

SBC 2011 Oil & Gas HR Benchmark

Summary presentation

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Schlumberger | Business Consulting

Patron



Host

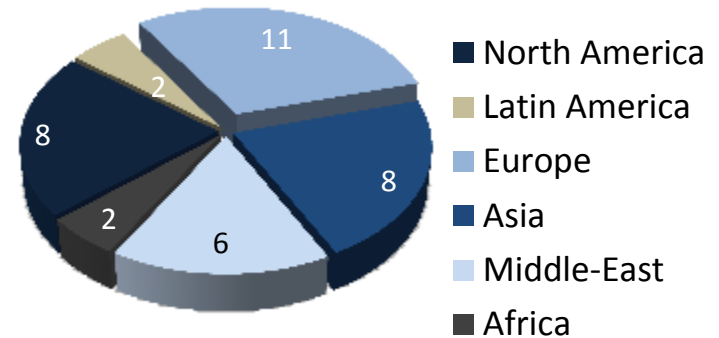
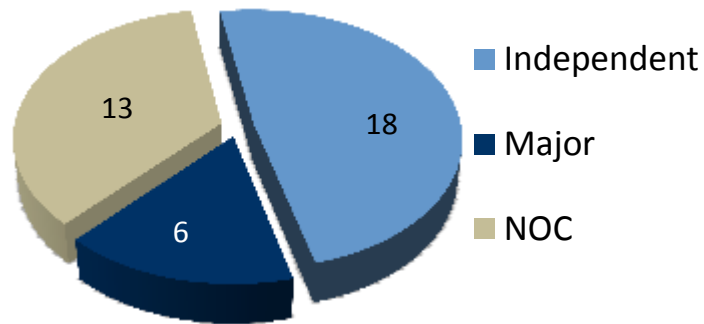


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Schlumberger Business Consulting HR Benchmark gathered data from 37 E&P companies

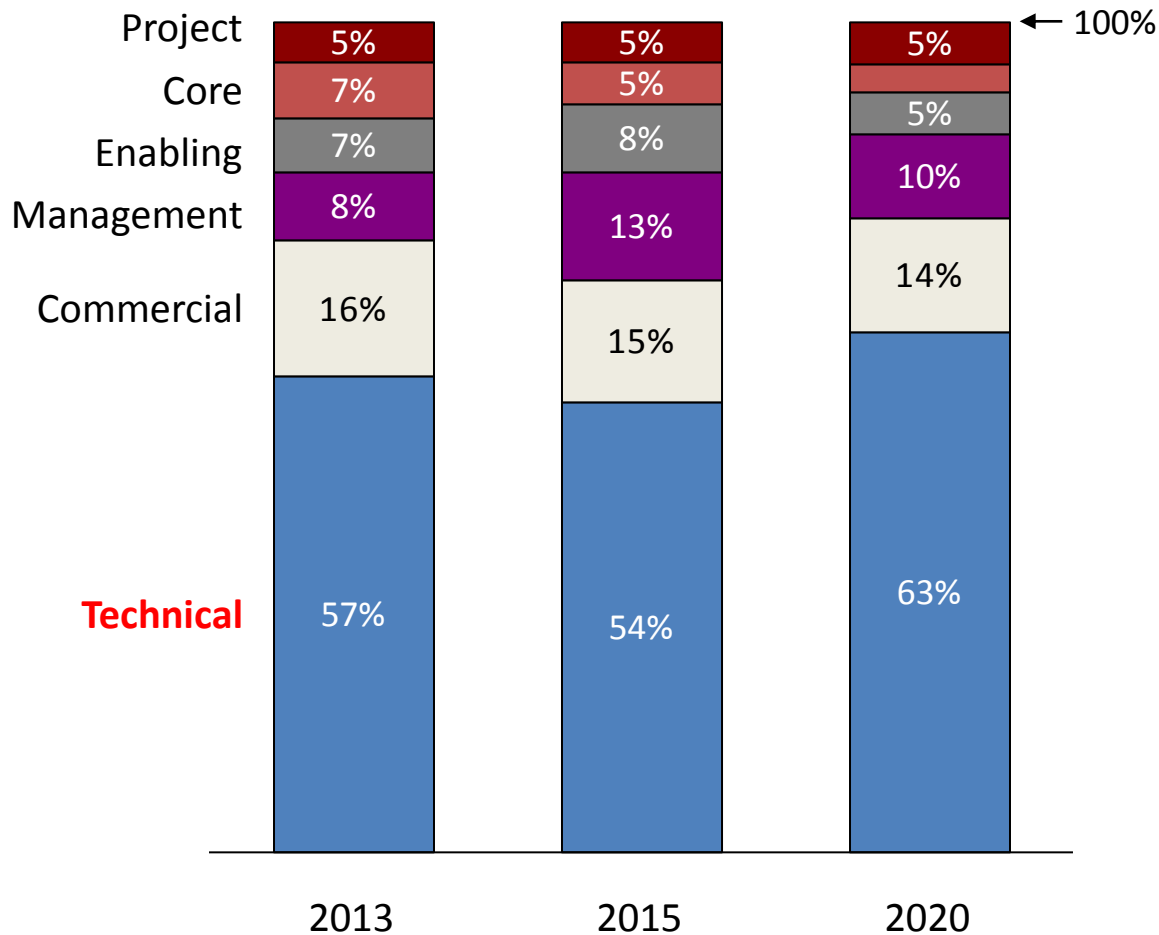
E&P COMPANIES PARTICIPATING



- 37 Oil & Gas companies
 - 29 in 2010
 - 24 in 2009
- Almost 40% of World Oil & Gas production covered
- Most comprehensive qualitative and quantitative data set in the industry

SBC HR Benchmark's insights are in line with the recent IGU's HR survey

TOP SKILLS SHORTAGES EXPECTED BY GAS COMPANIES



Categories includes:

- Project: project management
- Core: numeracy; IT; procurement & logistics
- Enabling: HR; communication; team building; leadership
- Management: strategy, economical & financial; asset management
- Commercial: sales & marketing; planning & business development
- Technical: engineers; operations; constructions & experts

