TRP Improvement Project

TREASURY RE-DESIGNED

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We are Equinor

Shaping the future of energy

Driven by purpose:

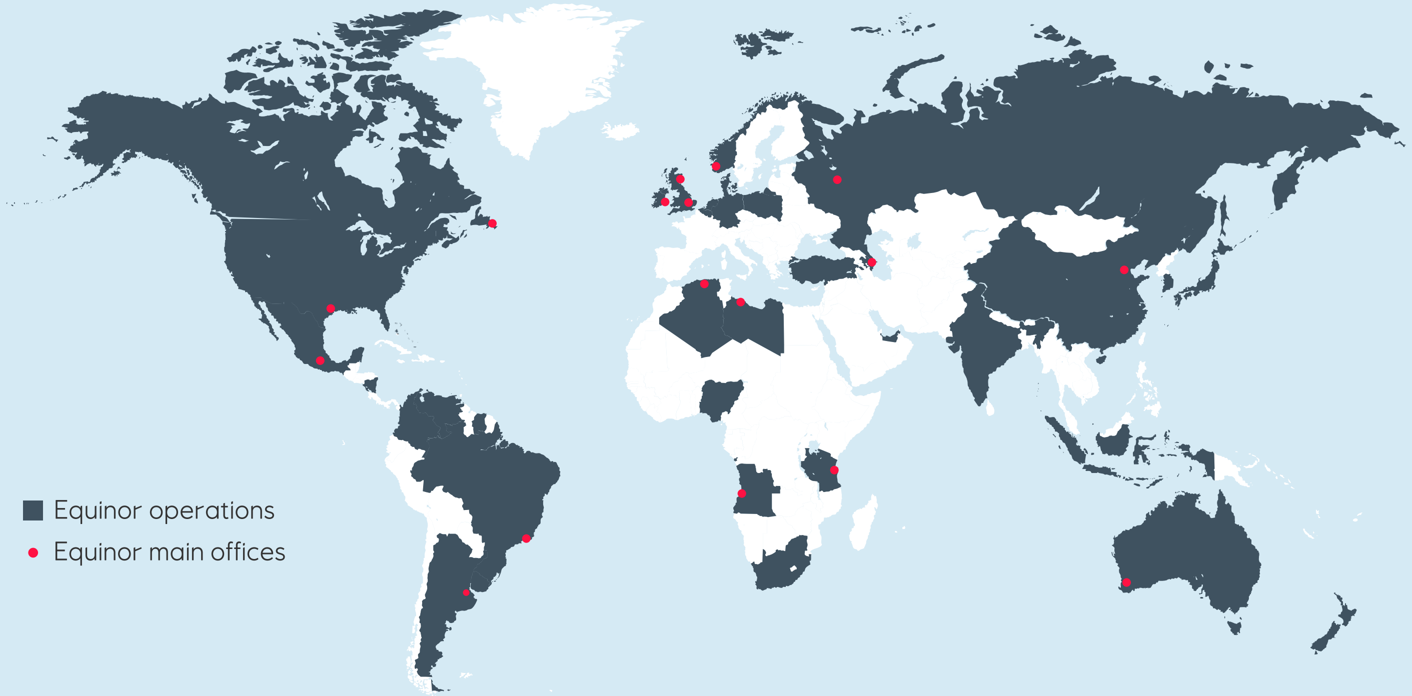
Turning natural resources into energy for people and progress for society

Inspired by vision:

Shaping the future of energy

Guided by values:

Open, collaborative, courageous and caring



Key facts and numbers:

	250 Legal entities	5 Main CM Banks	1 SAP Inhouse-Cash
99,5% Payments successful	650 Billion USD	700 Bank accounts	5000 Treasury deals

Pre-study

- Effective control of group cash
- High degree of compliance and security
- High level of operational understanding and process control

IT Roadmap TRP
Equinor & Nasarius

- Outdated tools with Equinor specific compensating fixes
- Lack of timely and automated decision information
- Best practice process gaps
- Complex internal communication

- High and increasing manual workload
- Higher transaction cost
- Higher maintenance cost
- Leading to reactive behaviour

