

## **IPIECA/API Joint Corporate Reporting Task Force**

### **Terms of Reference – Statement of Work & Schedule**

#### **Title: Joint Corporate Reporting Compendium Project**

The overall objectives for the initial phase of the Task Force activities would be to:

- Help stimulate exchange of information between companies and between industry associations on both EHS and sustainability reporting practices;
- Identify company performance indicators, reporting practices and policies; and
- Enhance the understanding of stakeholder expectation in corporate reporting.

The aim will be to focus on EHS reporting, as this is where associations/companies have a track record and some joint experience, but also gather information about wider sustainability reporting.

*In summary, the purpose of this project is to develop a tool and process that companies and associations can use to improve the quality, scope and completeness of reporting in a way that satisfies our needs, as well as other key stakeholders.*

Planned activities include:

#### **1. Collect information about metrics / indicators used and/or reported by various companies and industry groups (e.g., API Ad Hoc Benchmarking Group, OGP, CAPP, etc.) and companies.**

A. Tabulate what metrics are currently being used in each industry group's benchmarking or survey reports, grouping by:

- Environmental metrics;
- Health, safety and social metrics; and
- Financial metrics. [Present a separate table for each group.]

[Prepare a summary table to help identify commonality, if any, among these metrics.]

B. Tabulate which companies participate in which industry group surveys.

C. Tabulate what metrics are currently being reported in each company's report, grouping by

- Environmental metrics;
- Health, safety and other social metrics; and
- Financial metrics.

D. For upstream operations, tabulate which companies are reporting which metrics.

[Prepare a summary table to help identify commonality, if any, among these metrics.]

E. For midstream operations, tabulate which companies are reporting which metrics.

[Prepare a summary table to help identify commonality, if any, among these metrics.]

F. For downstream operations, tabulate which companies are reporting which metrics.

[Prepare a summary table to help identify commonality, if any, among these metrics.]

## **2. Conduct a survey of associations *and their members* to determine:**

*[At the present time, the associations to include in this survey are IPIECA, API, OGP, CAPP, and possible 2 or 3 others.]*

### **a) What is the current state of EHS and sustainability reporting in the industry?**

Identify which oil and natural gas companies currently issue environmental, EHS and/or sustainable growth or sustainability reports?

- Is the company's report available in printed and/or electronic format?
- How frequently is the report updated? [Collect samples of all these reports and/or source references, including URL Web addresses. Summarize results in tabular form.]

Summarize what metrics are currently being used in the company reports? [More details provided in Task #1.]

- Environmental metrics?
- Health, safety and other social metrics?
- Financial metrics?

Identify which oil and natural gas associations currently issue environmental, EHS or sustainability reports.

- Is the association's report available in printed and/or electronic format?
- How frequently is the report updated? [Collect samples of all these reports and/or source references, including URL Web addresses. Summarize results in tabular form.]

Summarize what metrics are currently being used in the association reports?

- Environmental metrics?
- Health, safety, and other social metrics?
- Financial metrics?

### **b) What are member company *and association* policy statements on EHS, sustainability and/or CSR?**

What, if any, corporate policy statements are provided in the reports, or on company websites that outline the company's commitment to reporting? [Compile these into an appendix, with source references.]

Does the corporate report include any performance targets? [If so, tabulate quantitative and qualitative performance targets, with source references.]

Does the company have an environmental or EHS management system that includes corporate reporting provisions? [Compile examples and/or source references.]

Do associations have any policies, principles, guidelines or standards that apply to company or association EHS and/or sustainability reporting?

### **c) What do companies and the industry need (e.g., tools, assistance, workshops, guidelines, etc)?**

What specific tools or other assistance would companies find most useful to facilitate their environmental, EHS or sustainability reporting efforts?

What would industry associations find most useful to facilitate their reporting efforts?

What do various financial or NGO groups indicate would be most helpful to facilitate comparability among corporate reports? [Will require contractor research and possible interviews with selected NGOs, with suggestions summarized in qualitative terms.]

**d) What role, if any, should the association(s) play in providing assistance?**

Based on input received from companies and associations, develop a list of tools and activities that associations could provide for further task force consideration.

**3. Develop a compendium of information for members about company EHS / sustainability reporting policies, practices and definitions of metrics / indicators**

A. Summarize the information collected in items 1, 2 and 3 into a corporate reporting practices compendium report including appendices, bibliography and reference sources (including URL Web addresses whenever available).

B. In addition: the following items would also be undertaken and included in the compendium:

- What corporate reporting surveys, studies, and conferences have been conducted by oil and gas industry associations and other notable groups since 1999, or are currently being conducted? [E.g., Annual Benchmarking Survey facilitated by API, and annual API environmental expenditures, worker safety and oil spill data compilations.]
- What corporate reporting guidelines or standards have been issued within the past 5 years applicable to oil and gas corporations? [E.g., GRI Guidelines, ISO Standards, SA8000, etc.]
- What other reports (prepared by financial or other NGOs), which have been prepared since 1999 and focus on oil and natural gas industry environmental, sustainability and financial performance, are currently available or will be available within the next year? [E.g., WRI study]
- What EHS and sustainability performance metric definitions are currently available? [To be included as source references in the compendium.]
- In addition, formulate a plan for an on-going mechanism (e.g., computerized, secure web-based data base/spreadsheets) where participating companies and associations could periodically update summaries of their reporting practices.

**SCHEDULE & MILESTONES**

January 10, 2002	Kick-off meeting with Arthur D. Little (Contractor)
January 30, 2002	Joint Corporate Reporting Task Force Meeting – NYC
January 2002	Complete Task 1 – Background Research
February 2002	Begin work on Task 2
April 2002	Status meeting with ADL on Task 2 – Reporting Survey
May 2002	Begin work on Task 3 – Draft Compendium
June 2002	Complete Task 2 Survey
June 2002	Status meeting with ADL on Task 3
July 2002	Complete Task 3 and planning for web site.

## **TASK FORCE MEMBERSHIP**

John Stephens (Conoco) (Chair)  
Bill Boyle (BP) (Co-Chair)  
Walter Retzsch (API) (Secretariat)  
Jean-Paul Boch (TotalFinaElf)  
Sophie Depraz (IPIECA)  
Edwina Forster (BHP Billiton)  
Aart Gaasbeek (Shell)  
Emmanuel Garland (OGP)  
Miriam Lev-On (BP)  
Garry Mann (Nexen-CAPP)  
Steve Merritt (ChevronTexaco)  
Jane Nilsen Aalhus (Statoil)  
Anita Riddle (ExxonMobil)  
Gary Webster (CAPP)  
Jenny Yang (Marathon)

### **Informational Copies**

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