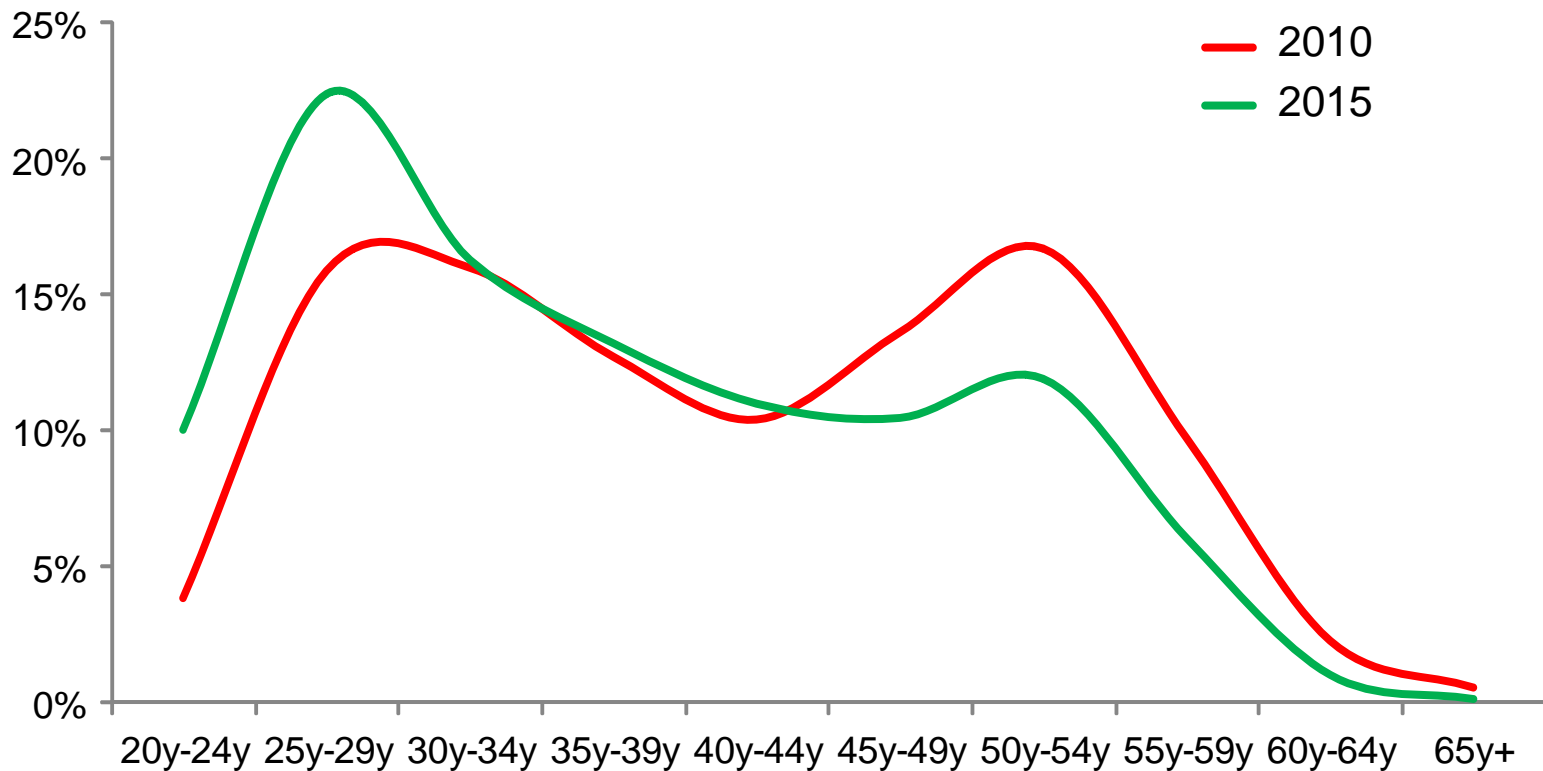
Our message: HR is the main driver for long term production growth

- E&P industry is going through a major transition with tensions raising everywhere.
- High growth companies have more technical people than others and pragmatic HR policies: no barriers to promotion, higher diversity, on the job training.
- Time to autonomy is a key indicator companies seek to reduce.
- Gender diversity is now mainstream, except for majors who struggle to increase women proportion in their workforce.

By 2015, E&P industry will have achieved its “crew change” transition

PTPs PER AGE BRACKET ON A GLOBAL BASIS

%



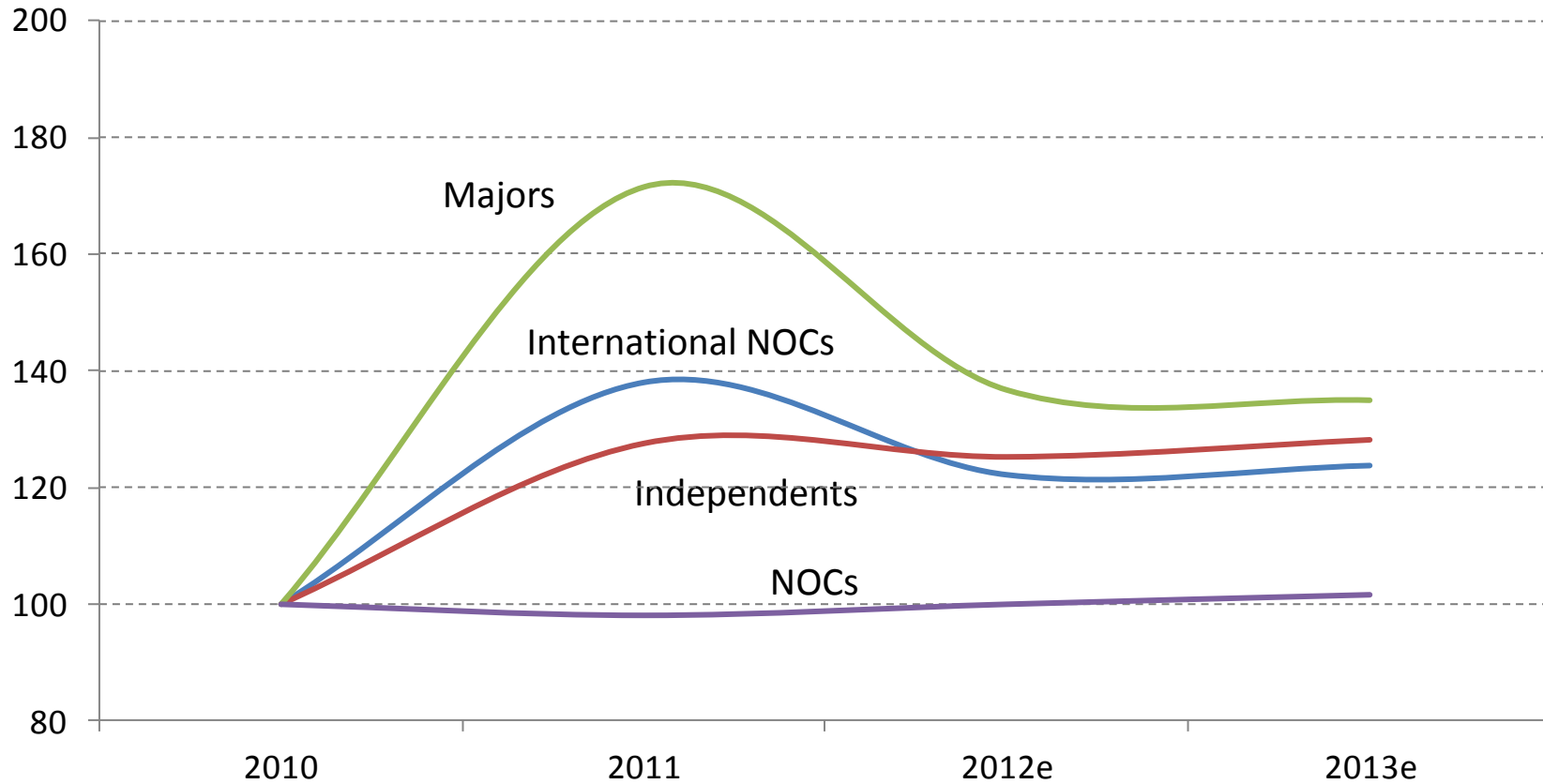
Note: Retirement rate: 20% for 55y-59y, 90% for 60y-64y, 100% for 65y+
Recruitment targeted inputted in the demographic profiles as follows: 40% in 20y-24y, 60% in 25y-29y
Attrition at 1.4% (people leaving the E&P industry)

