



acumen*learning*



ANALYZED COMPANIES

- › ExxonMobil
- › Shell
- › ConocoPhillips
- › Occidental
- › Kinder Morgan
- › Williams Companies
- › Phillips 66
- › Marathon Petroleum
- › SLB
- › Halliburton

PREPARED BY

Brent Barclay, PhD
COO & Senior Analyst

PUBLISHED

August 2026

The Molecule Moment

WE ANALYZED EARNINGS CALLS IN THE OIL & GAS INDUSTRY SO YOUR TEAM DOESN'T HAVE TO.

This report analyzes the Q2 2026 earnings calls of ten leading oil and gas companies across the integrated, upstream, midstream, downstream, and services segments through the lens of the 5 Business Drivers™: Cash, Profit, Assets, Growth, and People. By examining executive priorities, investments, and strategic decisions, it reveals where industry leaders are placing their bets and what those choices signal about the future of the energy industry.

Scan to hear Brent Barclay and Greg Kandare discuss this report's insights on our exclusive podcast episode.



PREPARED REMARKS

The primary strategic priority discussed on each earnings call

Across all ten oil and gas leaders, the calls pointed to a common challenge: how do companies protect returns and keep energy moving when geopolitical disruption, refining constraints, power demand, and commodity volatility can quickly reshape economics? The answer was broader than production growth alone. Leaders emphasized resilient supply chains, high-performing assets, disciplined capital allocation, and the ability to optimize molecules from resource to end market.

ExxonMobil XOM Turning advantaged scale into cash and resilience. Guyana and the Permian anchor growth, while technology, structural cost savings, and a global operations model are designed to improve returns.	Shell SHEL Using integration and operational excellence to capture value through volatility. Refining, LNG optimization, portfolio high-grading, and cost reduction reinforce a higher-return model.
ConocoPhillips COP Lowering the cost of supply and returning cash while selectively expanding. Permian output, LNG, Willow, and international opportunities sit inside a free-cash-flow framework.	Occidental OXY Improving sustainable cash flow before chasing volume. Debt reduction, cost efficiency, enhanced recovery, and lower sustaining capital dominate the plan.
Kinder Morgan KMI Building natural gas infrastructure against visible LNG and power demand. Backlog and contracted opportunities support continued pipeline investment.	Williams Companies WMB Scaling a pipeline-and-power platform around data centers, LNG, and Gulf Coast demand through Momentum, Power Innovation, and major expansions.
Phillips 66 PSX Converting refining strength and a well-head-to-market system into higher margins, lower debt, and shareholder returns through utilization, capture, and cost reduction.	Marathon Petroleum MPC Using refining reliability, commercial optimization, and system-wide analytics to maximize value from every barrel and respond quickly to product-market dislocations.
SLB SLB Positioning for the next international upcycle while broadening into subsea, digital, ChampionX integration, and data-center solutions.	Halliburton HAL Shifting capital and equipment toward the highest-return international and technology opportunities while protecting North American pricing and margins.

THE 5 BUSINESS DRIVERS®

Where executives focused their attention

Across the ten companies, Growth received the strongest aggregate emphasis with an average rank of 2.3, followed by Profit at 2.5, while Cash and Assets tied at 2.6. Growth ranked first at four companies, Profit at three, and Cash at three. People ranked fifth in every Acumen Intelligence analysis.

COMPANY	CASH	PROFIT	ASSETS	GROWTH	PEOPLE
ExxonMobil	1	4	3	2	5
Shell	4	1	2	3	5
ConocoPhillips	1	4	3	2	5
Occidental	1	2	3	4	5
Kinder Morgan	3	4	2	1	5
Williams Companies	4	3	2	1	5
Phillips 66	2	1	3	4	5
Marathon Petroleum	2	1	3	4	5
SLB	4	3	2	1	5
Halliburton	4	2	3	1	5
Average Rank	2.6	2.5	2.6	2.3	5.0

Highlighted cell denotes each company's #1 driver.

Methodology: We analyzed transcripts and shareholder letters employing both exact word matches and semantic analysis to identify references to the 5 Business Drivers: Cash, Profit, Assets, Growth, and People. Rankings reflect narrative emphasis in the analyzed transcripts, not financial magnitude. While analyzing the emphasis on individual drivers can be subjective, this methodology has consistently reflected trends observed in thousands of similar studies and offers valuable insights into executive priorities.

THE 5 BUSINESS DRIVERS®

Industry focus by driver

1. GROWTH

Growth Is Selective, but the Opportunity Set Is Broadening

Growth remains the strongest aggregate theme and ranks first at Kinder Morgan, Williams, SLB, and Halliburton. The opportunity is no longer concentrated in one part of the value chain. Midstream companies are building against LNG, power, and data-center demand; services companies are leaning into international, deepwater, and technology growth; upstream leaders are still concentrating capital in advantaged resources.