Treasury vision

Effective, efficient and future proof treasury management supporting Equinor's global needs

High level scope

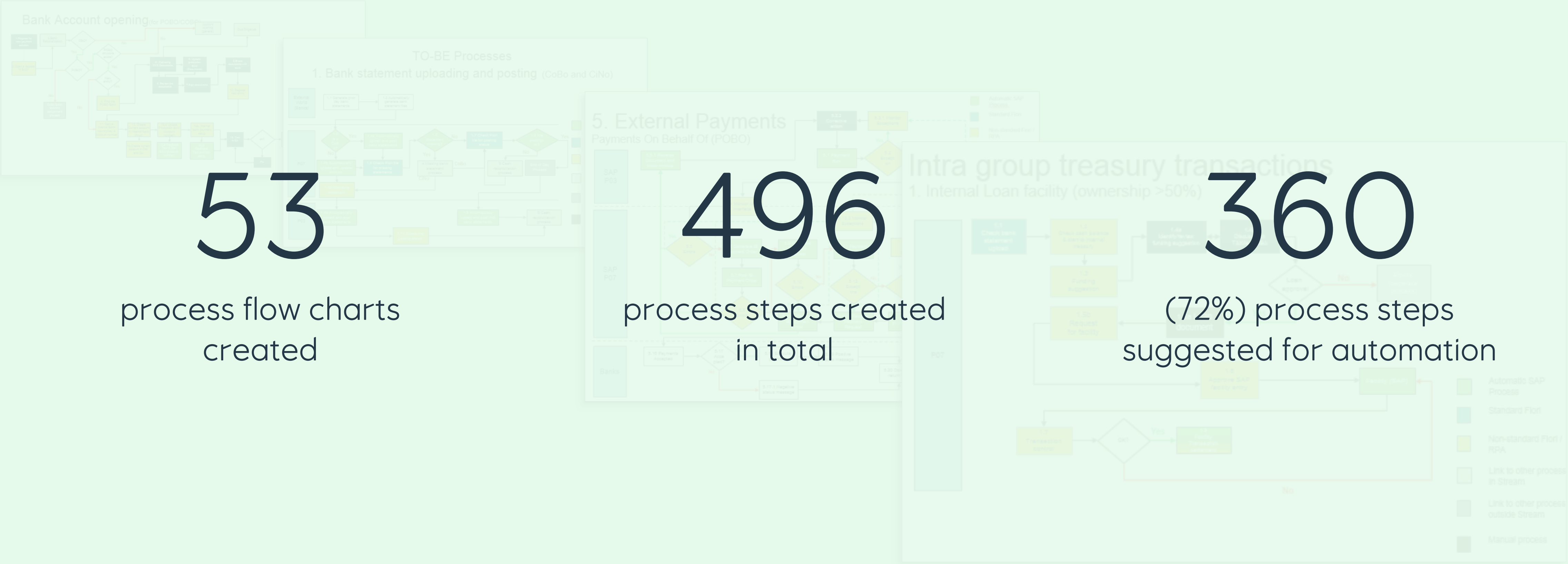
1 Re-design of all treasury and payment processes including "on behalf of" solution for both payables and receivables

- Virtual Accounts included

2 Move to latest SAP technology (S/4HANA) utilizing Fiori applications

3 Implement extensive level of automation

Re-design of all treasury and payment processes



53

process flow charts created

496

process steps created in total

360

(72%) process steps suggested for automation

Approach

Value added	Processes	System infrastructure	Organisation
• What are the customer needs? • Which products & services are offered?	• How can the customer needs be best provided?	• Which tools are needed to support the processes?	• Who can best provide the products and services? • Which organizational structure is best fit for purpose?