Source: SBC O&G HR Benchmark 2011; SBC analysis

Mid-career recruitment is increasing

MID CAREER GLOBAL RECRUITMENT TARGETS

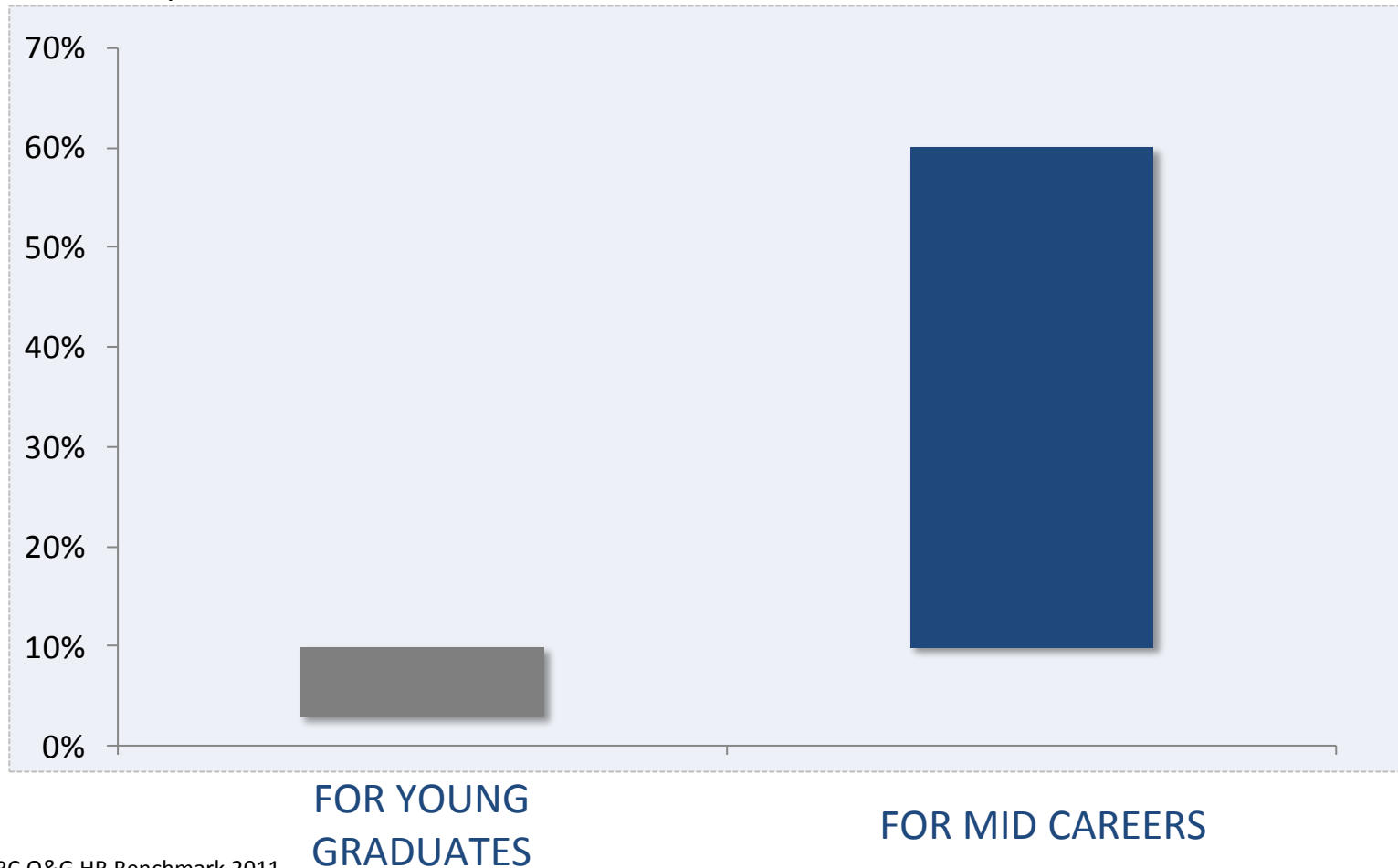
Normalized, 2010-2013



Many companies cannot find experienced people in their home country

WHAT IS THE ESTIMATED PROPORTION OF RECRUITMENT THAT CANNOT BE COMPLETED EVERY YEAR BECAUSE OF INSUFFICIENT HOME MARKET TALENT?

