

The Journey towards an improved digital foundation for the business

Powered by SAP S/4

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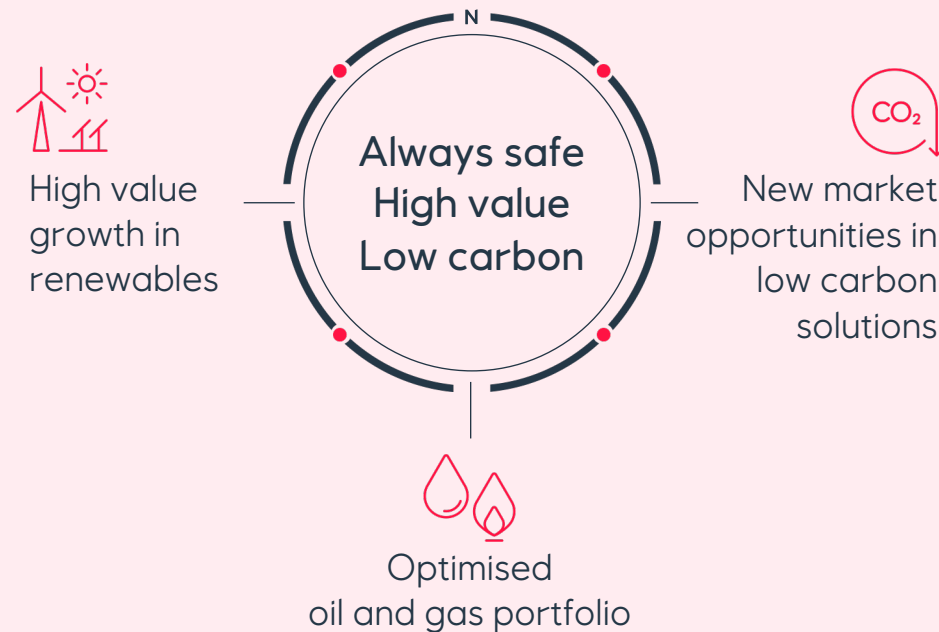
A leading company in the energy transition

Turning natural resources into energy for people, and progress for society

Why we are changing

-  Creating value through the energy transition
-  Net-zero ambition gives new industry opportunities
-  Technology excellence and innovation define winners
-  Market dynamics set margins under pressure

