

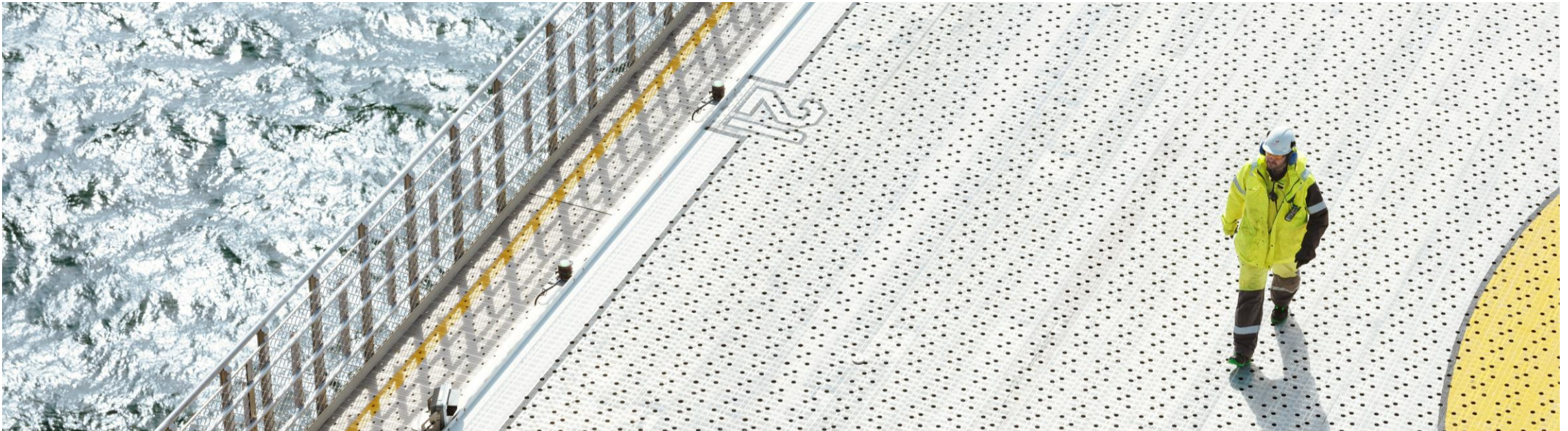
Digital interface with our suppliers using PEPPOL