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Project timeline

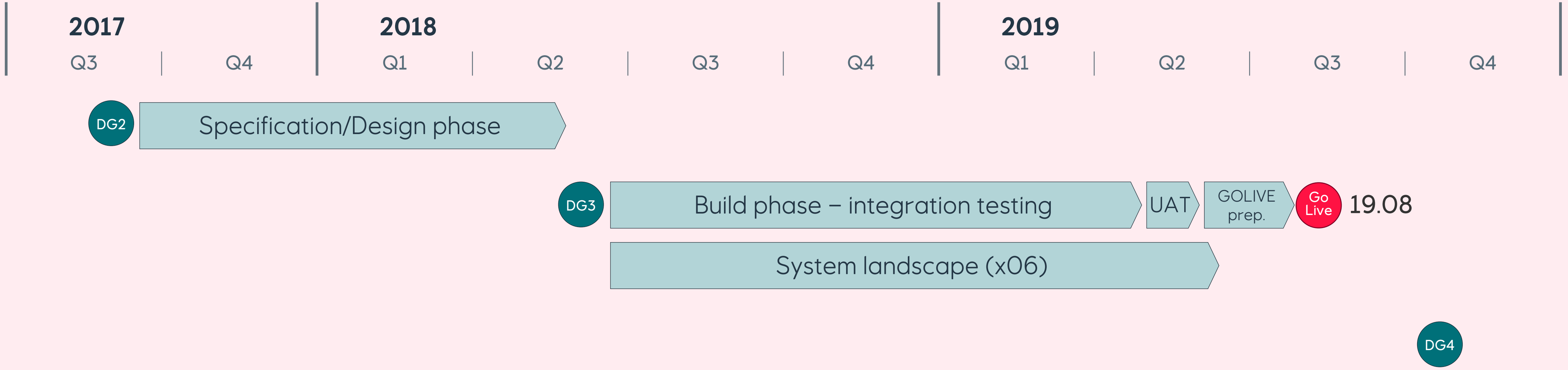
High level

Pre-study

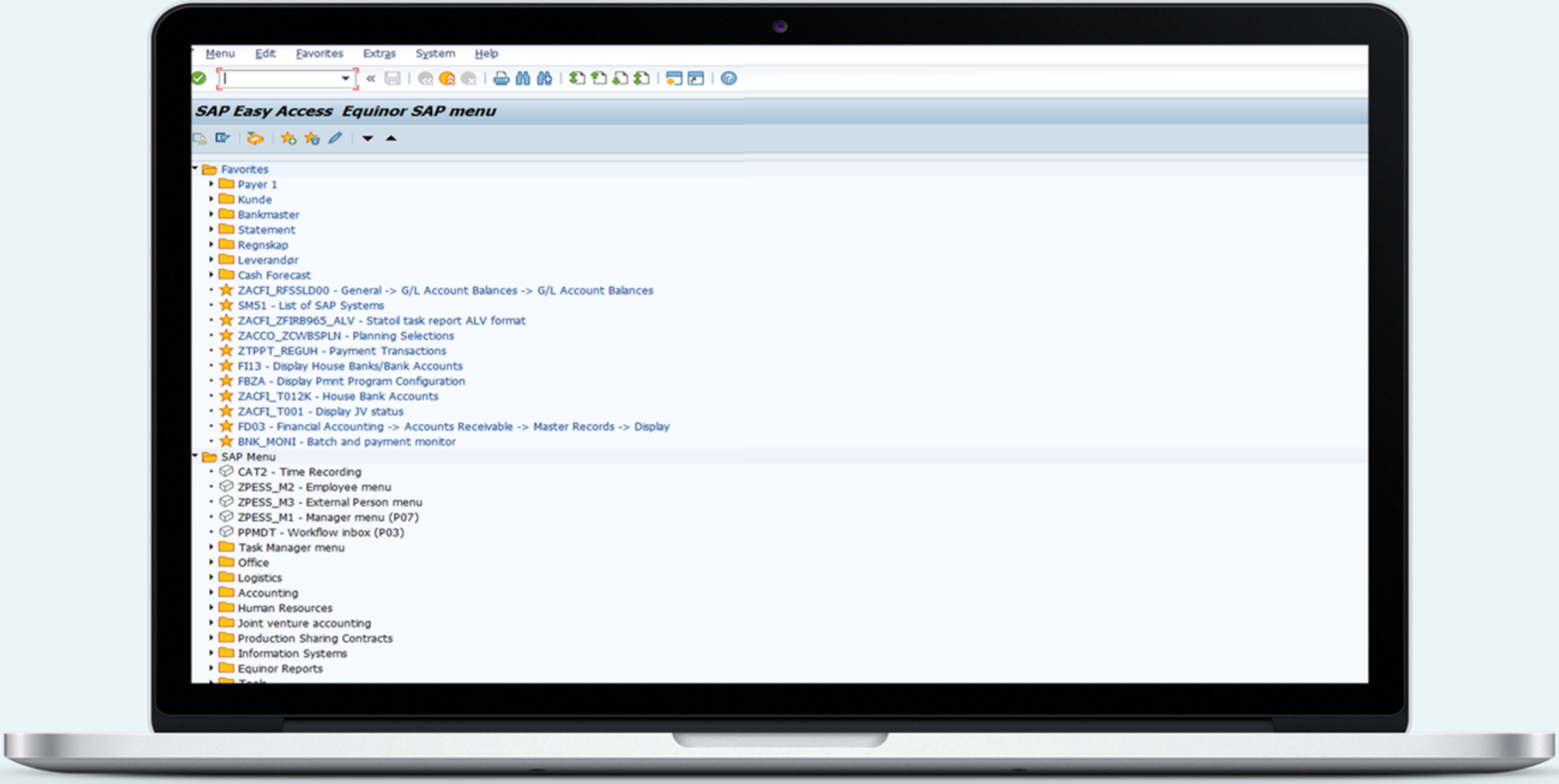
- Kick off - September 2016
- Presented - April 2017