The common filter is returns. Williams is pairing an 11%+ EBITDA growth ambition with leverage discipline. Halliburton is moving equipment toward markets that generate better margins. SLB is expanding in subsea, digital, and data-center solutions. Kinder Morgan is advancing projects against visible demand. Growth increasingly has to arrive with infrastructure, customer commitments, cost advantage, or a clear path to cash.

2. PROFIT

Refining and Optimization Have Moved to the Foreground

Profit is the second-highest aggregate emphasis and ranks first at Shell, Phillips 66, and Marathon Petroleum. Adding dedicated downstream companies changes the picture materially: refining capacity, utilization, capture rates, product yields, cost per barrel, commercial optimization, and reliability become central industry themes.

Phillips 66 captured 98% of its market indicator while continuing to reduce refining costs. Marathon Petroleum reported a 112% R&M capture rate and its lowest unplanned downtime this decade, while using crude sourcing and yield flexibility to respond to strong demand for products such as jet fuel. Shell ran its refineries at 102% utilization in a high-margin period and shifted production toward middle distillates. In a constrained refining environment, operational flexibility is translating directly into profit.

3. ASSETS

Physical Deliverability Is Becoming a Strategic Advantage

Assets are being evaluated less by what they are and more by what they allow a company to do when supply routes, regional economics, or customer needs change. Pipelines, refineries, processing plants, LNG systems, export terminals, advantaged acreage, subsea equipment, and commercial networks create resilience by helping companies produce, process, move, redirect, and monetize molecules when markets dislocate.

Shell describes the connectivity of its integrated model from well to wheel. Phillips 66 emphasizes a well-head-to-market system, while Marathon Petroleum optimizes crude and product placement across an integrated refining and logistics network. Williams and Kinder Morgan are expanding infrastructure tied to power and LNG demand. With Middle East disruption and attacks on Russian refining infrastructure affecting global flows, physical access and flexibility increasingly shape energy security and margins.

4. CASH

Financial Strength Preserves Strategic Freedom

Cash ranks first at ExxonMobil, ConocoPhillips, and Occidental and remains a recurring guardrail across the broader group. Free cash flow, balance-sheet strength, debt reduction, dividends, and buybacks provide the capacity to invest through volatility without lowering return standards.

The message is not simply to accumulate cash. It is to preserve optionality. ExxonMobil is using financial strength to invest in advantaged opportunities while returning surplus cash. Occidental remains focused on sustainable cash-flow improvement. Phillips 66 and Marathon Petroleum are translating strong downstream economics into debt reduction and substantial shareholder returns.

5. PEOPLE

The Least Discussed Driver Still Carries the Execution Risk

People ranked fifth in all ten Acumen Intelligence analyses. That is partly a function of the earnings-call format, but the contrast remains notable. The strategies described depend on operators running assets reliably, commercial teams responding to dislocations, project leaders deploying billions of dollars, and technical teams using AI, automation, and digital tools to make faster value-based decisions.

Shell tied structural savings to changing the way the organization works. Marathon described optimization as a system-wide behavior across planning, commercial, and operations. Phillips 66 is deploying AI-enabled analytics at the frontline, while SLB and Halliburton continue to broaden digital and technology platforms.

THE PATTERN

Energy security is increasingly a molecule-to-market execution challenge.

Growth remains a central industry priority, but the ability to refine, process, transport, redirect, and sell energy is becoming just as important as producing it. Middle East disruption, pressure on Russian refining infrastructure, tight product markets, and changing trade flows are putting a premium on integrated logistics, refining flexibility, reliable assets, and disciplined capital allocation. Natural gas and AI-driven power demand are important parts of a broader global story about security of supply and physical deliverability.

IN THEIR OWN WORDS

What leadership actually said

CASH

"That strength allows us to keep investing in advantaged opportunities, return surplus cash to shareholders, and maintain one of the strongest balance sheets in industry."

EXXONMOBIL

Context: Financial strength = >\$14B earnings, >\$17B free cash flow and a \$7B+ reduction in net debt.

"We are dogmatic about the 40% to 50% through the cycle."

SHELL

Context: The 40%-50% refers to Shell's shareholder payout commitment through the cycle; dividends vs. buybacks can change quarter to quarter.

PROFIT

"We captured 98% of our market indicator in the second quarter."

PHILLIPS 66

Context: The 98% figure is Phillips 66's refining market-indicator capture rate for Q2.