Equinor's success with b2b interaction due to PEPPOL utilisation

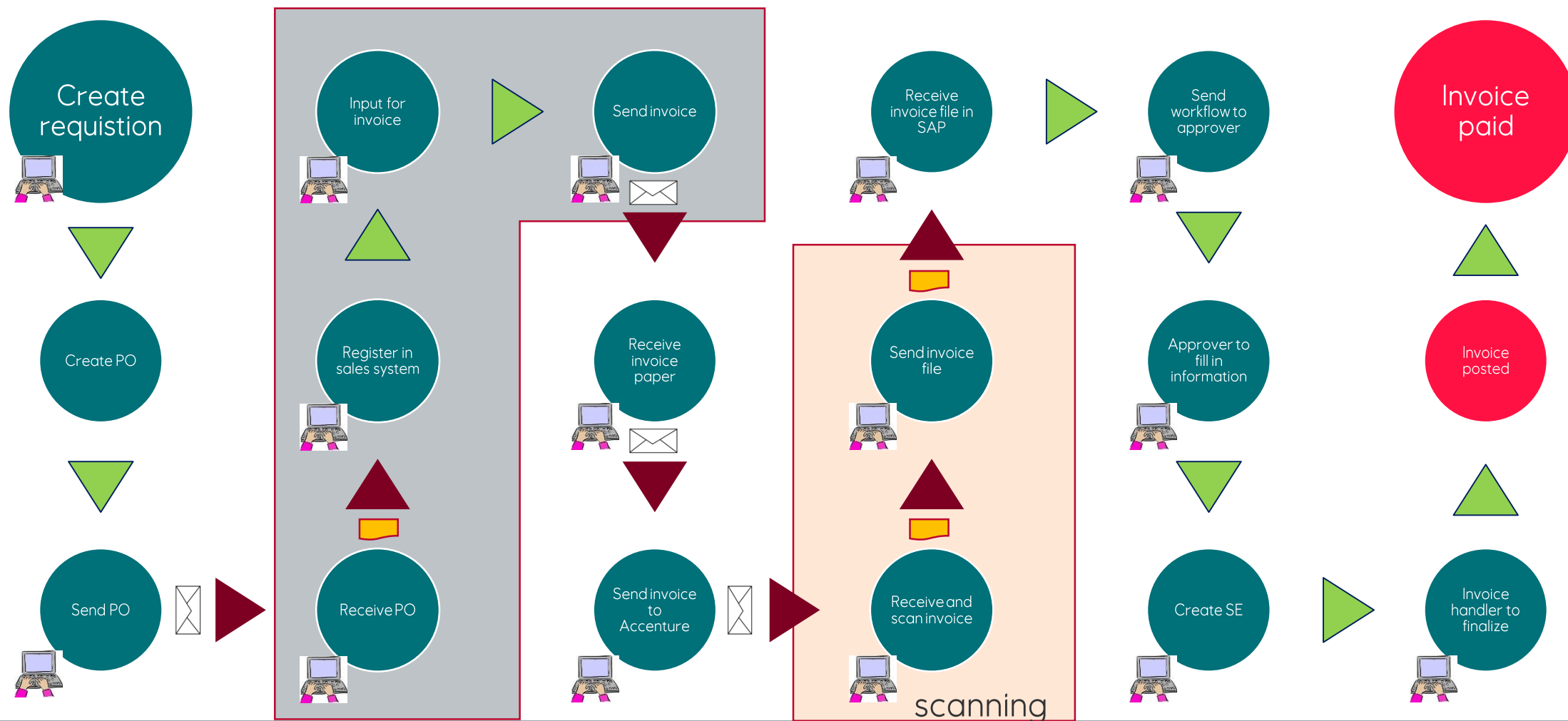


This is our goal with a digital interface towards our suppliers

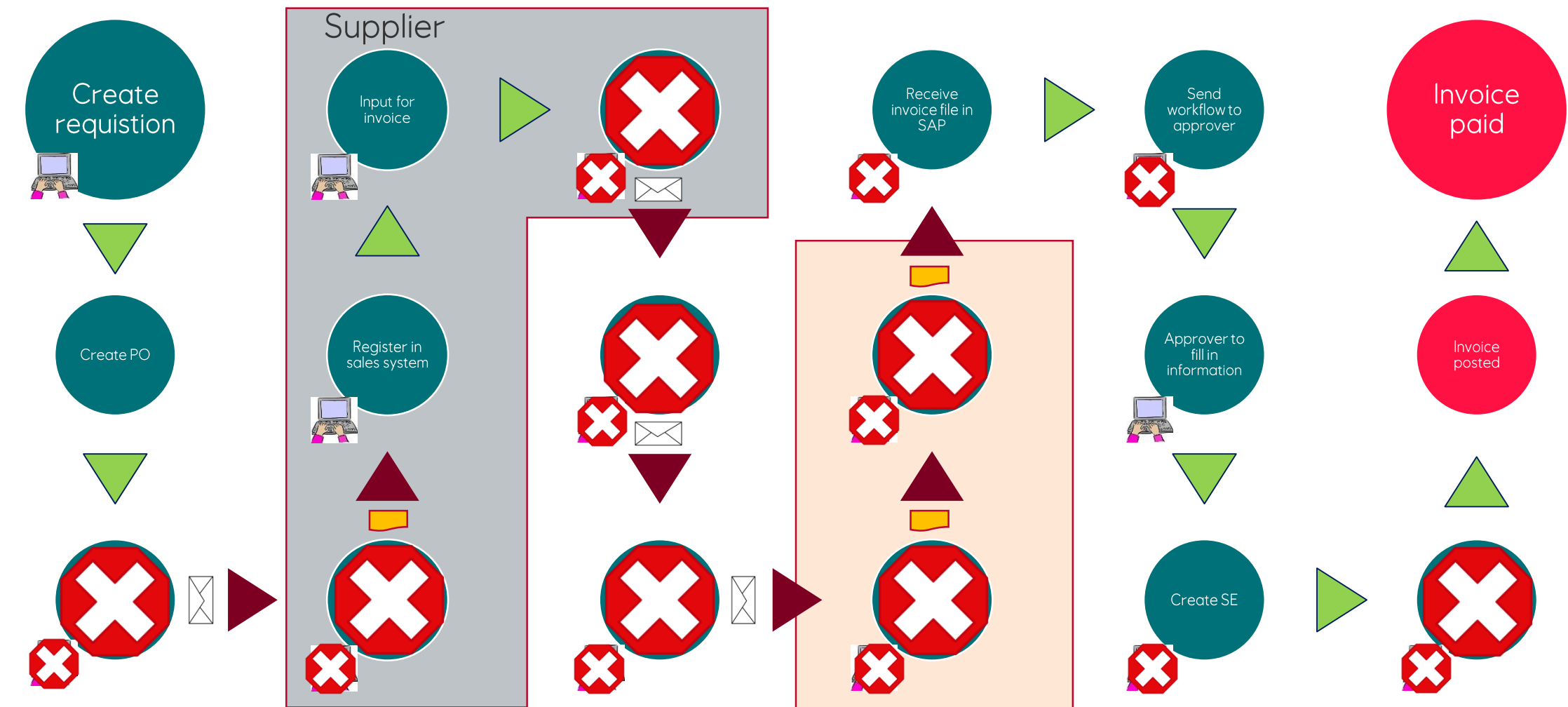
- Achieve a touchless digital interaction between Equinor and the suppliers with exchange of structured business transactions
- Remove outdated business requirements that relies on manual, paper based transaction flows



