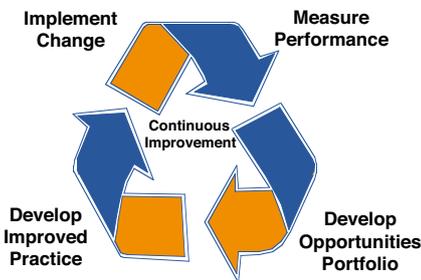


# Energy Industry

## Comparative Performance Benchmarking



## The Continuous Improvement Process



Capgemini's Oil and Gas Centre of Excellence (CoE) provides a full spectrum of consulting, technology and outsourcing services to the oil and gas industry. Staffed with highly experienced oil industry professionals, it acts as a repository for industry knowledge within Capgemini.

To identify improvement opportunities for our clients, the Oil and Gas CoE has been conducting benchmarking studies since 1992. The studies cover the entire value chain in the oil and gas industry - from the wellhead to the burner tip. Altogether, more than 200 clients from over 30 countries have taken part in our benchmarking studies.

## Why Benchmark?

Benchmarking is a key step in the continuous improvement process for a company. Study participants can use the Capgemini benchmarking study to:

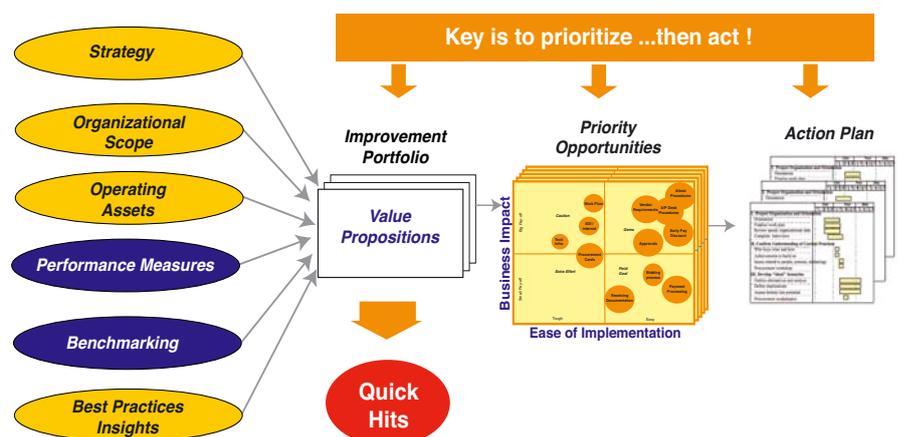
- Obtain a set of performance measures that can be used to assess the efficiency and effectiveness of operations
- Gain an understanding of the major cost drivers
- Obtain empirical comparisons to peer companies
- Set targets for performance improvement
- Assist in the evaluation of investment or divestiture activities
- Obtain external perspective on performance
- Align management and operational goals
- Identify industry trends and standards of performance
- Improve overall decision making regarding IT investments and acquisitions, as well as outsourcing
- Focus on developing a high level portfolio of improvement opportunities (see figure below)
- Track progress of improvement initiatives
- Communicate internally to drive change

## Key Performance Indicators

We include the following type of indicators in every study:

- *Company Profile* – These are typically financial and operational (expense, staffing, volume, asset size). Selected data is then used to normalize key performance indicators allowing comparisons between companies of varying sizes and sophistication.
- *Expense Analysis* – Expense categories are further sub-divided to provide specific drill-down information.
- *Expenditure and Resourcing Measures* – We compare your expenditure profile against total company expense, revenue, staffing levels, as well as specific cost drivers for your industry (e.g. \$ per well drilled, \$ per workstation, etc.).
- *Staff Activity Measures* – We compare the cost drivers or activity levels to your resource levels in order to determine if you are operating efficiently from a staffing perspective (e.g. transactions per staff).
- *Other* – We include measures of specific areas of interest. These may include both quantitative and qualitative information, which are then used to analyze and interpret the overall results.

## Developing an Improvement Portfolio via Benchmarking



Critical Success Factors

Your needs...

**Comparability**  
Consistent scope, definitions and approach across all studies

**Normalization**  
Considers operational, technical, and design differences to provide credible results

**Credibility**  
Members /stakeholders buy-in to results and change imperatives

**Knowledge Management**  
Seamless and effective sharing of results in an organization

**Best Practices**  
Understand and adopt industry and internal best practices

**Improvement Plan**  
Prioritize improvement portfolio and implement change

Cappgemini provides...

Clear scope, thorough glossary of definitions and interim data reviews

Normalization of organizational, operational and technical parameters

Credible, comprehensive and robust measurement framework

Open and collaborative approach ensures knowledge transfer.