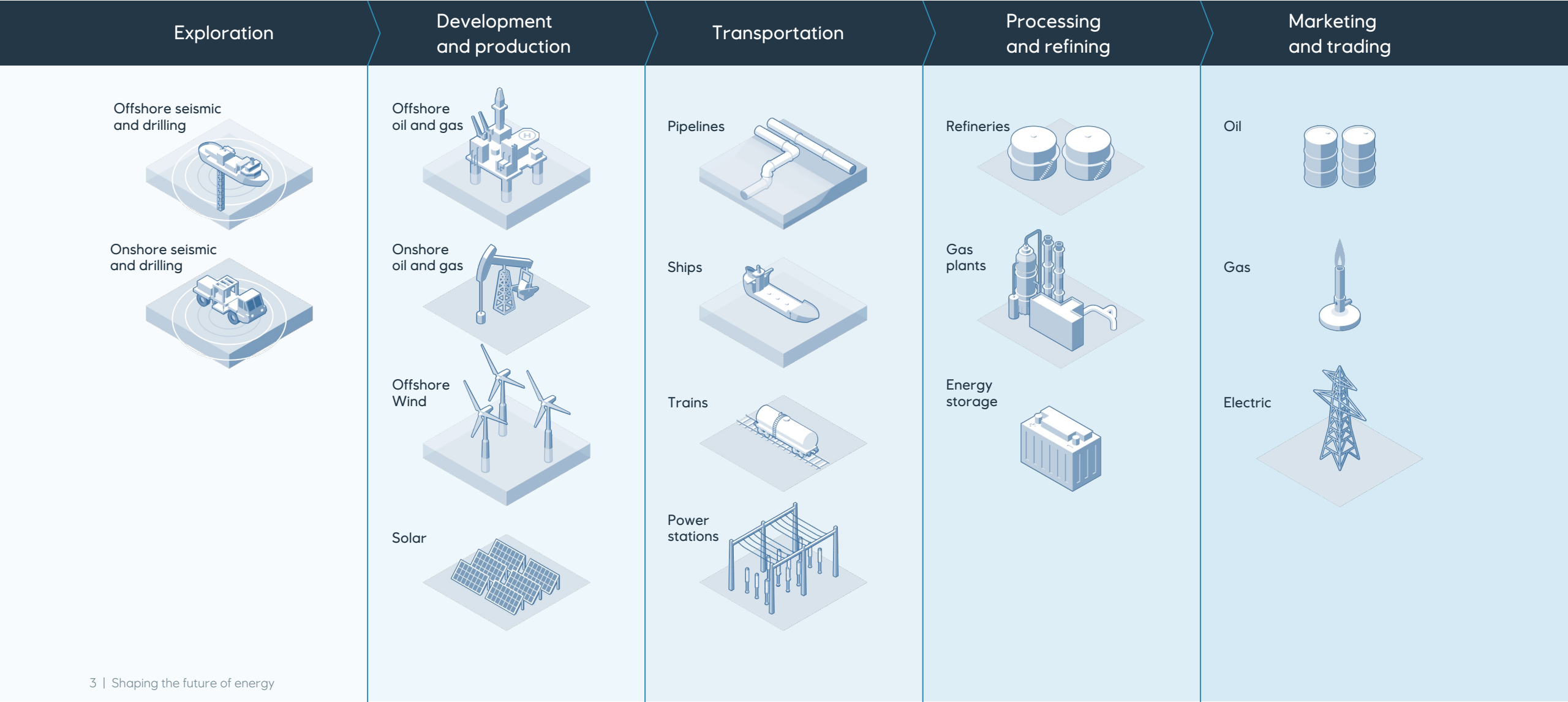
Accelerating our transition



How we will get there - together

-  Safe and secure operations
-  Guided by our values
-  Building on competencies and our experience
-  Together as one team – engaging partners and society

Our value chain



ERP in Equinor

Enables the following global business processes:

- Operations, Maintenance & Modifications.
- Finance & Control and Treasury & Payment
- Supply Chain Management
- Human Resources

A seamless transaction machine

- 350 000 yearly maintenance orders
- 1 mill payments yearly
- xxx BNOK procurement spend is managed yearly in SAP

Highly customized over 25 years

- 8 Mill lines of custom code
- 15 000 custom data tables



25 years with SAP



Single instance globally across all business areas



Moved to ERP on Hana in 2018



Moved to «the cloud» in 2020

Strategy and approach

The six strategic pillars for Equinor's ERP journey are:



Business led – Focus on holistic business outcomes and value, increasing transparency to business lines



Holistic approach – prioritise, sequence programs and projects in order to maximise value



Capability building – ensure future pace of change by building the right future capabilities



Change management – new ways of working based on digital core modernisation, with union involvement



Modernising the digital core – focus on standardisation, simplification and automation as a foundation for further evolution



Leveraging data and cognitive capabilities – drive business value by putting data to use

It's time to modernize the digital core - our key system of records (SAP)



TO ENSURE:

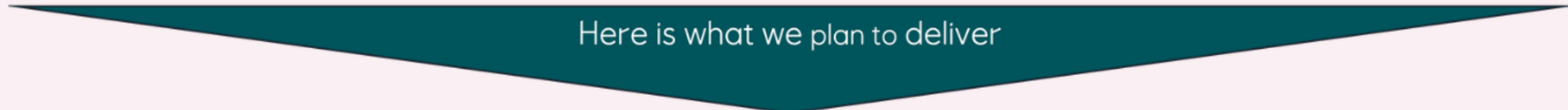
- Asset **Integrity**
- **Optimized** maintenance and **efficient** operations
- Cost **Control** and **Responsibility**
- **Compliance** – Licence to Operate
- Business **agility**

Where we are **today**

Overly complex enterprise architecture that are slow to update and functions on disconnected data and with varying processes.

Where we are **going**

A streamlined digital foundation using the cloud-based SAP S/4HANA system with core, common data and processes that give Equinor a competitive advantage.