Project

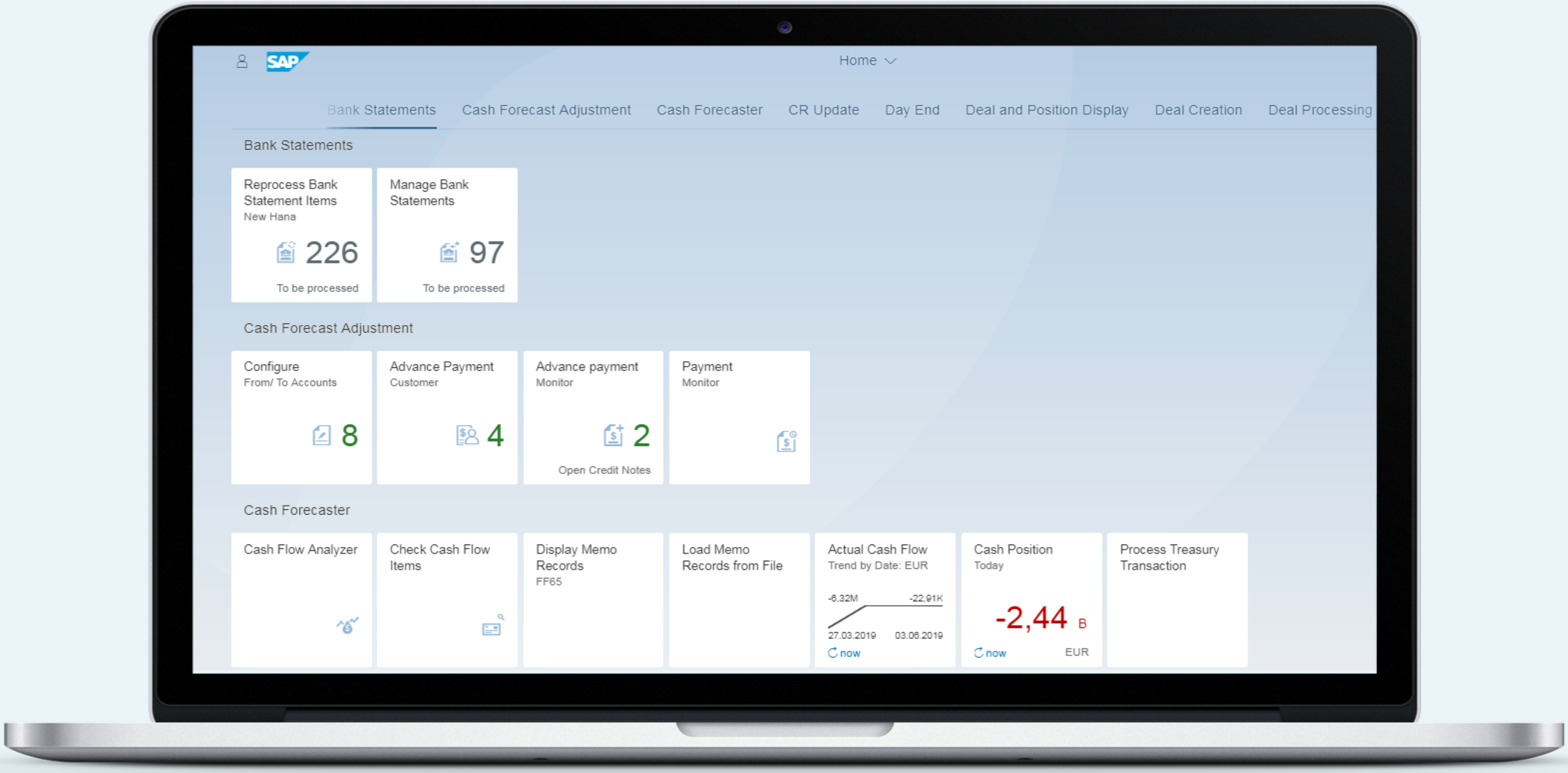
- Kick off - September 2017
- Go-live - August 2019
- Closed – January 2020