% range of unfilled positions



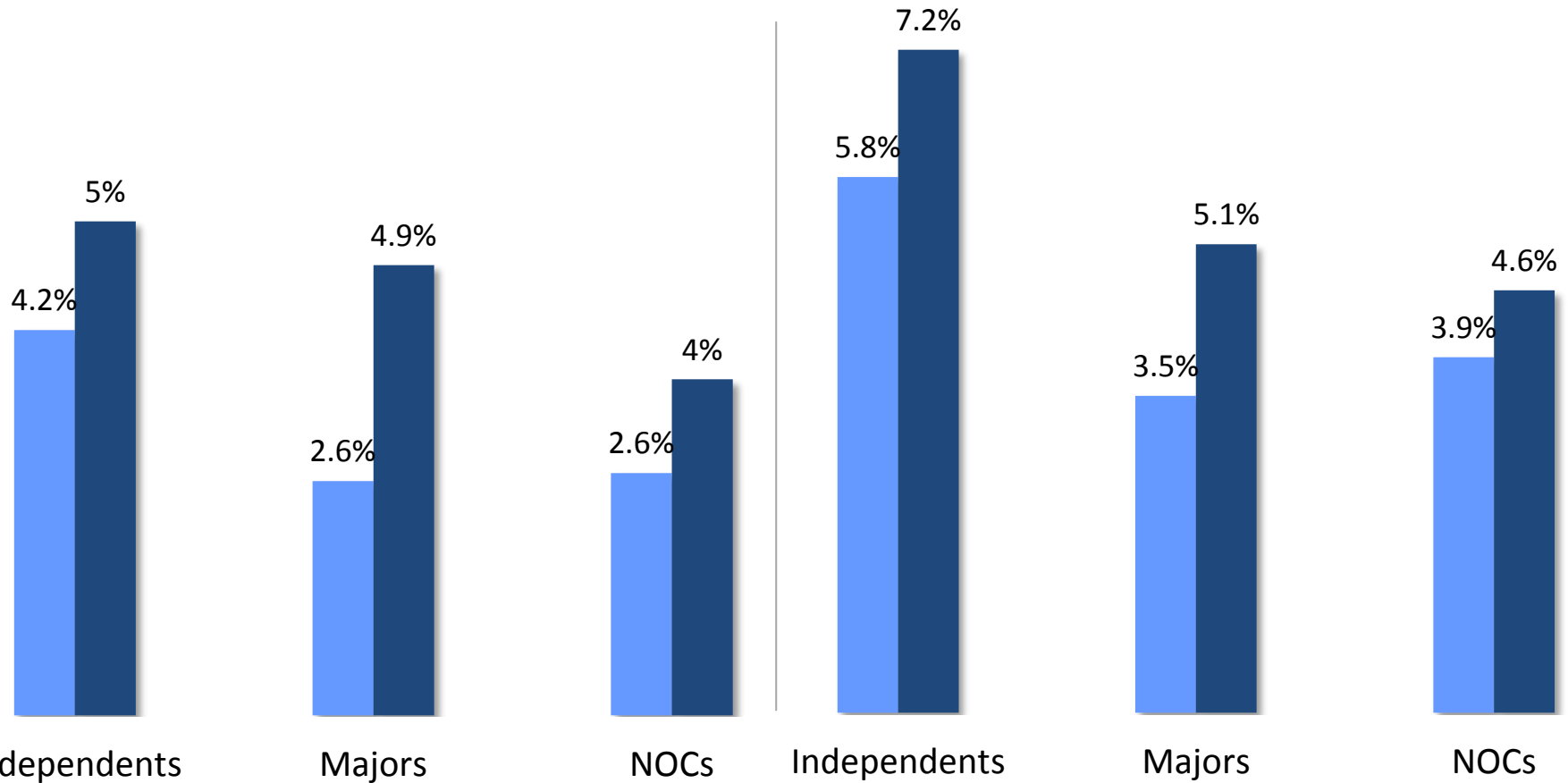
Attrition is increasing

2011 ANNUAL VOLUNTARY ATTRITION GEOSCIENCES AND PETROLEUM ENGINEERING

2010
2011

GEOSCIENTISTS

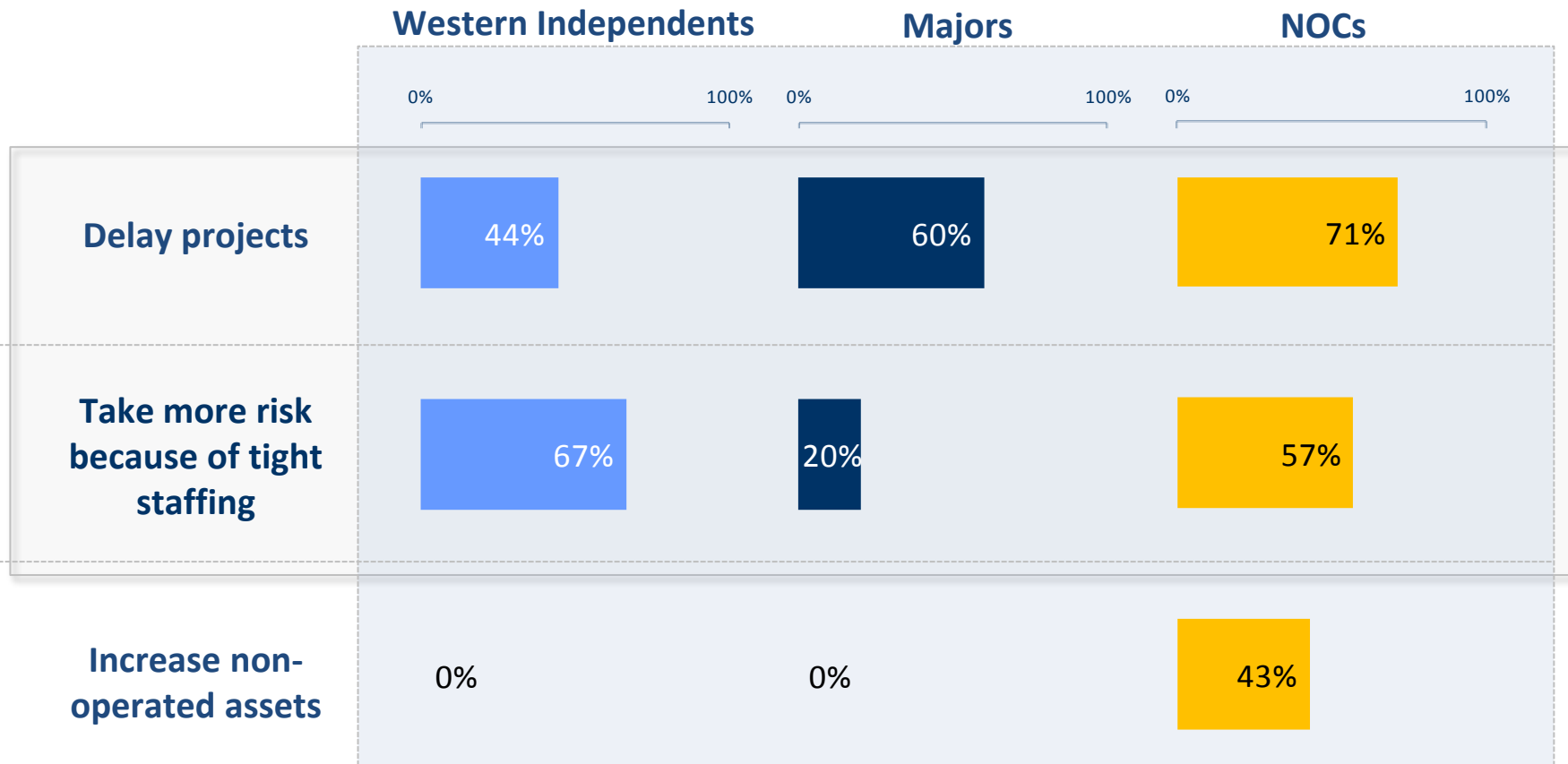
PETROLEUM ENGINEERS



Staffing issues have serious consequences on projects

WHAT ARE THE CONSEQUENCES OF STAFFING DIFFICULTIES?