Here is what we plan to deliver

Industry standard processes

- Finance
- Asset Management
- Supply Chain Management
- Time accounting

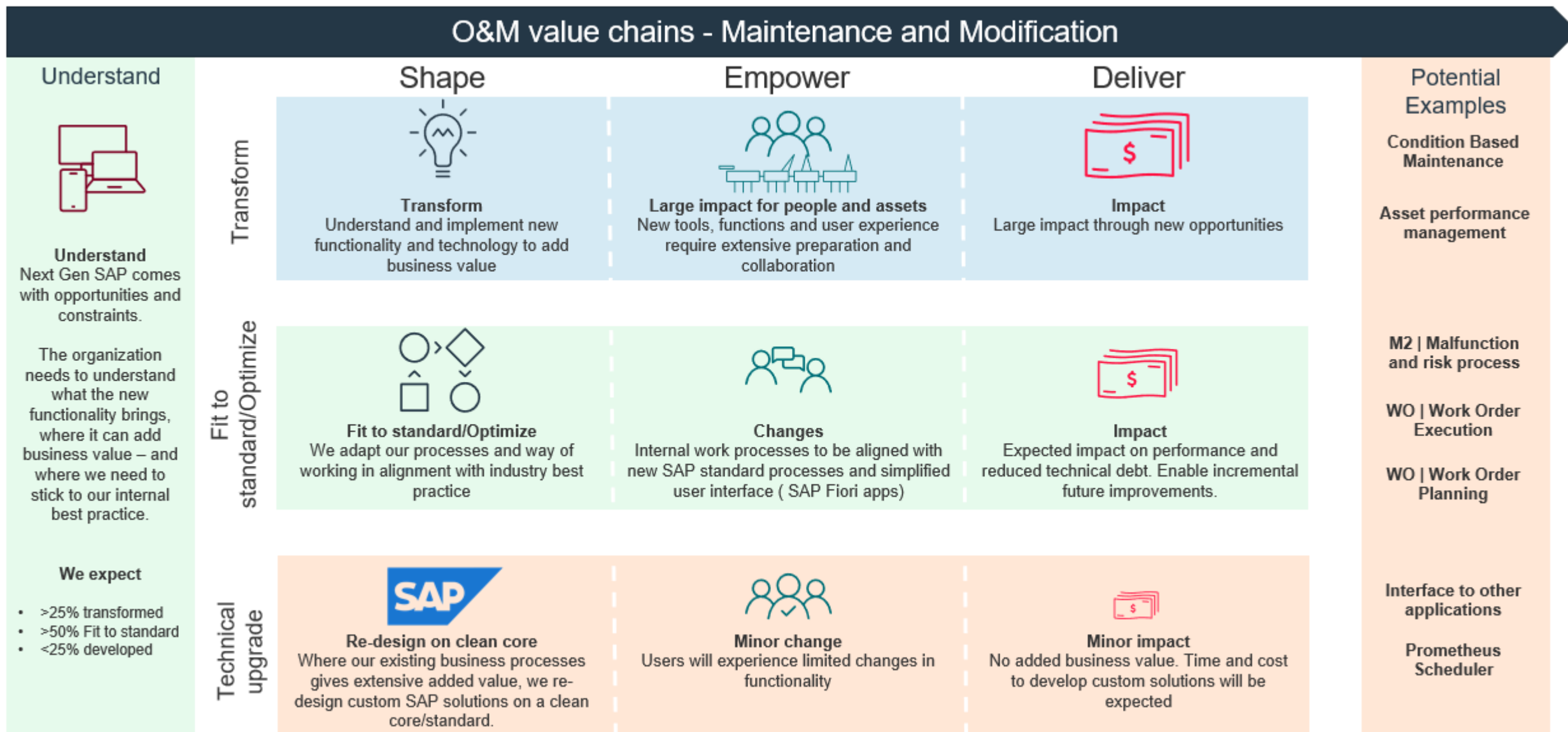
«Keep the core clean»

- SAP S/4HANA replaces Enterprise Resource Planning (ERP) system with a modern user interface
- Reduce technical debt by adding Equinor extensions on the side, to keep the S/4 core clean