Old SAP user interface

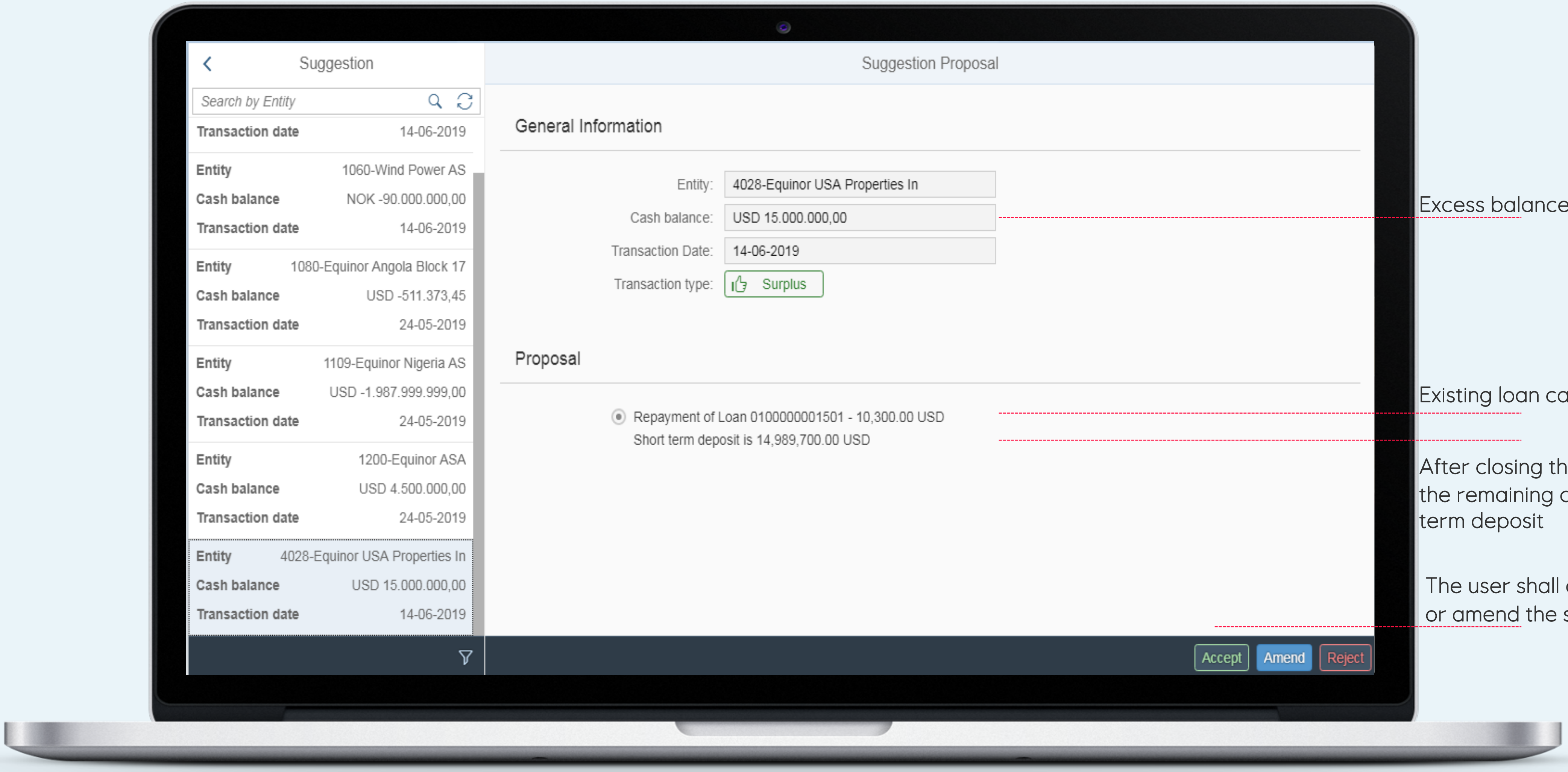


Fiori UX apps for user engagement with the process



Step 1: Automated derivation of standing bank balance per entity

Step 2: Suggestion presented to the user