"...our goal... is really to achieve peer leading profitability in every region where we operate."

MARATHON PETROLEUM

Context: Marathon is describing its objective for refining profitability across each operating region.

ASSETS

"The connectivity across our value chains creates the opportunities to optimize assets, product flows, and market exposures from well to wheel."

SHELL

Context: Shell is describing how its integrated value chain lets it optimize assets, product flows and market exposure.

"...it's the right project at the right time. It will generate the right returns for Phillips 66."

PHILLIPS 66

Context: The project is Western Gateway, designed to move reliable, secure fuel from the U.S. mid-continent to Western markets.

GROWTH

"...we do feel well-positioned to exceed this new target."

WILLIAMS

Context: Williams had just raised its 2025-2030 EBITDA and EPS CAGR target to 11%+.

"...we have zero hesitation of moving equipment around the world... to a place that generates returns."

HALLIBURTON

Context: Halliburton is describing redeploying equipment globally toward markets that generate stronger returns.

PEOPLE

"Savings that are driven by changing the way we work across our organization..."

SHELL

Context: These are structural cost reductions, including operational efficiencies and a leaner corporate center.

"I want to thank the entire SLB team for delivering these results in a very dynamic market."

SLB

Context: SLB's CEO was recognizing execution through Middle East disruption while international, digital and data-center growth advanced.

WHAT WERE THE TWO OR THREE POINTS THE EXECUTIVES WERE TRYING TO MAKE?

Across the value chain, refining capacity, energy security, and physical deliverability emerge alongside natural gas and LNG as defining industry themes. The competitive question is not only who can produce advantaged molecules, but who can reliably process, move, redirect, and monetize them when markets are disrupted.

1. Energy security has become an operating strategy, not just a macro backdrop.

Executives are managing around geopolitical disruption in real time: rerouting flows, optimizing integrated portfolios, shifting equipment and capital across regions, and protecting access to reliable supply. Shell highlighted how integration helped offset lost Middle East LNG volumes, Halliburton is reallocating activity internationally, and downstream leaders are responding to product-market tightness created by refinery outages and supply disruptions.

2. Refining and physical deliverability matter as much as production.

Downstream capacity is an important constraint in the current market. Marathon Petroleum highlighted more than 9 million barrels per day of planned and unplanned global refining-capacity downtime, roughly 4 million barrels per day above historical norms, amid Persian Gulf disruption and attacks on Russian infrastructure. Shell and Marathon both described shifting refinery output toward higher-demand middle distillates such as jet fuel, while Phillips 66 emphasized its well-head-to-market system. The ability to process crude, change product yields, access pipelines and logistics, and serve domestic and global markets is creating real economic advantage.

3. Growth must still be advantaged, disciplined, and connected to returns.

Across upstream, midstream, downstream, and services, companies are not abandoning growth. They are raising the hurdle. The projects receiving capital tend to have low-cost resources, contracted demand, infrastructure scarcity, operational synergies, higher-margin technology, or integration advantages. The common question is not simply “Can we grow?” but “Can this growth strengthen returns and resilience through the cycle?”

WHAT ARE THE GOALS AND OBJECTIVES GOING FORWARD?

The next phase of industry investment is being built around three durable priorities.

- **Protect physical deliverability and energy security**

Build and optimize refining, pipeline, processing, export, logistics, and integrated assets that keep molecules moving when regional supply is disrupted.

- **Fund advantaged growth without relaxing return standards**

Direct capital toward the highest-return resources, projects, customers, geographies, and technologies while preserving balance-sheet and shareholder-return discipline.

- **Use integration, technology, and operating excellence to capture more value**

Improve reliability, product yields, asset utilization, commercial decisions, and cross-functional execution so volatility becomes an opportunity rather than only a risk.

THE Q&A

What analysts asked

Prepared remarks showed what management wanted investors to hear. The Q&A showed where investors wanted more proof. Across all ten calls, analysts repeatedly pushed on refining durability, capital returns, project economics, geopolitical disruption, infrastructure timing, international growth, and whether companies can capture strong margins without sacrificing financial discipline.

Each earnings call is summarized in one sentence, capturing the central issue analysts were trying to clarify or pressure-test.