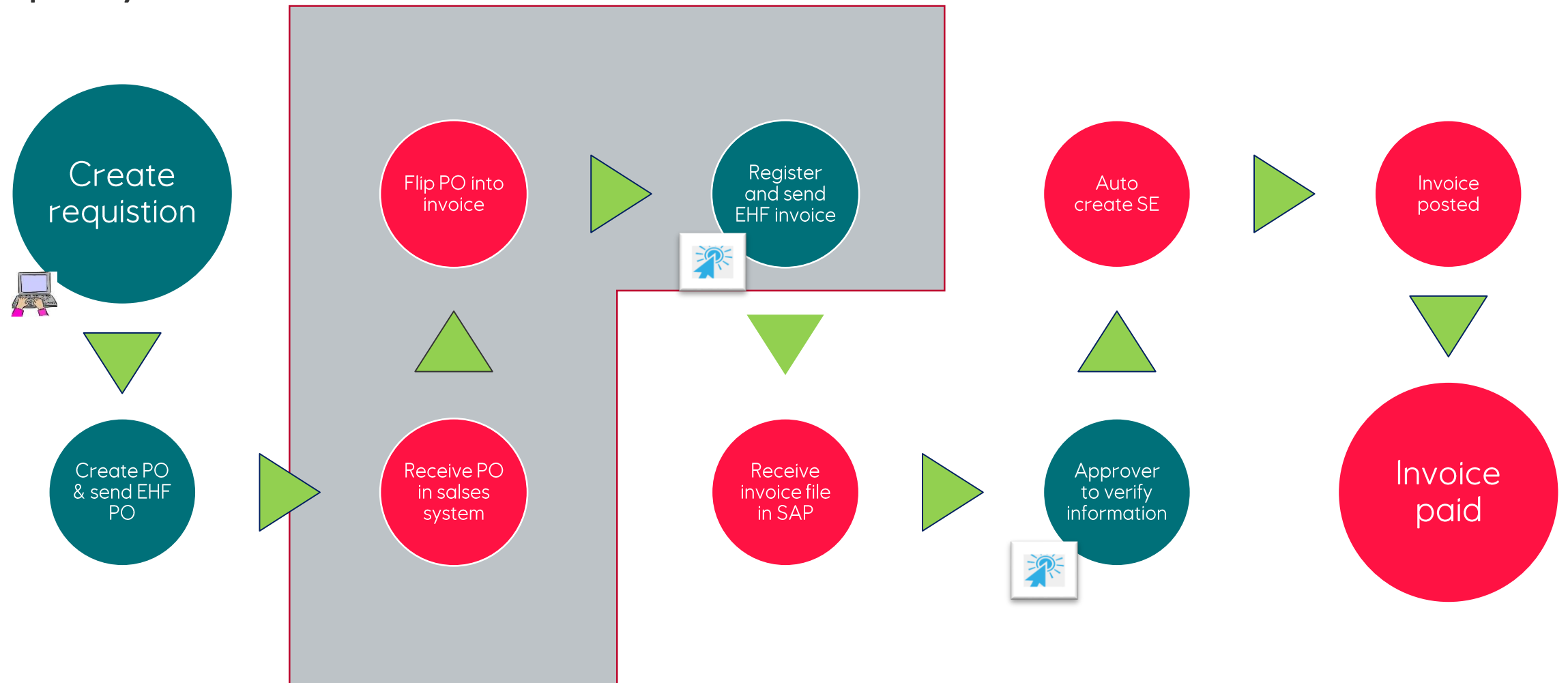
Procure-to-pay, the manual way



Procure-to-pay, digital transformation



Procure-to-pay, using digitalization to improve data quality and minimise manual interaction



Revisit March 2017



The transport network

- Traditional direct B2B connections can be compared to having to dig a ditch and place a "landline" for each connection
- For an established marketplace network, one only "landline" needs to be created towards the network and you will have B2B reach similar to the number of "landlines" they already have connected
- To connect a new B2B supplier to the network a new "landline" has to be prepared
- Up until now this has been the best practice on how to establish and expand the B2B coverage for ecommerce transactions

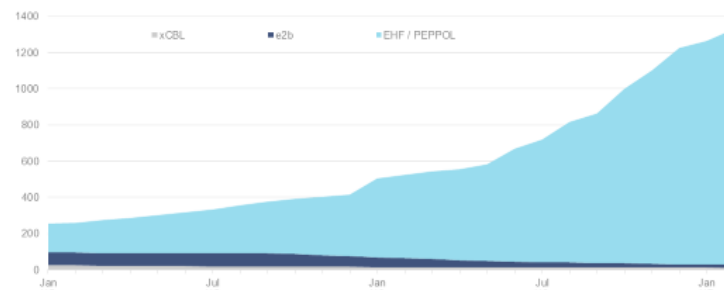


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Number of suppliers sending e-invoice towards Statoil in Norway on different channels

Decision to demand e-invoicing in Norway have been a success



14 Classification: Open 8 mars 2017 © Statoil ASA



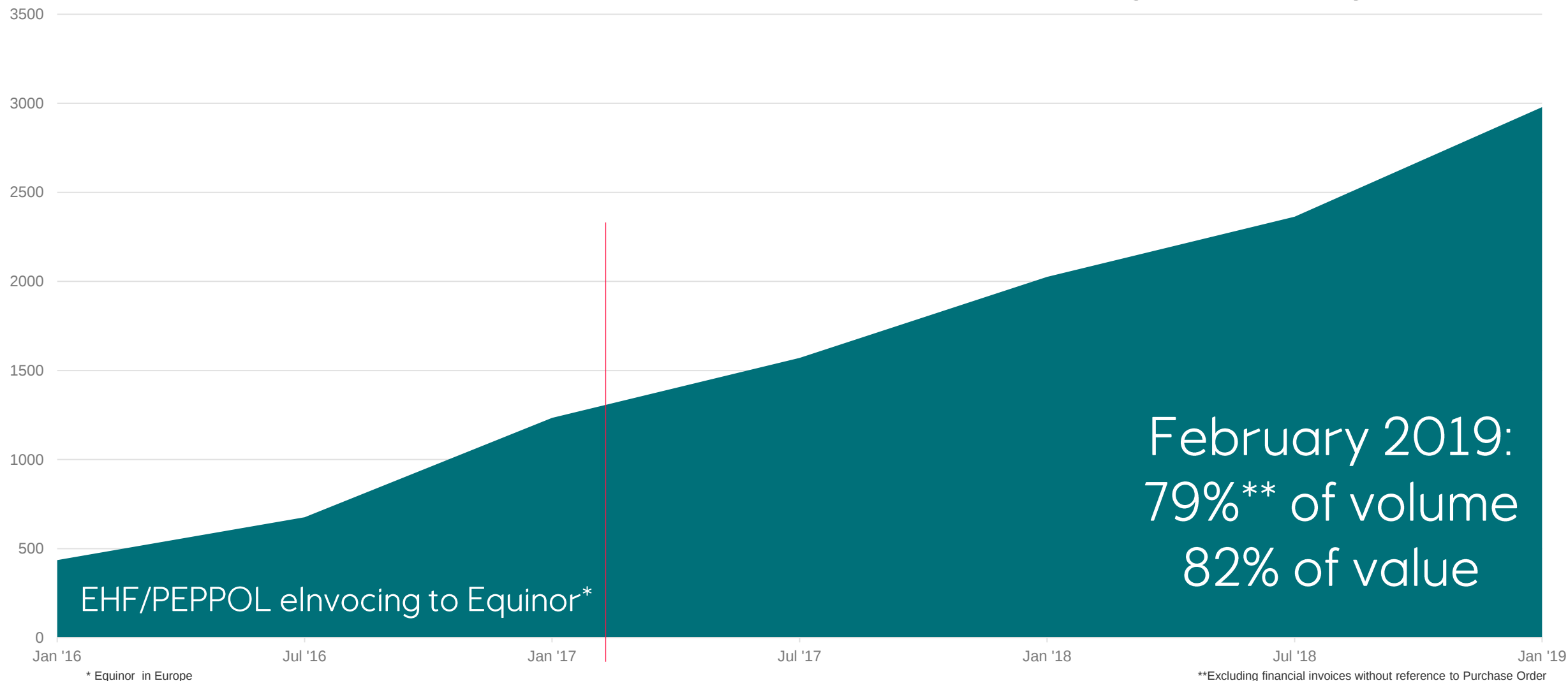
Statoil is experiencing better than expected growth of B2B enabled suppliers due to utilization of EHF/PEPPOL