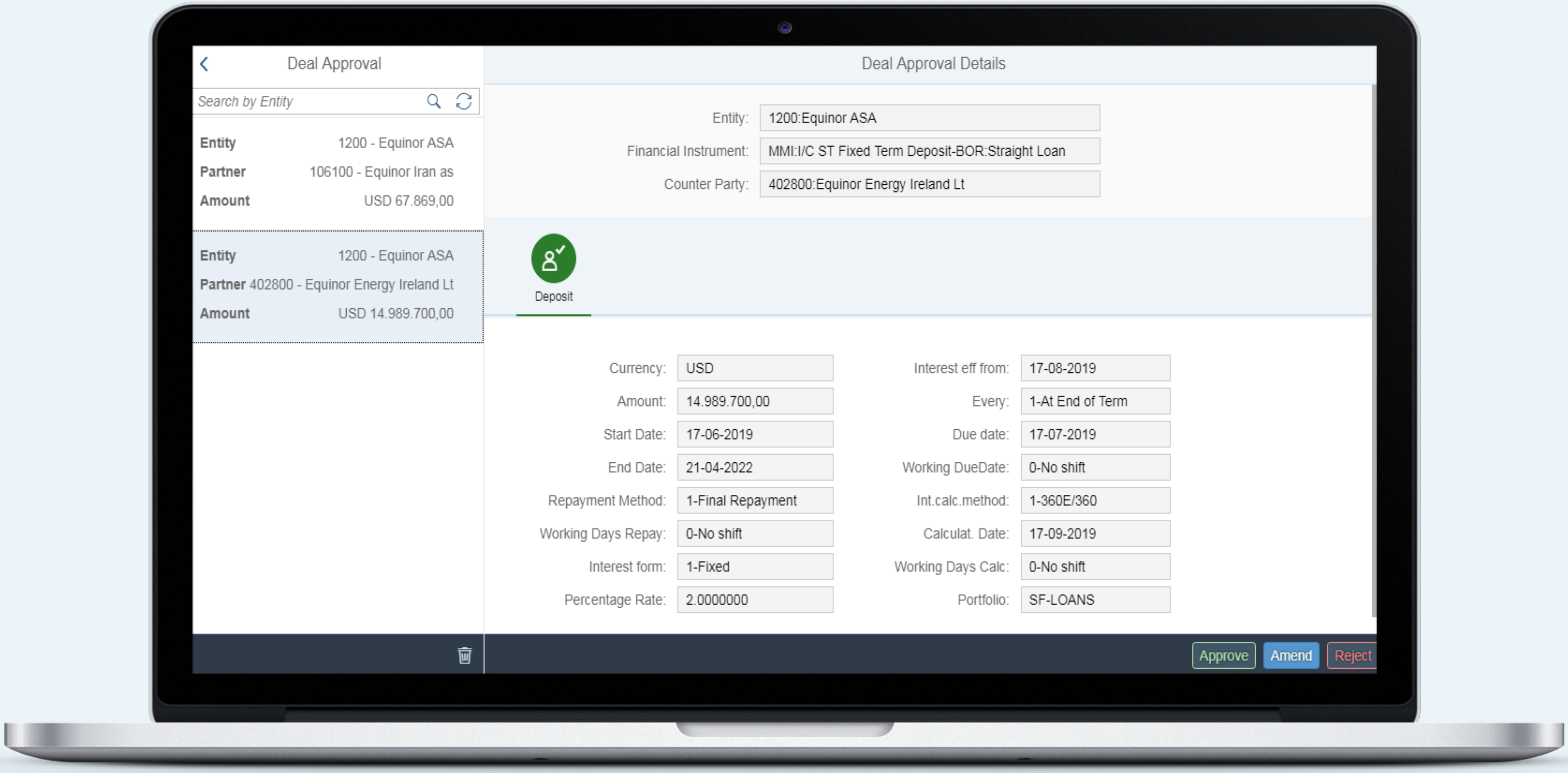
Excess balance identified

Existing loan can be repaid

After closing the existing loan, the remaining can be a short term deposit

The user shall accept, reject or amend the suggestion