ExxonMobil 13 ANALYSTS Analysts focused on whether Guyana, Permian, refining and LNG can sustain advantaged growth, capital efficiency and shareholder returns through volatile markets.	Williams Companies 10 ANALYSTS Analysts tested whether Momentum, backlog execution and power/data-center demand can support 11%+ EBITDA growth without stretching leverage or execution capacity.
Shell 13 ANALYSTS Analysts pressed on sustaining shareholder payouts while high-grading capital and navigating LNG, refining, chemicals and international opportunities through global disruption.	Phillips 66 11 ANALYSTS Analysts focused on refining-margin durability, capture improvements and how debt reduction, shareholder returns, midstream growth and Western Gateway compete for capital.
ConocoPhillips 11 ANALYSTS Analysts tested whether Marathon synergies, Permian productivity and disciplined investment in LNG, Willow and international assets can strengthen returns and lower breakevens.	Marathon Petroleum 10 ANALYSTS Analysts questioned refining-capture durability and whether sourcing, yield flexibility, reliability, MPLX growth, AI and system optimization can sustain returns.
Occidental 6 ANALYSTS Analysts focused on whether debt reduction, lower sustaining capital and efficiency-led growth can deliver the promised \$4 billion sustainable cash-flow improvement.	SLB 9 ANALYSTS Analysts focused on Middle East recovery, international and deepwater growth, and whether data centers, digital, subsea and ChampionX can expand margins and returns.
Kinder Morgan 11 ANALYSTS Analysts questioned how much LNG, power and data-center demand will convert into projects while Kinder Morgan maintains leverage and return discipline.	Halliburton 10 ANALYSTS Analysts tested whether Halliburton can protect North American margins while shifting capital toward higher-return international, software, automation and technology opportunities.

THE OBSERVATION

Driver interdependence

The most successful leaders do not view the 5 Business Drivers in isolation. They manage them as a connected system where financial capacity, operating performance, physical assets, market opportunities, and human execution continually influence one another.

The 5 Business Drivers operate as an interconnected system. Cash provides strategic capacity. Profit validates that operations and investments are creating value. Assets determine whether molecules can be produced, processed, moved, and redirected. Growth deploys the system into attractive demand. People make the trade-offs, operate the assets, and turn market signals into decisions.

CASH funds choices	PROFIT reward efficiency	ASSETS enable delivery	GROWTH captures opportunity	PEOPLE execute strategy
------------------------------	------------------------------------	----------------------------------	---------------------------------------	-----------------------------------

THE TAKEAWAY

- 1. Energy security has moved from the backdrop into operating strategy.**

Geopolitical disruption is influencing routing, refining economics, product availability, asset utilization, capital deployment, and customer access. The Russia-Ukraine conflict and Middle East disruption are reminders that energy security depends on more than owning resources; it depends on being able to process, move, redirect, and monetize them when normal flows are disrupted.
- 2. The full molecule-to-market chain is becoming the competitive advantage.**

Low-cost reserves still matter, but so do pipelines, processing, refining capacity, export access, logistics, commercial capability, product flexibility, and integrated decision-making. Downstream and midstream economics can be just as strategically important as production, especially when regional disruptions tighten the availability of refined products and alter global trade flows.
- 3. People remain the hidden execution variable.**

Every capital decision, refinery optimization, pipeline project, international redeployment, cost target, and digital initiative depends on leaders and teams understanding the business trade-offs. The calls spend the least time on People, but execution determines whether the other four drivers actually move.

ABOUT ACUMEN LEARNING

The Commercially Literate Edge

Oil and gas leaders are being asked to protect resilience and financial discipline while moving decisively when advantaged opportunities emerge. The earnings calls in this report show how tightly those decisions connect across energy security, refining and logistics, capital allocation, asset productivity, growth, margins, and execution.

But those strategies cannot be executed by the executive team alone. Engineers, operators, refinery and pipeline teams, commercial teams, project leaders, finance partners, and managers across the organization make daily decisions that influence cost, uptime, working capital, asset utilization, project returns, customer commitments, and ultimately free cash flow.

For more than two decades, Acumen Learning has partnered with the world's most influential organizations, including 34 of the Fortune 50, to bridge the critical gap between technical execution and financial strategy. Our customized learning solutions help highly technical teams connect daily operational decisions to the financial and strategic outcomes that matter most to the business.

When people understand why one project earns capital and another does not, how a reliability or yield improvement changes margin and cash flow, or how a routing, logistics, or operating decision affects the entire value chain, they make smarter decisions.



acumen*learning*

Acumen Learning
240 North Orem Blvd
Orem, UT 84057
U.S.A

801-224-5444
acumenlearning.com

Copyright © Acumen Learning. All rights reserved.

Acumen Learning, Building Business Acumen, Business IQ, Business Drivers and the 5 Drivers Business model are trademarks or registered trademarks of Acumen Learning in the United States, other countries, or both. If these and other Acumen Learning trademarked terms are marked on their first occurrence in this information with a trademark symbol (® or ™), these symbols indicate U.S. registered or common law trademarks owned by Acumen Learning at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries.

GBE03419-USEN-00