- In February 2017 Statoil passed 1300 active suppliers on the EHF/PEPPOL B2B solution and is still growing
- Statoil is on track to achieve over 1500 active suppliers in total within May 2017, 12 months after sending letters to Norwegian suppliers demanding utilization of EHF/PEPPOL
- Even before Statoil actively promoted use of EHF/PEPPOL there was a steady growth of suppliers that self-onboarded wanting to utilize their EHF/PEPPOL capabilities
- The technical supplier enablement team has supported approx. 5% of the suppliers with significantly less efforts needed for follow up compared to previous solutions

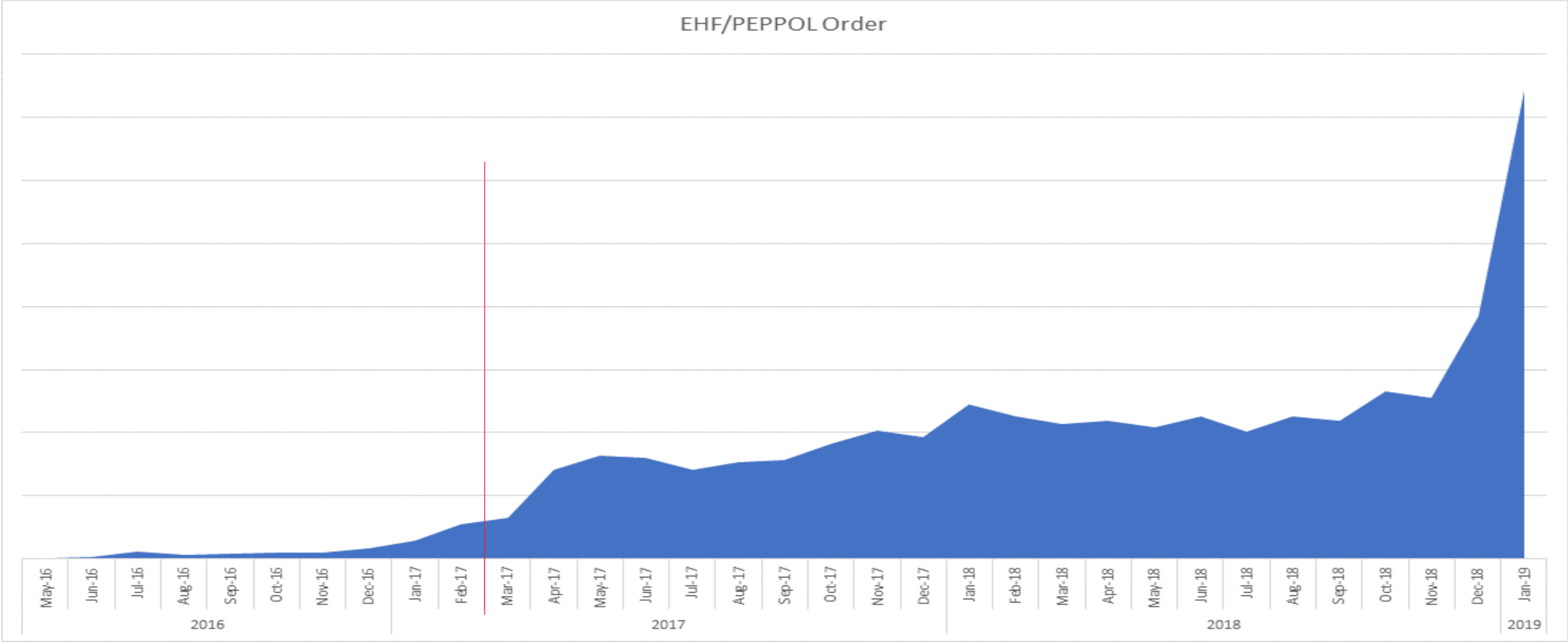
15 Classification: Open 8 mars 2017 © Statoil ASA