% of respondents



Note: No companies have indicated that they abandon projects when facing staffing difficulties
 Source: SBC O&G HR Benchmark 2011

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High growth companies have more PTPs per unit of production than low growth ones, and proportionally more Geoscientists

PTP INTENSITIES AND AVERAGES SORTED BY GROWTH

Number of PTPs per unit of operated production

HIGH GROWTH COMPANIES

LOW GROWTH COMPANIES

Geosciences
Petroleum Engineering

Average Op. Prod
CAGR 06-10



4.8%



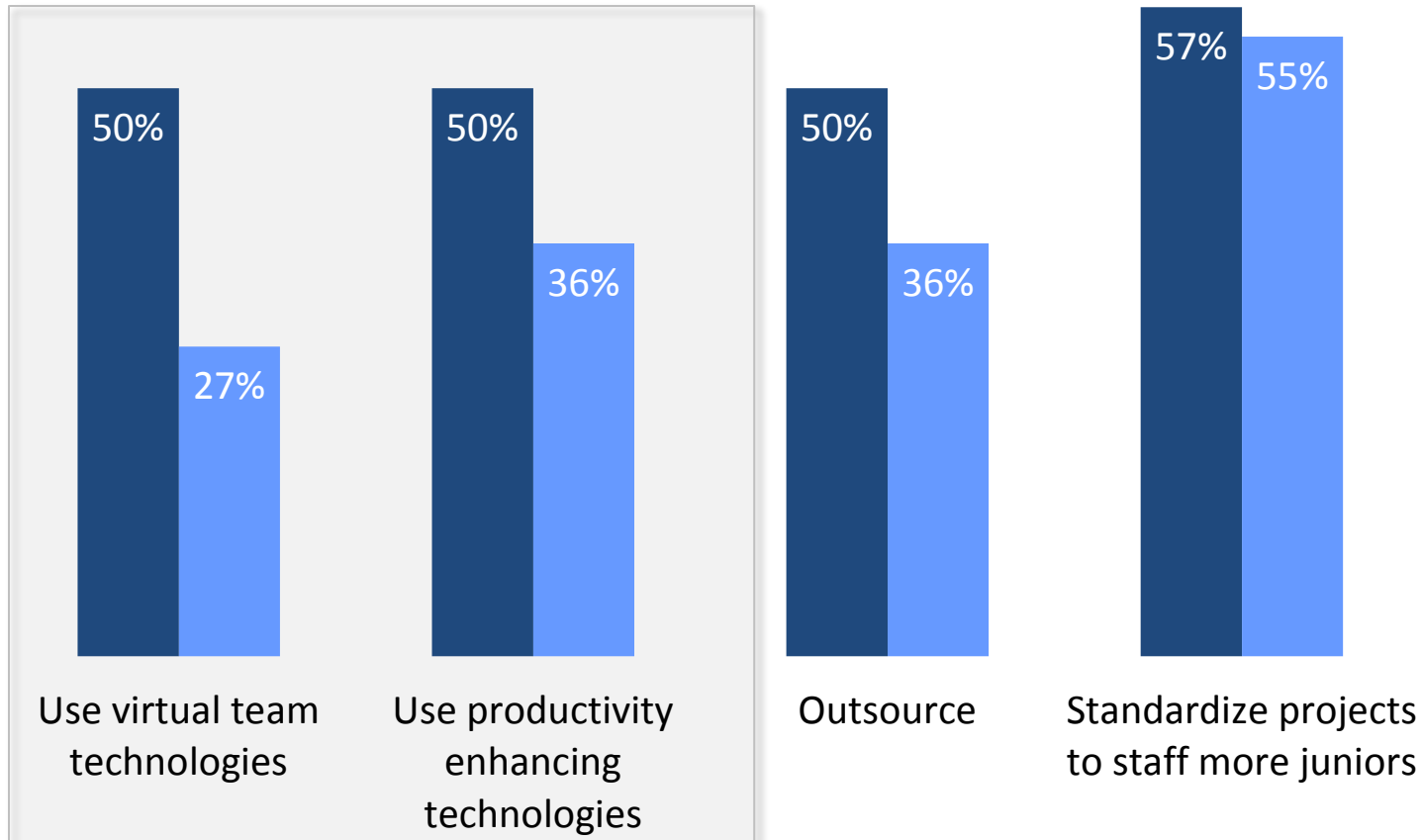
-0.5%

High growth companies use technology to improve productivity of staff

HOW DO YOU MITIGATE PROJECT STAFFING DIFFICULTIES?

% of respondents

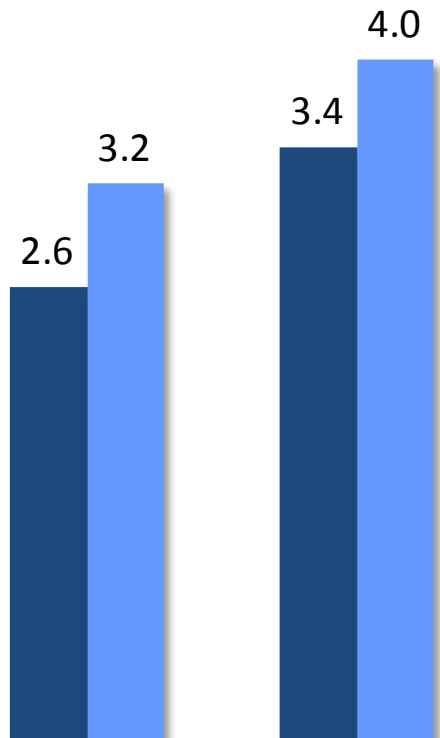
■ High Growth
■ Low Growth



High growth companies have pragmatic approaches to HR

EXPATRIATES RECRUITMENT PROCESS CYCLE TIME

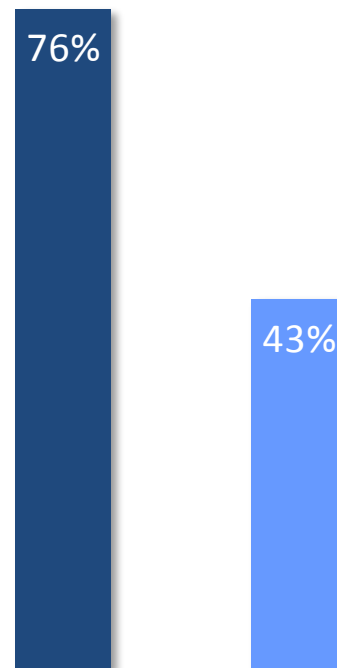
Average months per peer group



Mid Careers - NATIONALS* Mid Careers - EXPATRIATES

DO YOU INTEND TO BRING BACK RETIREES?

