Strategy &

GEMI
Risk Management Panel
Who we are

Issues in Enterprise Risk
**Strategy & has been created in response to an industry need to connect strategy and execution capabilities**

More than half of senior executives don’t think that they have a winning strategy.

Only one in five is fully confident that the organization has a “right to win.”

Two out of three admit that they don’t have the capabilities needed to create value in the marketplace.

72% of CEOs expect to transform their organizations, but only 30% believe they have the ability to execute strategic change.

---

*Source: PwC CEO survey; Strategy& survey of 3,000+ senior executives*
Strategy& blends the best of two leading firms to create a management consultancy with a differentiated offering

Scale, quality prominence, and deep relationships, skills, and insight

Proven Track Record—A combined 250-year legacy of working with the world’s leading institutions to solve their toughest problems

Foremost In Foresight—Incisive thought leadership that is unrivalled in its depth, breadth, and overall quality

Functional Depth—Access to skills in strategy, deals, tax, assurance, finance, technology, and operations that extend and enhance differentiating platforms

Industry Breadth—The team to beat in virtually every industry with deep reserves of expert talent and resources

Experienced Expertise—A blend of consultants, operatioonal and functional specialists, and recruited talent from industry provides unique foresight and practical insight

Global Reach—Instantly at scale in all major and emerging economies and able to seamlessly serve thousands of global clients

Network Effect—Nearly 10,000 fellow Partners ensure perpetual presence across a wide range of clients in every industry, resulting in a virtuous cycle of demand
We are a team of practical strategists who help clients build strategies and capabilities to solve their toughest problems

**Who we are**

- Practical strategists
- Collaborative by nature
- Sleeves rolled up
- Committed to our clients’ success

**What we believe**

- A few differentiating capabilities drive identity and success
- Foresight is essential to building strategies that last
- Value is delivered by smart strategies, well executed

**What we do**

- Help clients identify and build the capabilities essential to their advantage
- Develop strategies based on those capabilities
- Bring leading industry and functional insights

Confidential property

March 11, 2015

GEMI 2015 Risk Management Panel.pptx
Strategy& has a global footprint of offices to serve our clients who operate globally

Strategy& offices worldwide

**North America**
- Atlanta
- Boston
- Chicago
- Cleveland
- Dallas
- DC
- Florham Park

**South America**
- Buenos Aires
- Rio de Janeiro
- Santiago
- São Paulo

**Europe**
- Amsterdam
- Berlin
- Copenhagen
- Düsseldorf
- Frankfurt
- Helsinki
- Istanbul
- London
- Madrid
- Milan
- Moscow
- Munich
- Paris
- Rome
- Stockholm
- Stuttgart
- Vienna
- Warsaw
- Zurich

**Middle East**
- Abu Dhabi
- Beirut
- Cairo
- Doha
- Dubai
- Riyadh

**Asia**
- Beijing
- Delhi
- Hong Kong
- Mumbai
- Seoul
- Shanghai
- Taipei
- Tokyo

**Pacific**
- Bangkok
- Brisbane
- Canberra
- Jakarta
- Kuala Lumpur
- Melbourne
- Sydney
Within ECU we have over 4,500 professionals dedicated to oil & gas clients across 158 countries

Strategy& / PwC O&G network

**Global presence**

- Regional energy centres
- Key energy offices

**Service areas**

- **Advisory** ~1,000 ppl
  - Strategy, operational excellence, deals, business recovery services

- **Assurance** ~3,000 ppl
  - Audit, risk assurance & internal controls

- **Tax** ~1,000 ppl
  - Tax strategy, planning and compliance
Our professionals operate across the entire Oil & Gas value chain...

Strategy& value chain expertise

**Upstream**
- Exploration
- Production
- Unconventional
- R&D / Technology Commercialization
- Oil Field Services
- EPCM
- Asset Portfolio Mgmt.
- New Business Development

**Manufacturing, refining & processing**
- Oil Refining
- Petrochemicals
- Lube Blending & Manufacturing
- Gas Processing
- LNG / GTL
- Bio Fuels Production
- CO2 Management

**Supply, trading & logistics**
- Pipelines / Shipping / Rails
- Storage & Terminals
- Trucking
- Hydrocarbon Supply Chain Optimisation
- Trading
- Risk Management

**Fuels & specialty products marketing**
- Fuels Wholesale
- Branding
- Commercial & Industrial
- Lubes
- Air / Marine / LPG / Asphalt
- Services

**Fuels & convenience retailing**
- Service Stations
- Convenience Stores
- Retail & Fleet Cards
... with capabilities and offerings across 6 key areas...

Strategy& capabilities and offerings

1. Strategy and M&A
   - Country & sector strategies
   - Capability-driven growth strategies
   - Gas market strategies
   - R&D / technology strategies
   - Local content / capability development
   - M&A opportunity identification
   - Due diligence and post-merger integration

2. Governance & operating model
   - JV setup & governance
   - Operating model and org. design
   - Shared services design/implementation
   - Governance structures and regulation
   - Integrated planning & performance mgmt.
   - Unconventional / EOR operating models

3. Operational excellence
   - Technical process optimization
   - Cost management
   - Performance improvement
   - HSE & sustainability
   - Culture and behaviours
   - Benchmarking & best practice

4. Marketing, sales, and distribution
   - Marketing & sales strategy
   - Marketing & sales capability building
   - Strategic pricing

5. Supply chain and logistics
   - Logistics strategy
   - Supply chain process redesign
   - Outsourcing strategies
   - Lean supply chains
   - Lean well delivery

6. Engineering and project management
   - Capital projects execution strategy
   - Capital projects organization
   - Stage-gate process design
   - Project management office
In particular, our global Oil & Gas practice has worked with leading companies, major NGOs and national governments.
Strategy & has published extensively on key oil & gas topics

Selected Strategy & Oil & Gas publications
Who we are

Issues in Enterprise Risk
Oil spills are one of the biggest license to operate risks facing the industry

Source; ITOPF
Crude by rail, once a salvation for landlocked basins has come under fire as accidents are ever more public.
Proactive engagement with industry participants, regulators and stakeholders will help reduce the risks

Sphere of Influence

- External Stakeholders
- Rail Companies
- Tanker Manufacturers
- Producers
- Refiners
- Researchers
- Terminal Operators
- Regulators

Potential Elements / Actions

- Equipment standards
- Rail conditions
- Safety procedures / policies
- Audit and assurance
- Contingency planning
- Remediation equipment and technology
- Routing and Scheduling
- Inter-agency coordination
- Industry funding
- Stakeholder engagement and communications
The industry has successfully addressed the issue of spills in the marine environment

Source: ITOPF
Copyright and Definition

© [2014] PwC. All rights reserved.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

Disclaimer:

This content is general information purposes only, and should not be used as a substitute for consultation with professional advisors.