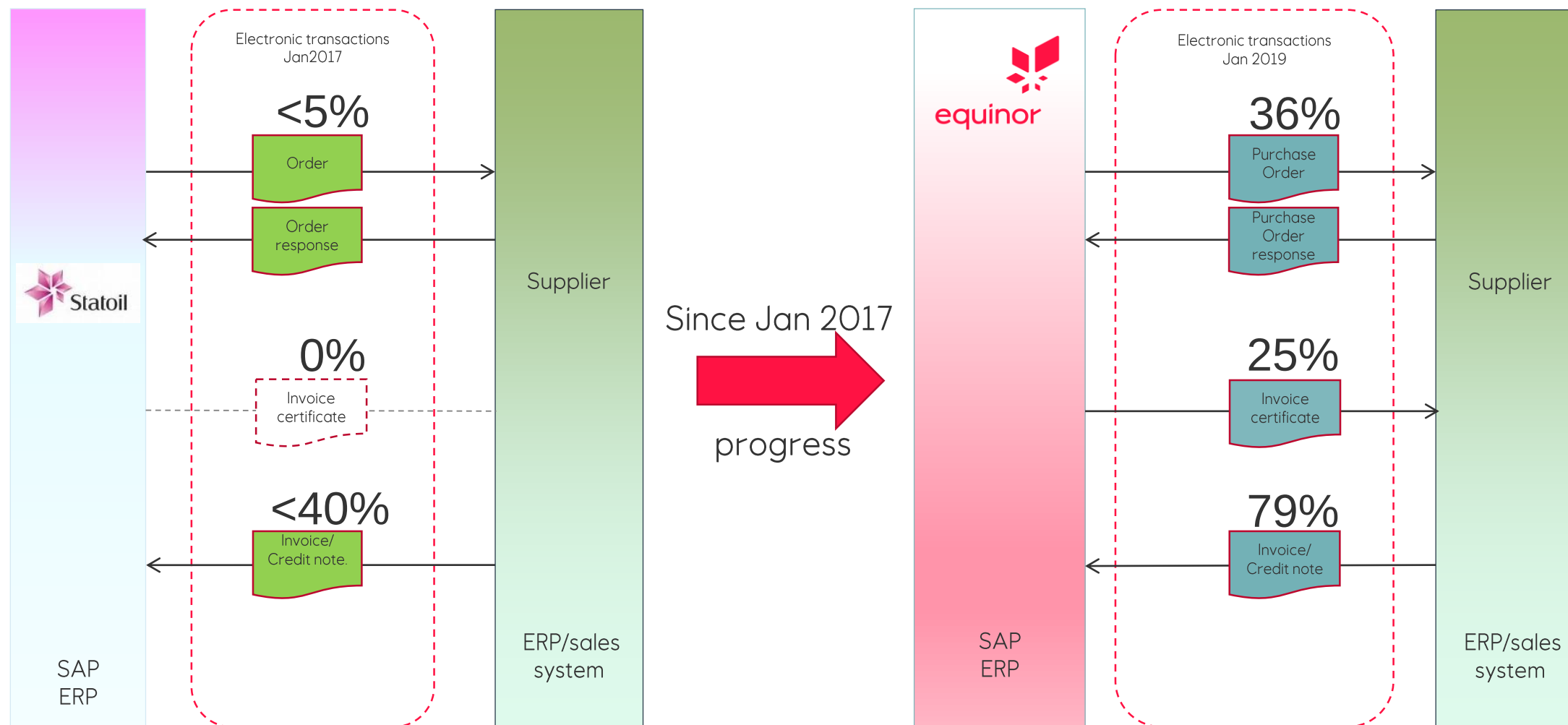
EHF/PEPPOL enabled unprecedented rapid adoption of digital exchange



EHF/PEPPOL electronic Purchase Orders are growing fast



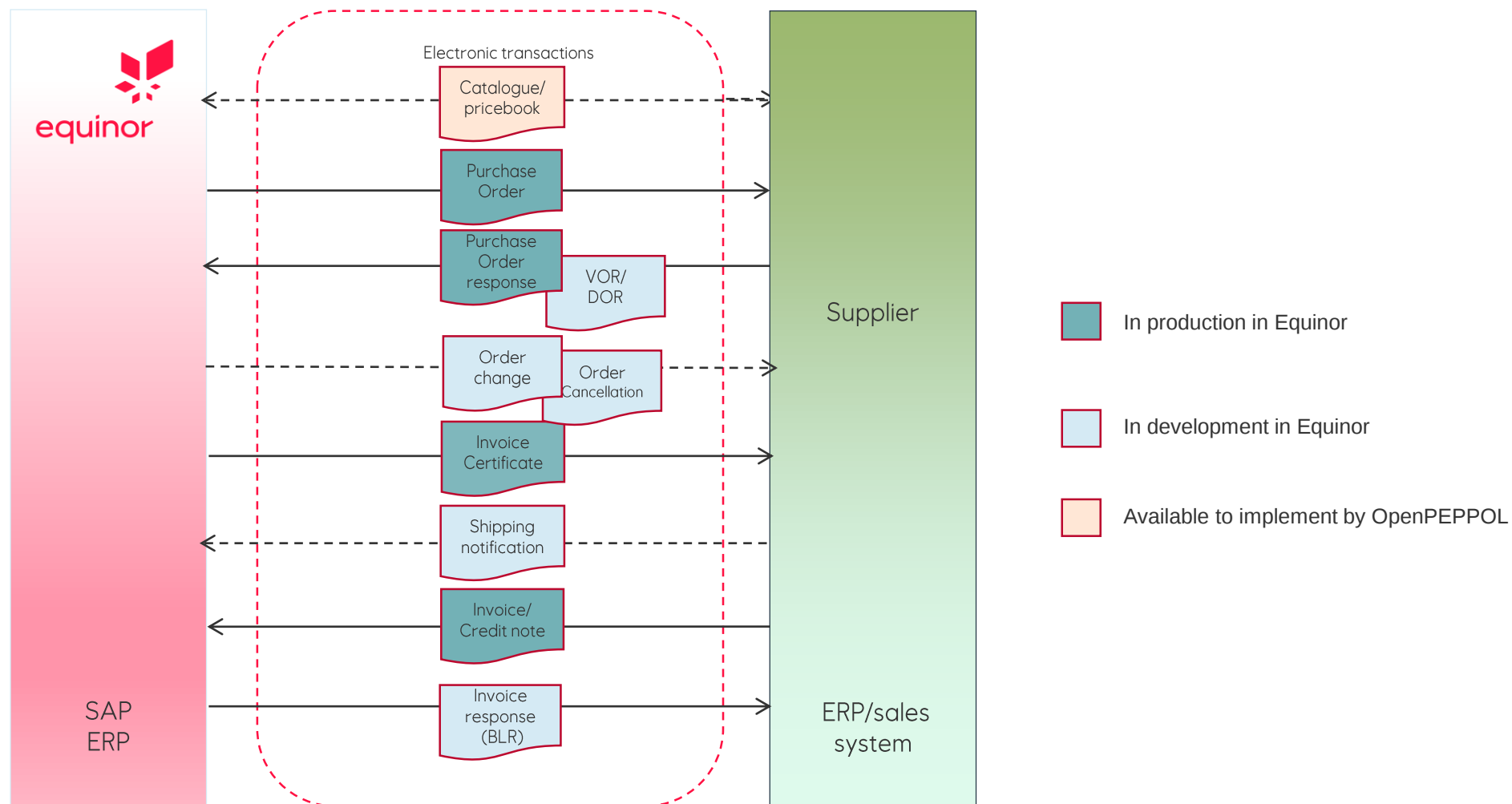
EHF/PEPPOL digital interaction with our suppliers February 2019