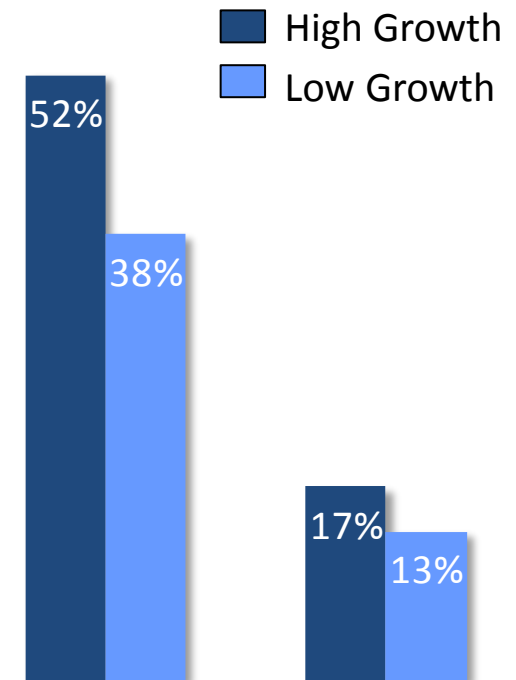
% of respondents



High Growth Low Growth

% OF TIME SPENT PER TRAINING TYPE FOR JUNIOR PTPS?

Average % per respondents



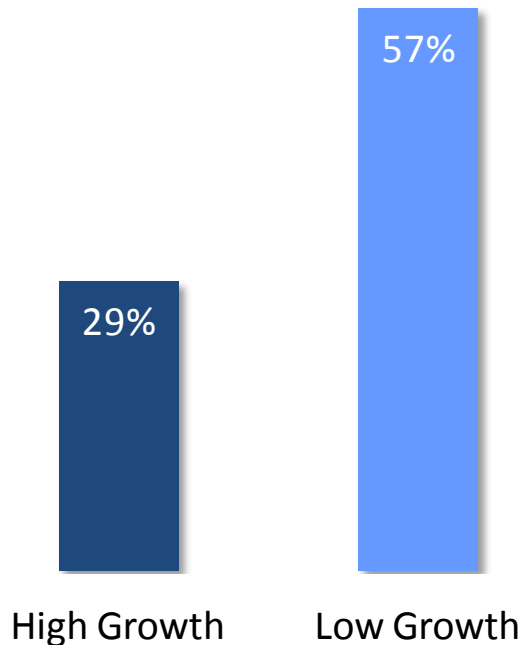
On-the-Job Training Coaching

Note: Process is understood from sourcing to acceptance
* from company's home country
Source: SBC O&G HR Benchmark 2011

High growth companies promote people faster and are more gender diverse

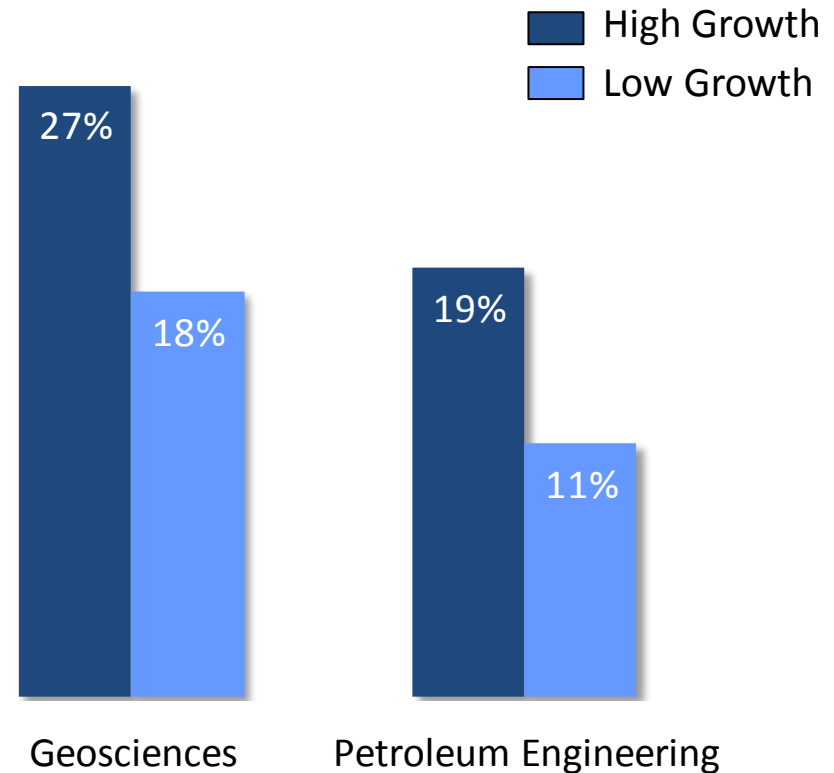
IS SENIORITY TAKEN INTO ACCOUNT TO REACH A POSITION OF AUTONOMY?