Standard Equinor data

- Share standards from common information model
- Data management and integration
- Near real-time, forward-looking, embedded analytics

NextGen ERP O&M – Value proposition



NextGen ERP SCM – Strategic enabler

NextGen ERP enabling the PSR strategic response

Trusted – Business integrity

Zero tolerance for fraud, human rights- and business integrity – enabled by safe and secure ERP system

Competitive – Efficient

Efficient supply chains – NextGen ERP to facilitate automated R2P process to increase Efficiency

Innovative – ESG

NextGen to prepare for reporting and monitoring of decarbonization of the Supply Chain



Digital culture and tools

ERP as enabler to develop tools. Change the culture for a better understanding of importance of data quality

Availability of SCM data

To make SCM data available where you need it, when you need it in the right format

Data enabled decisions

Real time analytics to enable collaboration and taking the right decisions

An **efficient** Finance Function driven by **Intelligence, Insight, and Data**

Next Generation ERP (SAP)



Simplified and transparent F&C system and data **platform** with modern technology, improved data quality, integration and availability



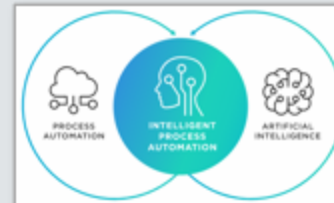
Real Time Insight



System embedded insight and foresight enable **actionable** and high quality **decisions**



Intelligent Automation



Intelligent automation, advanced analytics, and augmented technologies to supplement decision-making and smart process automation

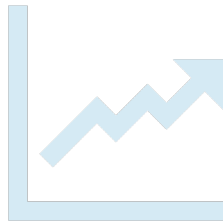


Compliance by Design

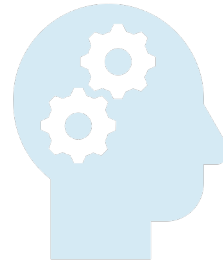


Embedded process and control automation with preventive controls and **continuous control and risk monitoring**

