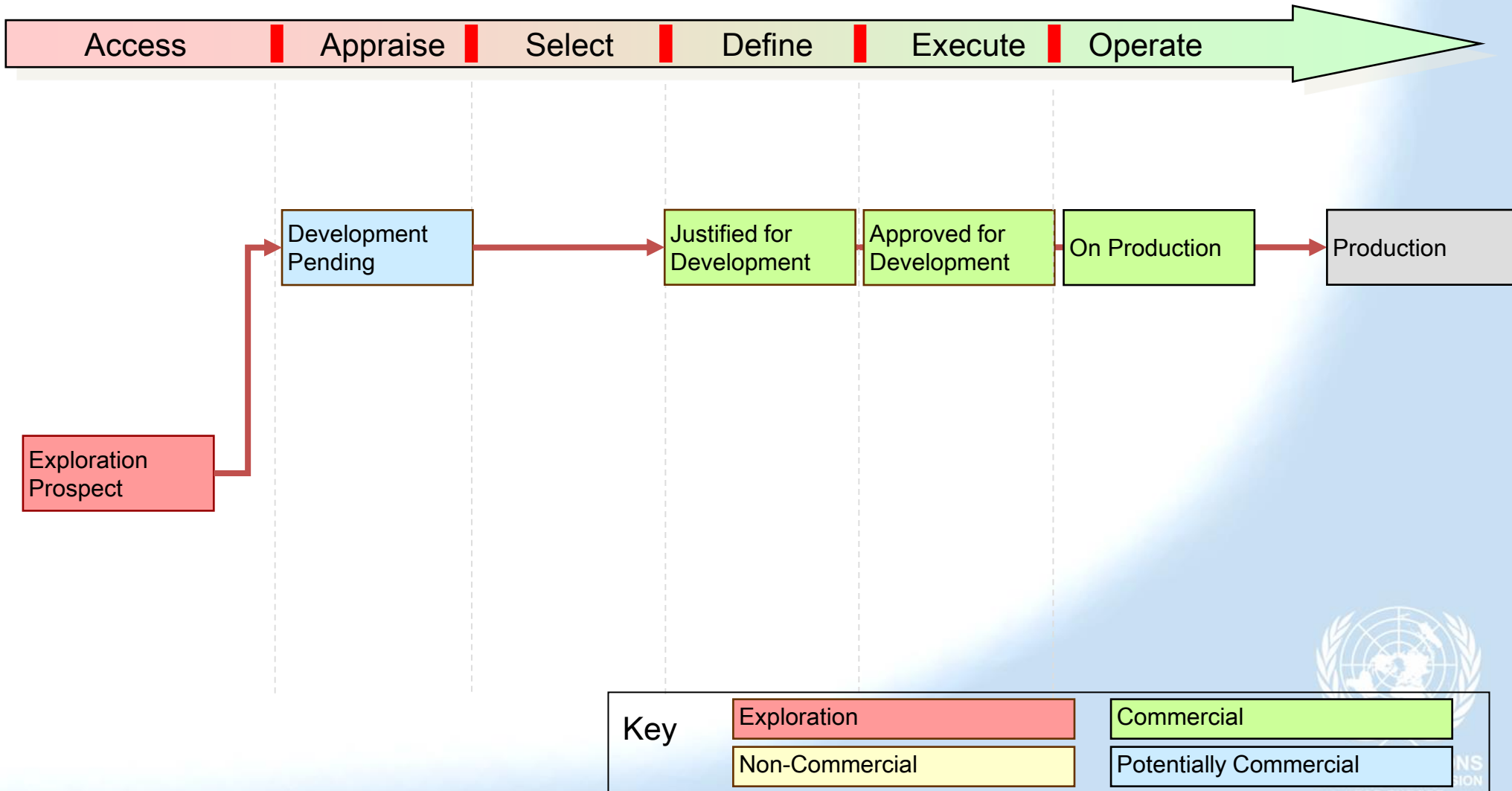
Business Plan

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