% of respondents



GENDER DIVERSITY AMONG PTP DISCIPLINES

Average % of females PTPs in total PTP Headcount



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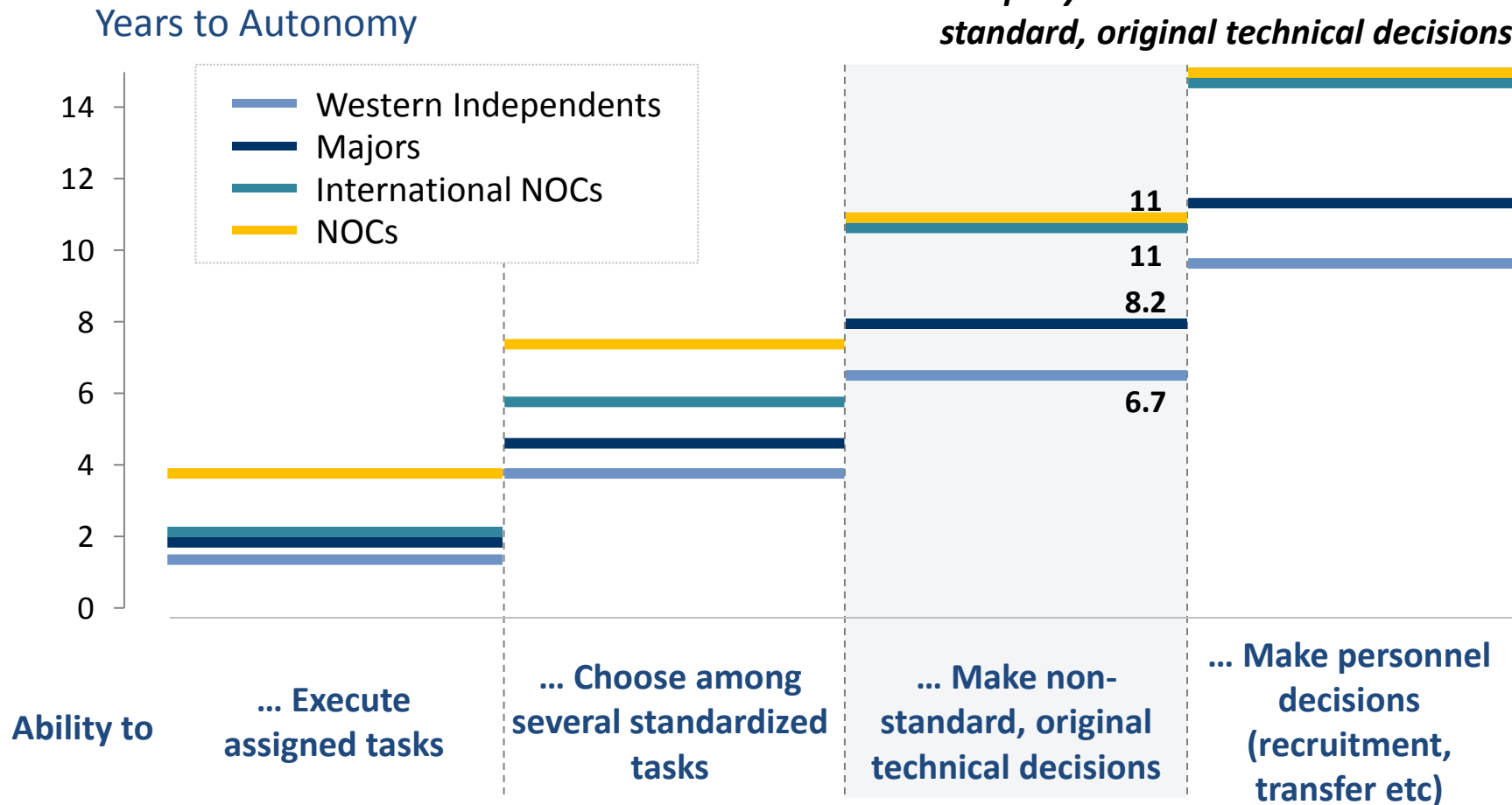
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Western Independents have the shortest time to autonomy

AVERAGE TIME TO AUTONOMY ACROSS DISCIPLINES

Number of years necessary to reach ability level

Time to autonomy is the time required for a company to drive PTPs to make non-standard, original technical decisions



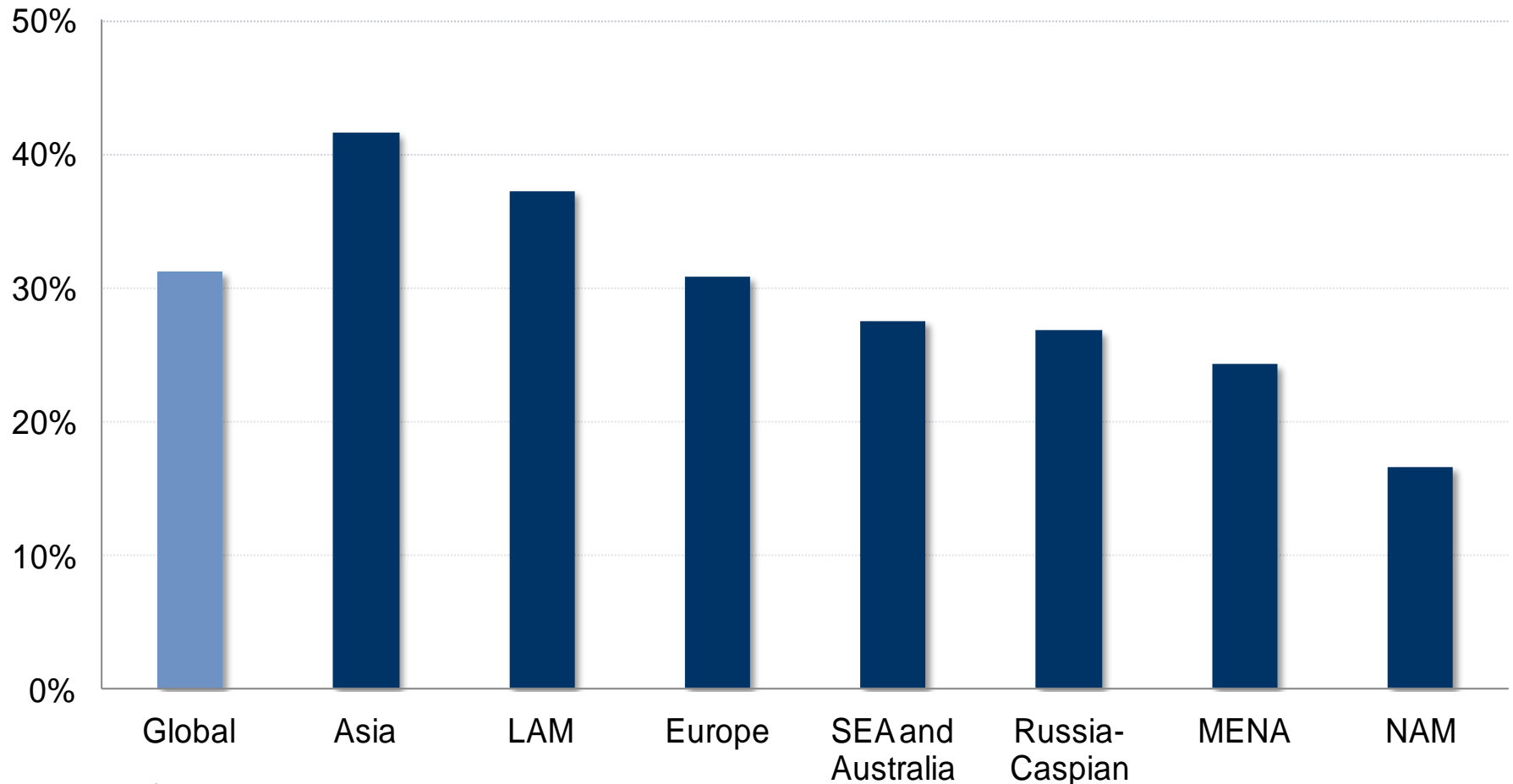
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Female ratio in universities can exceed 40% in certain regions, but it is still below 20% in North America