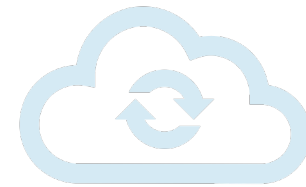
IT / Technical area - ambitions



Clean core
to achieve business agility

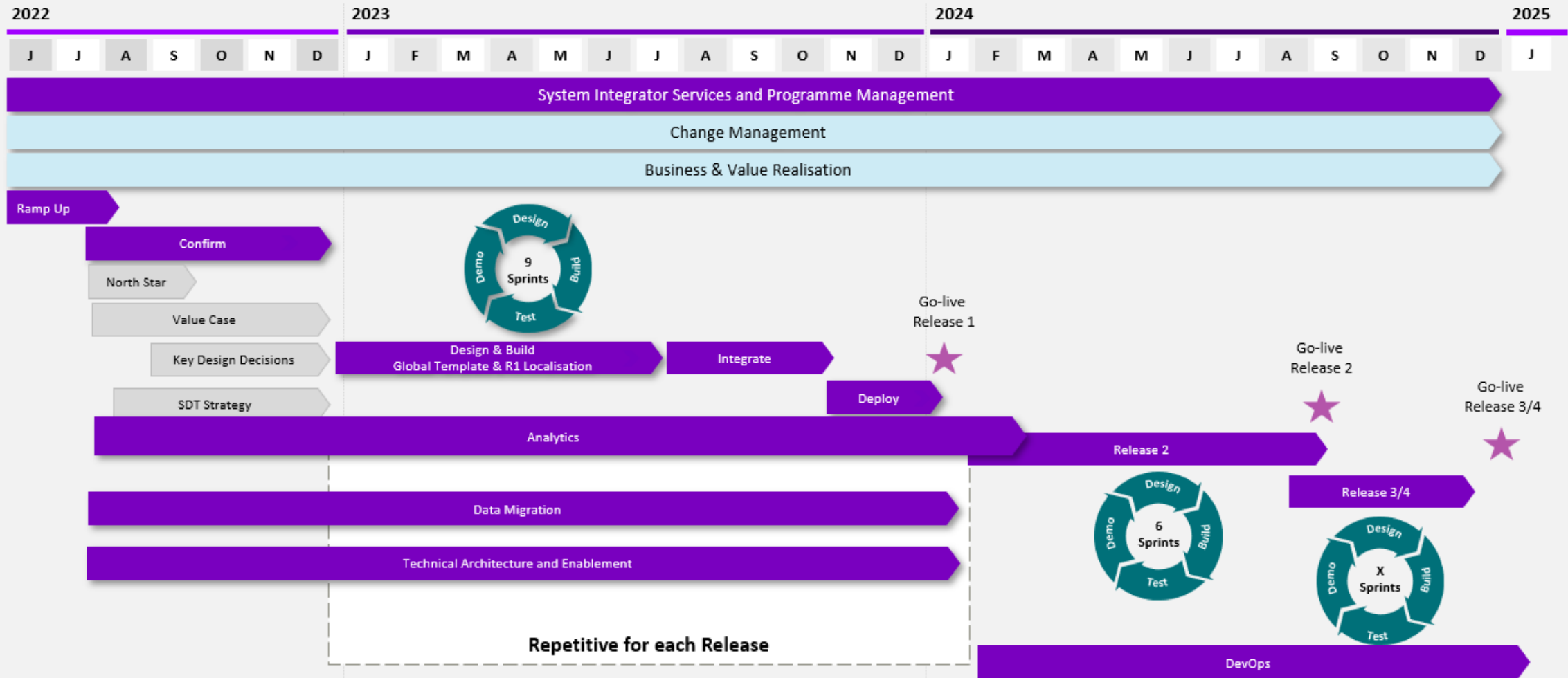


DevOps mindset
to increase quality and efficiency
to move towards CI/CD

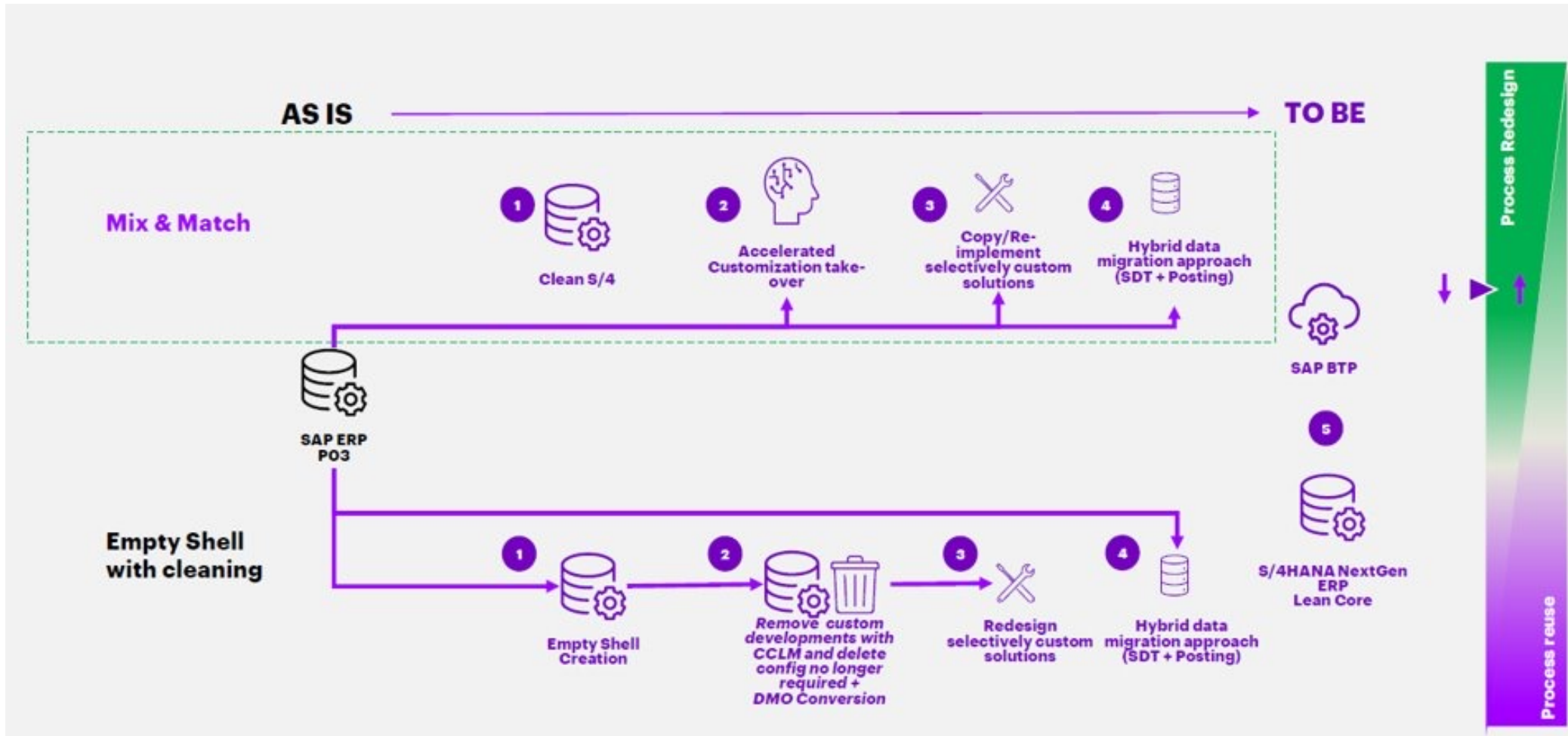