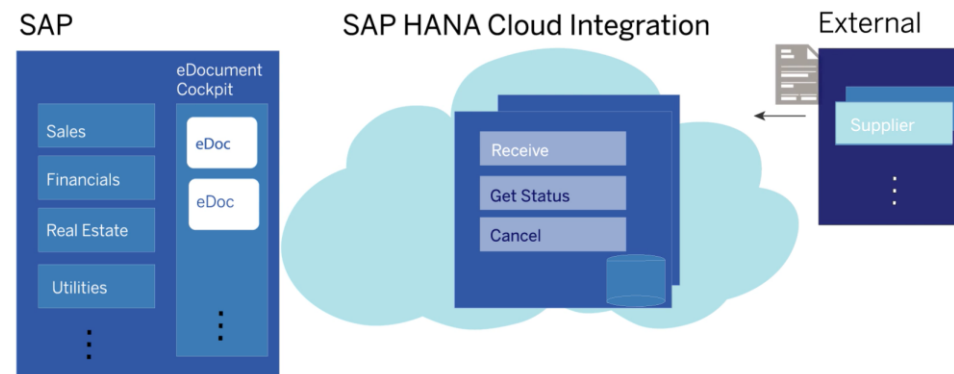
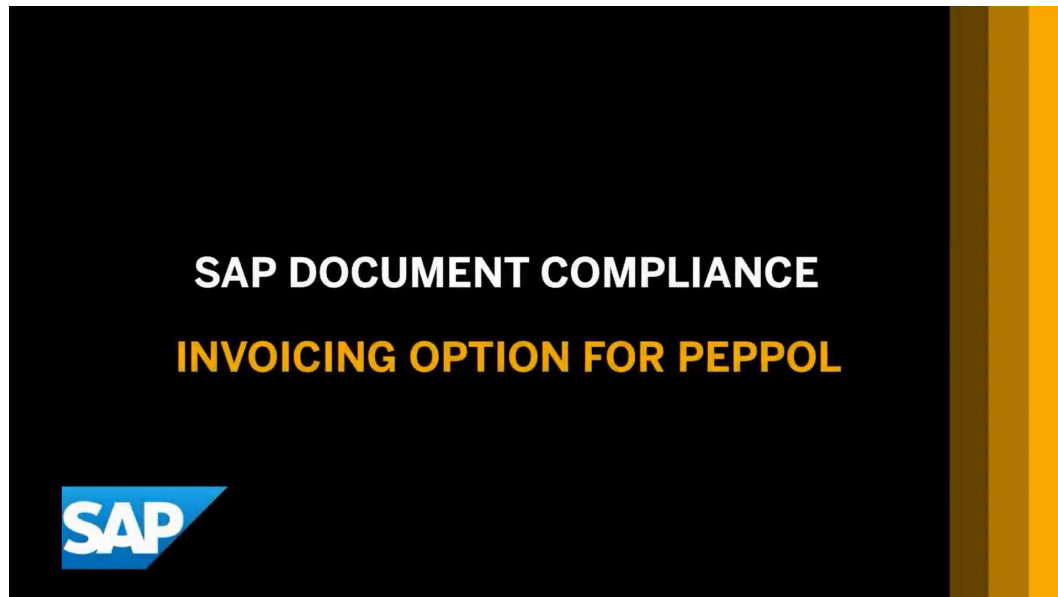
Equinor business priorities

- The business priority from for Equinor during 2016-2018 was to demand e-invoice for more business automation
- In 2019 will e-Order be in focus and to us PEPPOL across borders
- In parallel there are several message types that will improve Equinor's digitalisation interaction with the suppliers
- The 4-corner model behind the PEPPOL eDelivery infrastructure has proven its ability as a functional, low cost supplier network for b2b interaction

But we can digitize much more...