Step 3: Automated deal creation for short term deposit in SAP



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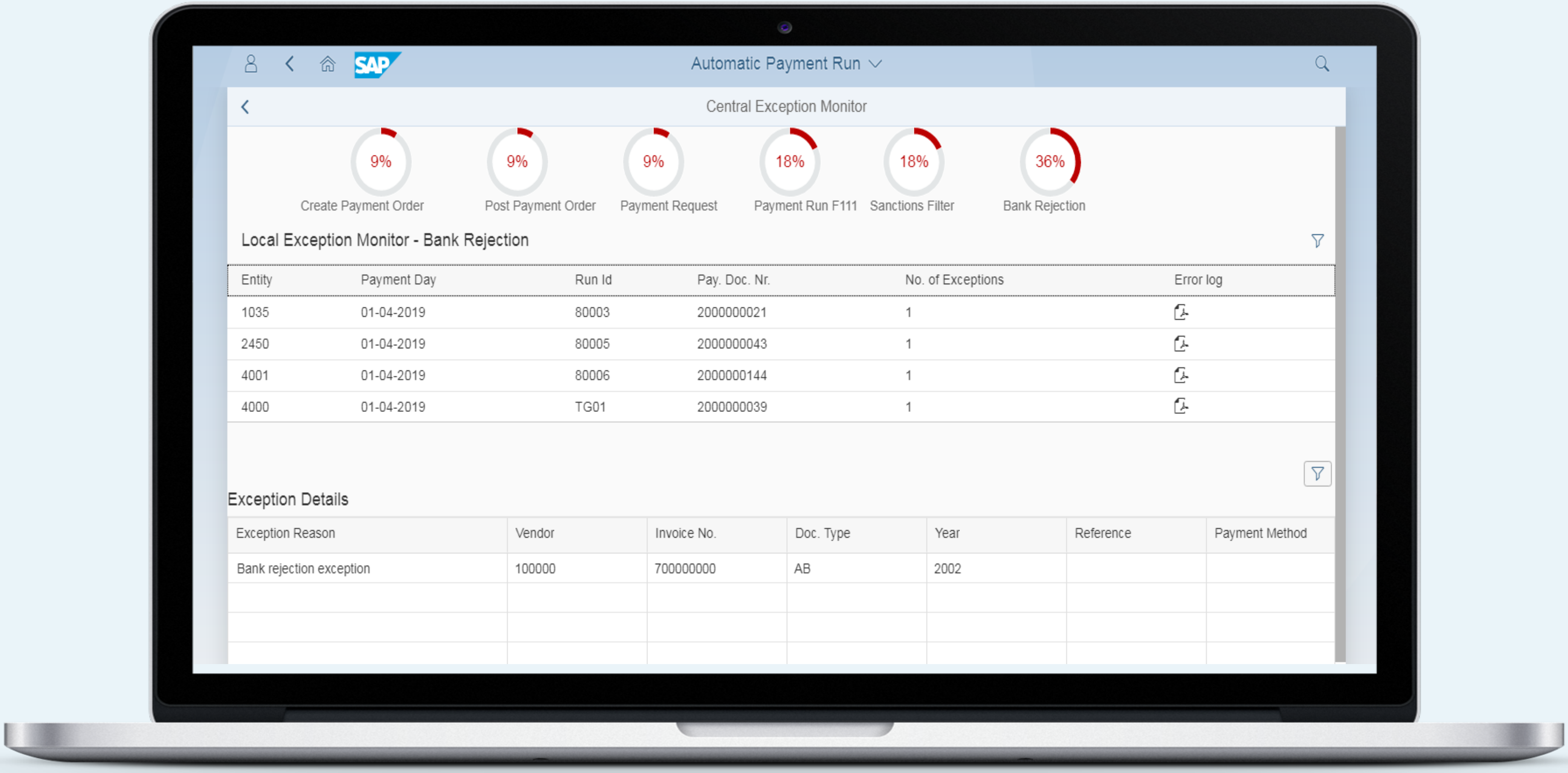
Fully automated payment process ensures the transactions are paid and reconciled