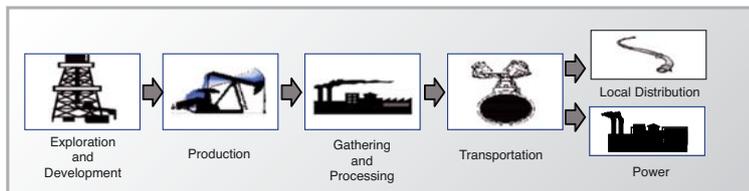
Sharing of industry insight and coordination of best practice forums.

Value focus assists development of improvement portfolio.

Benchmarking — Five Essential Phases



Benchmarking Service Offerings



Benchmarking - Peer Studies

- North America
- Asia Pacific
- Latin America
- Gulf Coast
- Information Technology
- Gas Processing & Gathering (Global)
- Gas & Liquids Pipelines (Global)
- LDC (Global)
- Power

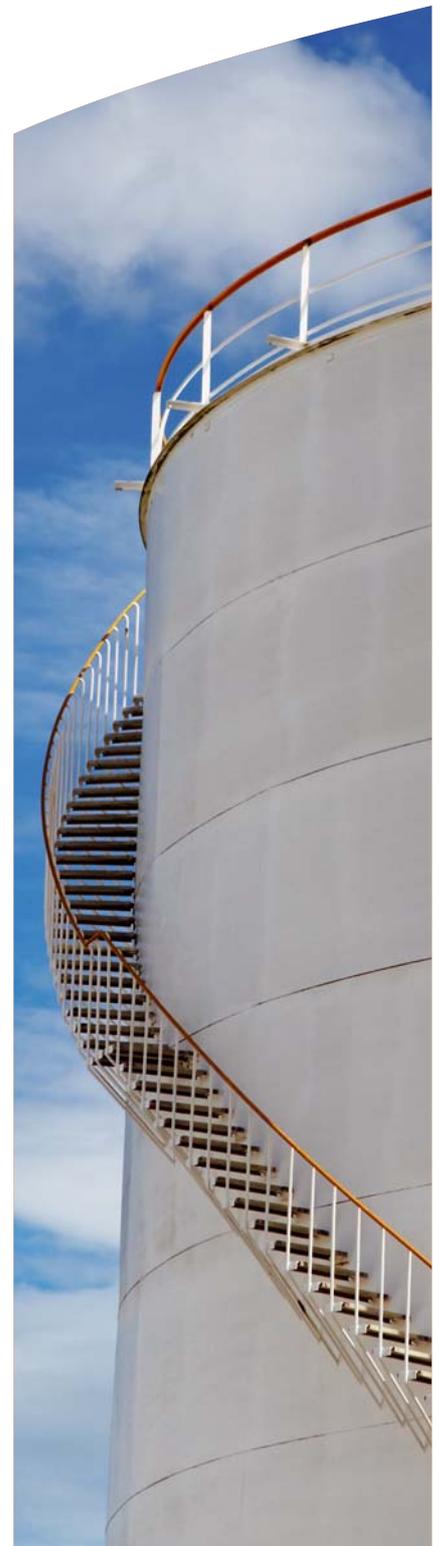
Benchmarking - Specialized Studies

- Information Technology
- Support Services
- Production & Revenue Accounting
- Drilling
- Heavy Oil
- Seismic Data
- Environmental
- CO<sub>2</sub> Extraction
- HS & E
- Maintenance

Best Practices (focusing on management & operations issues)

- Culture
- Strategy
- People
- Operational Practices
- HS & E Practices

Over 200 clients in 30 countries





## About Capgemini and the Collaborative Business Experience™

Capgemini, one of the world's foremost providers of consulting, technology and outsourcing services, enables its clients to transform and perform through technologies. Capgemini provides its clients with insights and capabilities that boost their freedom to achieve superior results through a unique way of working - the Collaborative Business Experience™ - and through a global delivery model called Rightshore®, which aims to offer the right resources in the right location at competitive cost. Present in over 30 countries, Capgemini reported 2008 global revenues of EUR 8.7 billion and employs over 90,000 people worldwide.

With 1.2 billion euros revenue in 2008 and 12,000+ dedicated consultants engaged in Energy, Utilities and Chemicals projects across Europe, North America and Asia Pacific, Capgemini's Energy, Utilities & Chemicals Global Sector serves the business consulting and information technology needs of many of the world's largest players of this industry.

More information about our services, offices and research is available at [www.capgemini.com/energy](http://www.capgemini.com/energy)

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