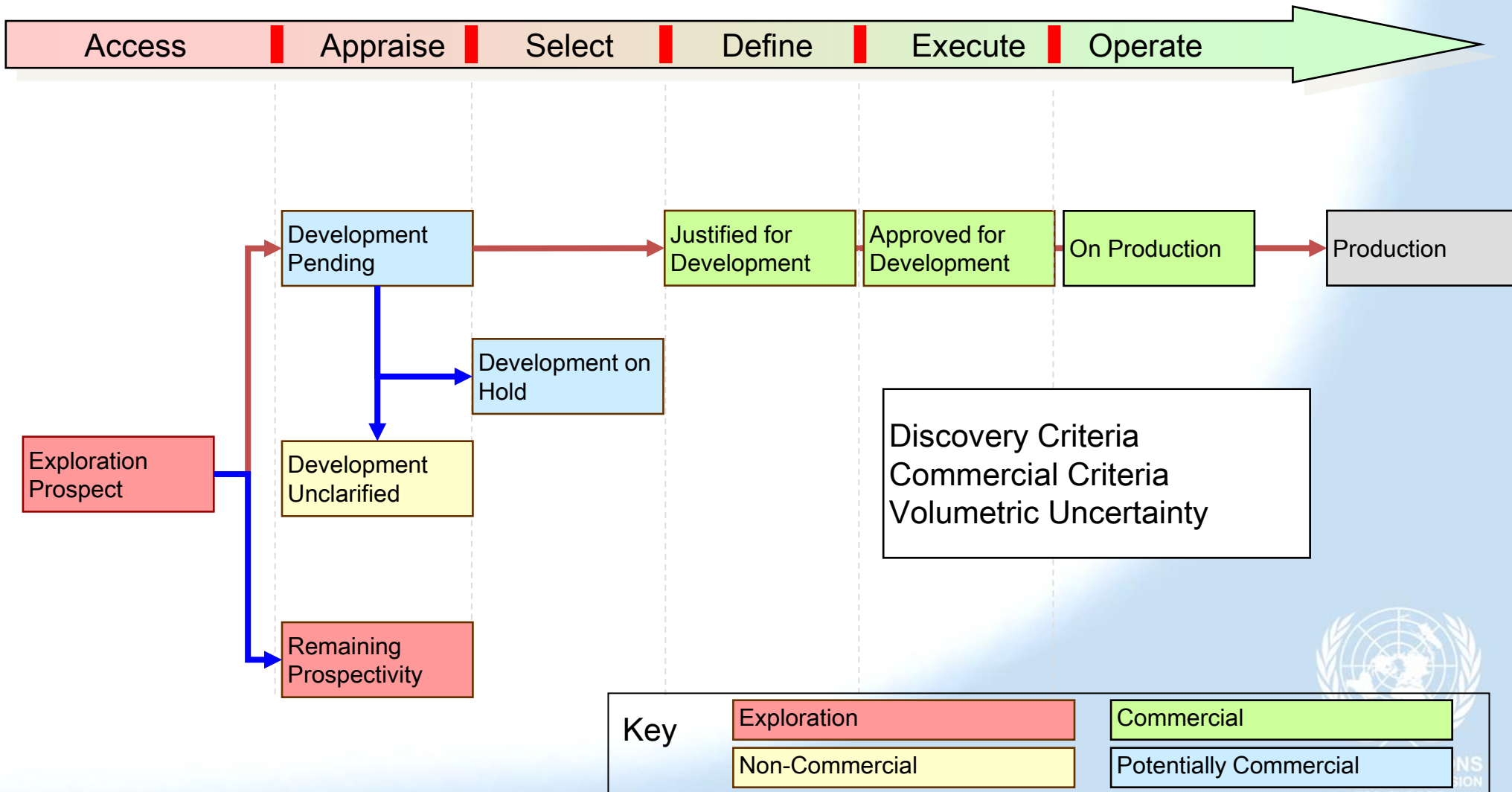
Depletion Plan

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?