Visualisation and automation – new user experience and efficient way of working

Learnings and recommendations

- Quality in detailed design is key for success.
- Ambitious scope increased complexity, but will also increase benefits
- Close interaction across business and IT is required when changing ERP system
- Allocate sufficient time, capacity and competence. Consider internal resources capacity for daily vs project deliveries
- Involve organization in the change journey requiring a mindset shift for all involved people. Change management is key.
- Automation should be based on optimized processes
- Adjust organization to be fit for purpose

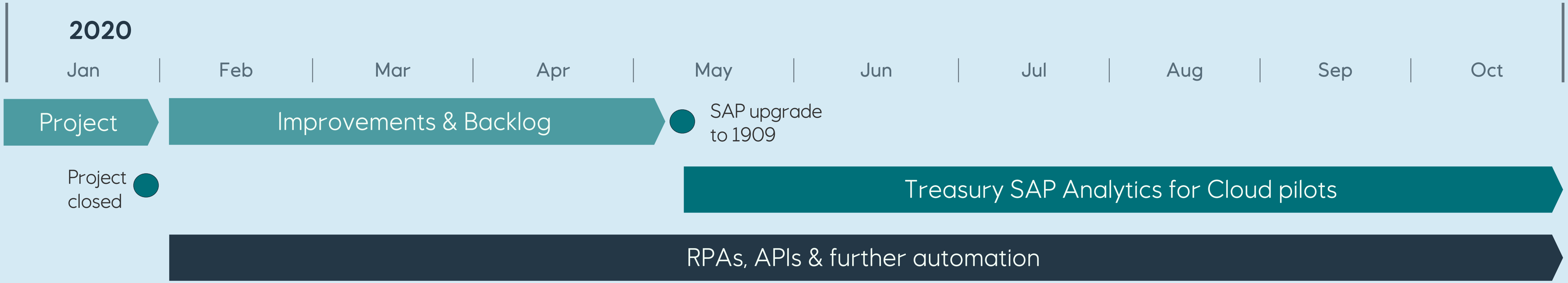
Way Forward

Focus

- Improvements and Backlog implementation
- SAP Analytics for Cloud for Treasury reporting
- RPAs, APIs and further automation
- New ways of working
- API/APP strategy
- Realizing the business case

Timeline

- Project closed in January 2020
- SAP upgraded to 1909 in May 2020
- Pilot SAP Analytics for Cloud (SAC) for non-Treasury reports & dashboards in 2020
- Roll out SAC for Treasury reporting and dashboards in 2021



TRP solutions team

- ***Ambition:*** enable value creation through technology
- ***Purpose:*** Support and evolve the TRP business by implementing effective, efficient and future proof solutions
- ***Internal and external team members;***
  - Secure internal competence
  - Access to external perspectives
  - Scalability
- ***Cross functional team***
  - F&C
  - IT
  - Solution architects
  - Programming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Digitalisation is not a one off effort,
it´s an ongoing journey....

Thank you

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