«SAP data open for business!»

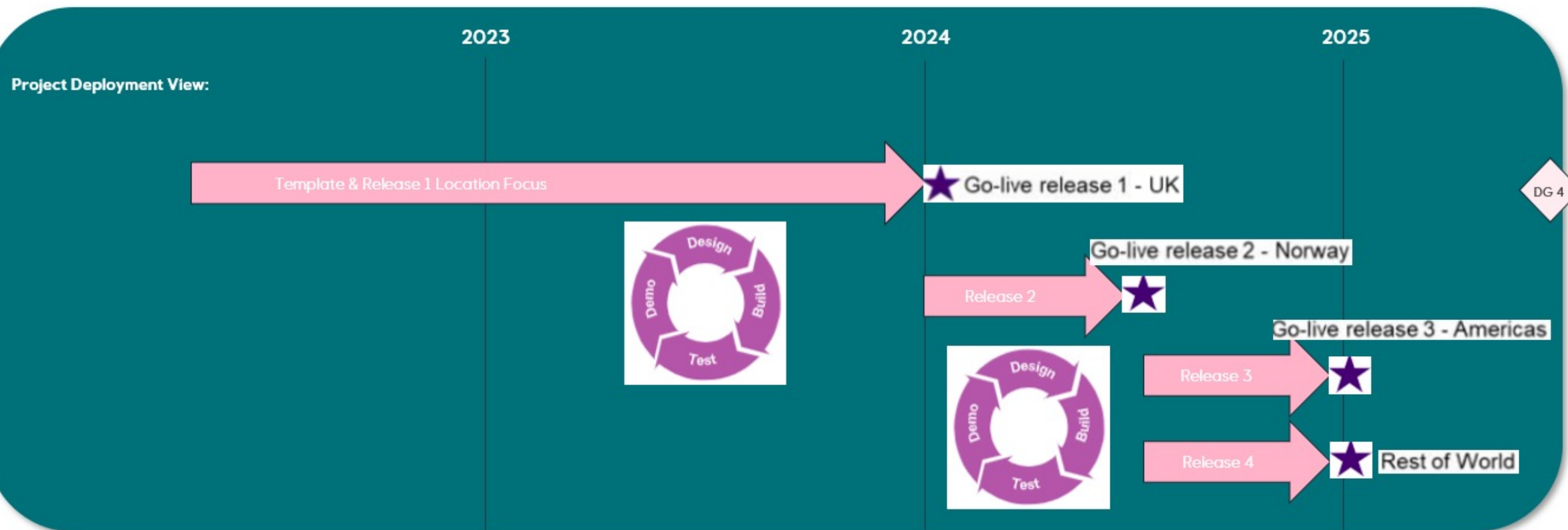
Current Plan



From ECC to S/4 -> Selective Data Transition (SDT)



High Level Deployment (GoLive) Plan – Indicative View



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