What is SAP doing: SAP eDocument - support for PEPPOL



<https://www.youtube.com/watch?v=75vmorRFQJY>

SAP DOCUMENT COMPLIANCE

INVOICING OPTION FOR PEPPOL



PEPPOL international invoicing

- The UBL message standard (foundation for EHF/PEPPOL) has gained an international reach (incl several Latin American countries, Australia, New Zealand)
- A work group for PEPPOL international invoicing specification has been kicked off after an initiative from Singapore, Australia, New Zealand
- Among the participants are Equinor, SAP, IBM, authorities from several countries and several other service providers



PEPPOL International Invoicing

Where we are

- Exploration
 - Development and production
 - Refining and processing
 - Marketing and trading
-
- Operator of assets
 - Joint venture
 - Presence



Strong focus on digital supplier interface using electronic commerce format

- Why we should put digital supplier interface on the digital agenda:

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Compliance with
authorities

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High NPV and ROI

Evergreen format via
open source
specifications

Possibly the only
digital initiative
exposed to all
suppliers

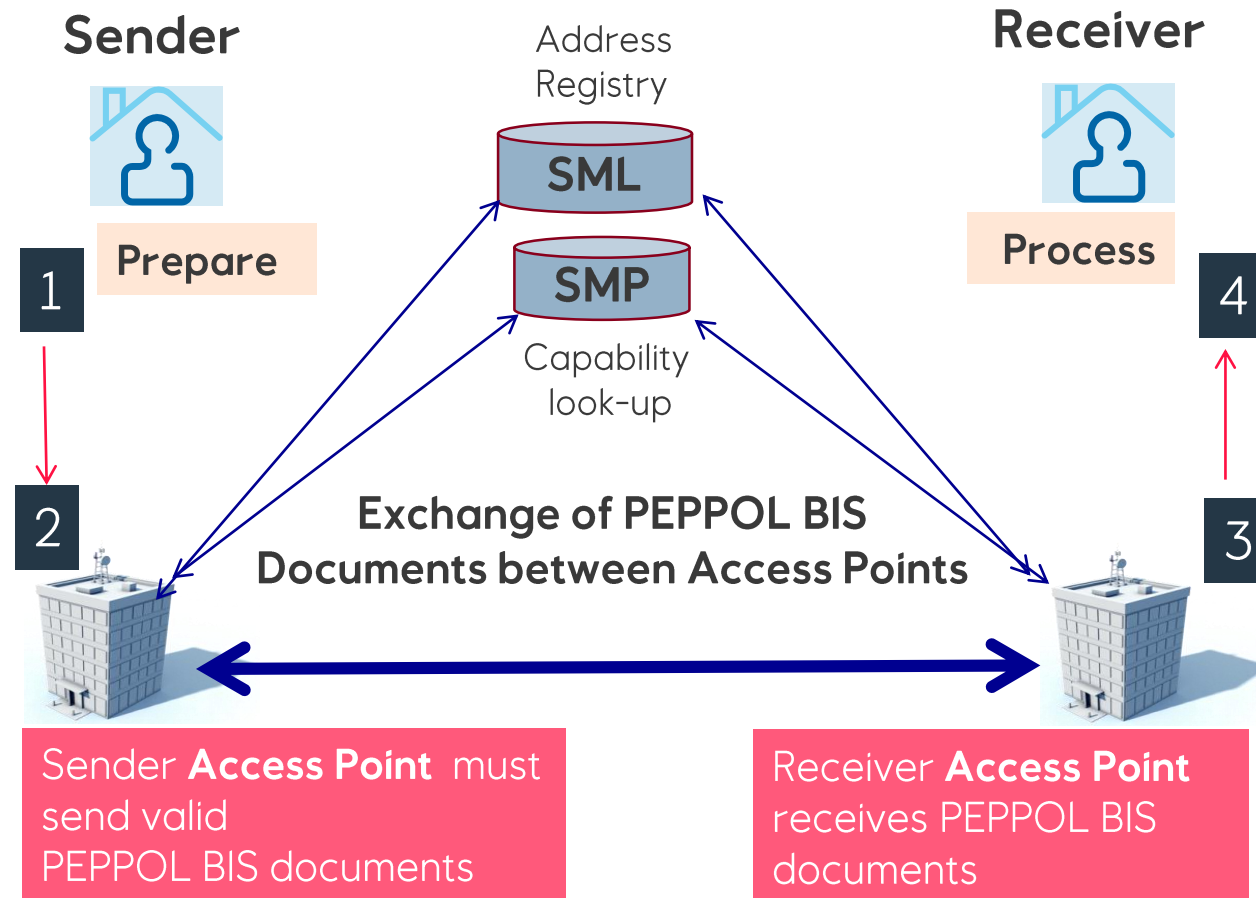
No commercial
lock-in; can be used
with any future ERP
solution

Equinor won't become
fully digital if we
maintain outdated
manual requirements

Foundation for
automation, planning
and data mining

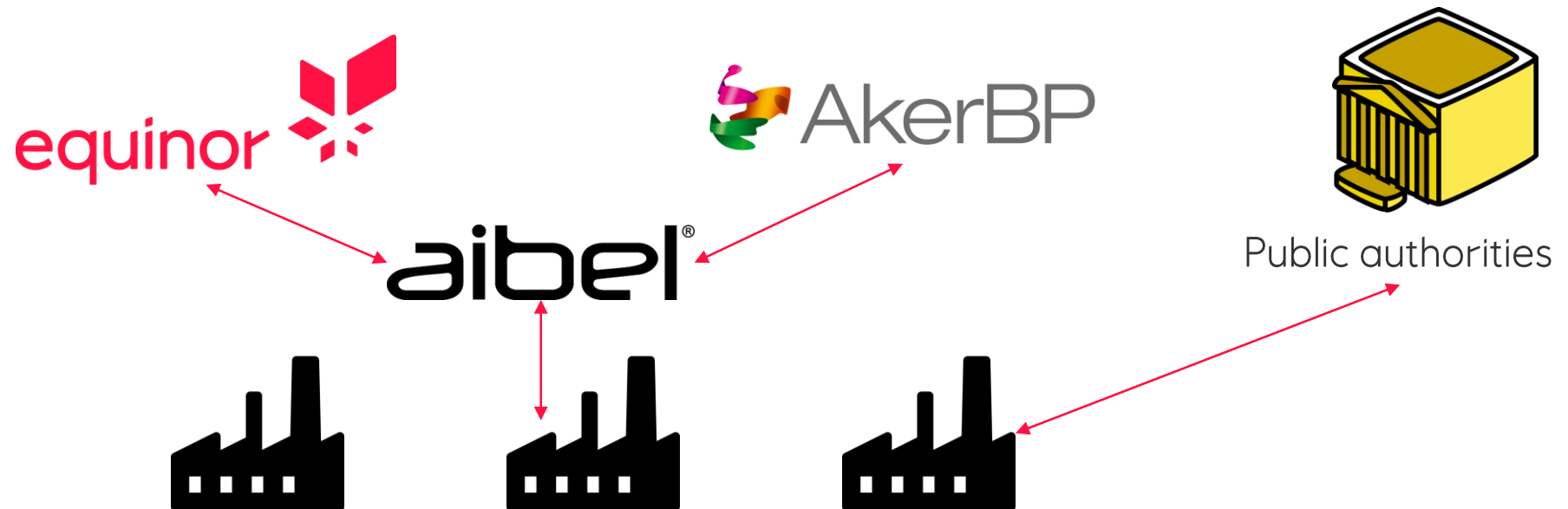
PEPPOL eDelivery network features, (the 4 corner model)