PROPORTION OF FEMALE IN TOTAL STUDENTS PTPS GRADUATING IN 2010

Bachelor, Master and PhD in Geosciences and Petroleum Engineering

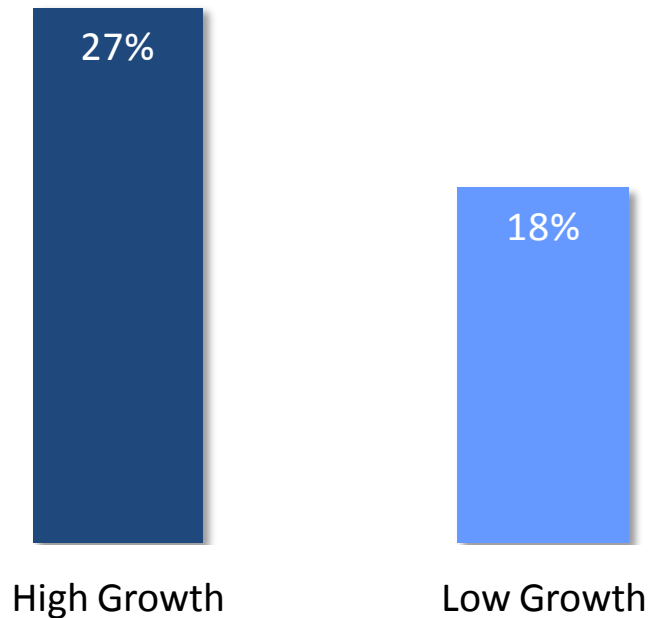


Source: Data from universities. In Asia: China, Japan, Pakistan and Thailand . In Europe: Austria, France, Germany, Hungary, Italy, Netherlands, Norway, Turkey and United Kingdom. LAM: Argentina, Bolivia, Colombia, Mexico, Peru, Trinidad and Venezuela. SEA and Australia: Australia and Malaysia. Russia – Caspian: Azerbaijan, Russian Federation. MENA: Egypt, Kuwait, Libya, Qatar and UAE. NAM: Canada and USA

High growth companies are more gender diverse

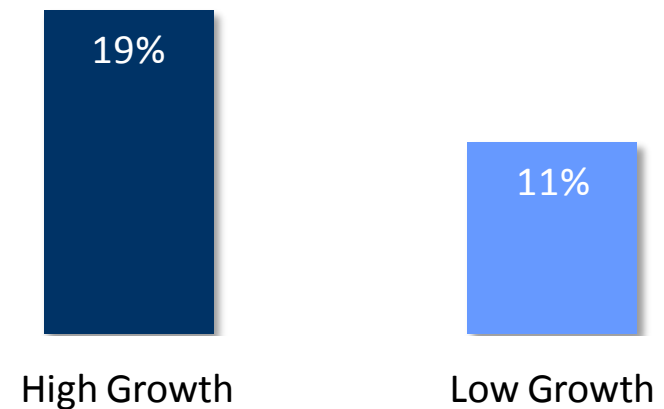
FEMALES IN GEOSCIENCES

Average % of respondents



FEMALES IN PETROLEUM ENGINEERING

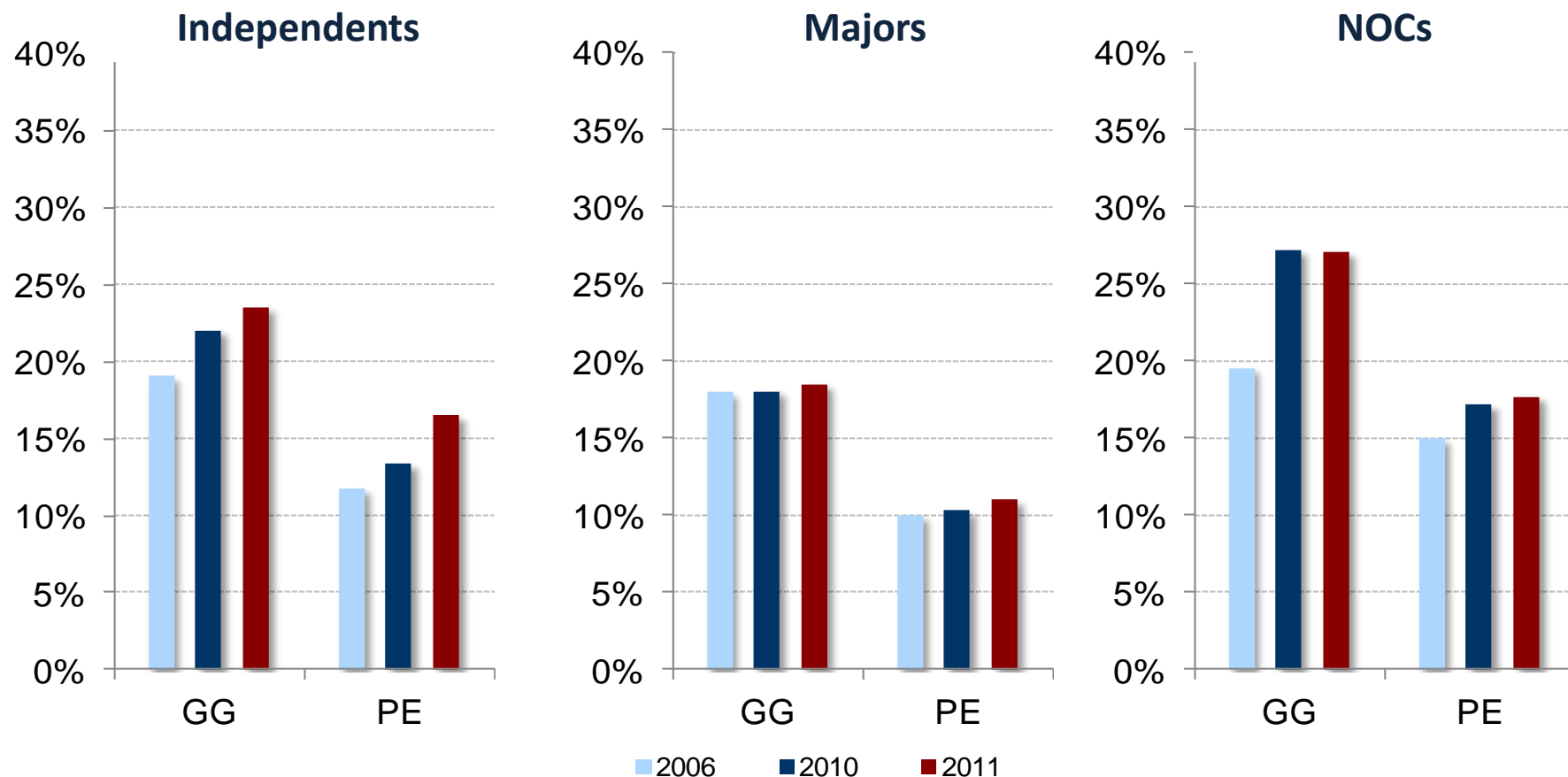
Average % of respondents



Except Majors, companies are increasing women proportion

PROPORTION OF FEMALE IN O&G COMPANIES, 2006, 2010 & 2011

Identical sample of companies



Conclusion: HR is the main driver for long term production growth

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