- Free to choose ANY Access Point in ANY country
- Sign ONE Agreement; Connect to ALL
- Open FOUR-corner model
- NO ROAMING fees between PEPPOL Access Points

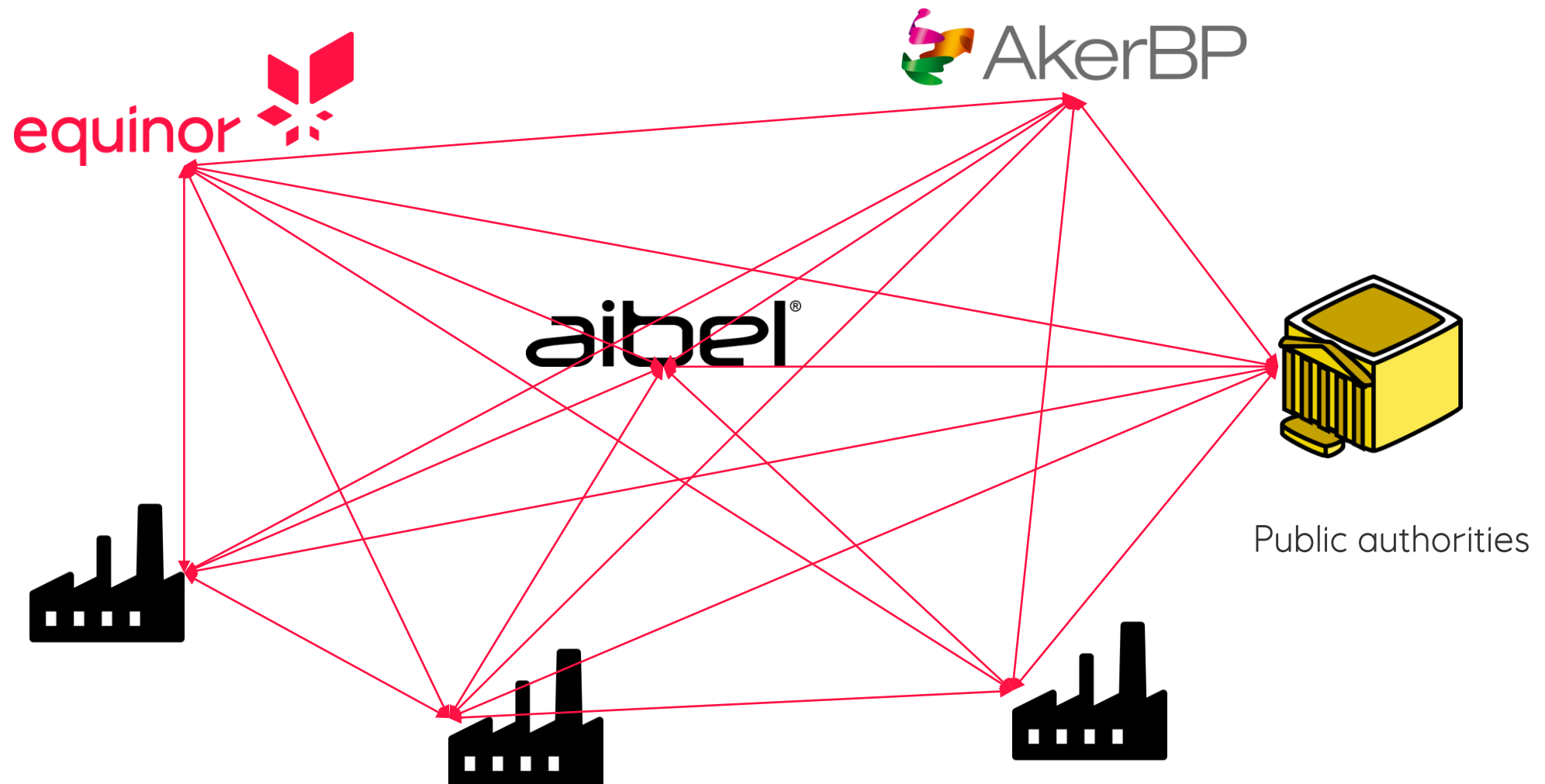


Benefits with PEPPOL (incl EHF)

- The true gem is the PEPPOL eDelivery infrastructure that make it quick and easy to implement – a single B2B connection for multipurpose usage
- Multiple access point providers and inexpensive to swap access point provider on a short notice
- Widely spread across industries sectors, public and private domains



Benefits with the PEPPOL 4-corner model





Digital interface with our suppliers using PEPPOL

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Responsibilities; e-commerce via PEPPOL

