

Digitalization of the Supply Chain in Oil & Gas

Chris Welsh
CEO

What is OFS Portal?

- Established in 2000 by a group of ~20 globally diverse oilfield services Suppliers
- Best in Class Standard Interoperability Legal Framework for Digital Integration
- 400+ Oil Companies & NOCs
- 45+ eCommerce Networks
- Standard catalog process for all Suppliers & Operators
- Standard Transaction Management using open industry standards
- **Scalable supply chain digitalization for the global Oil & Gas industry**

Members

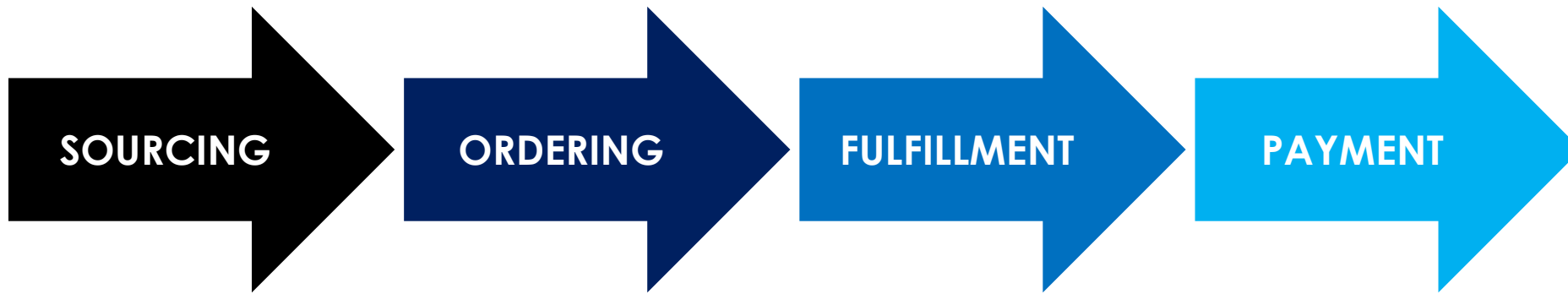


HALLIBURTON

Schlumberger

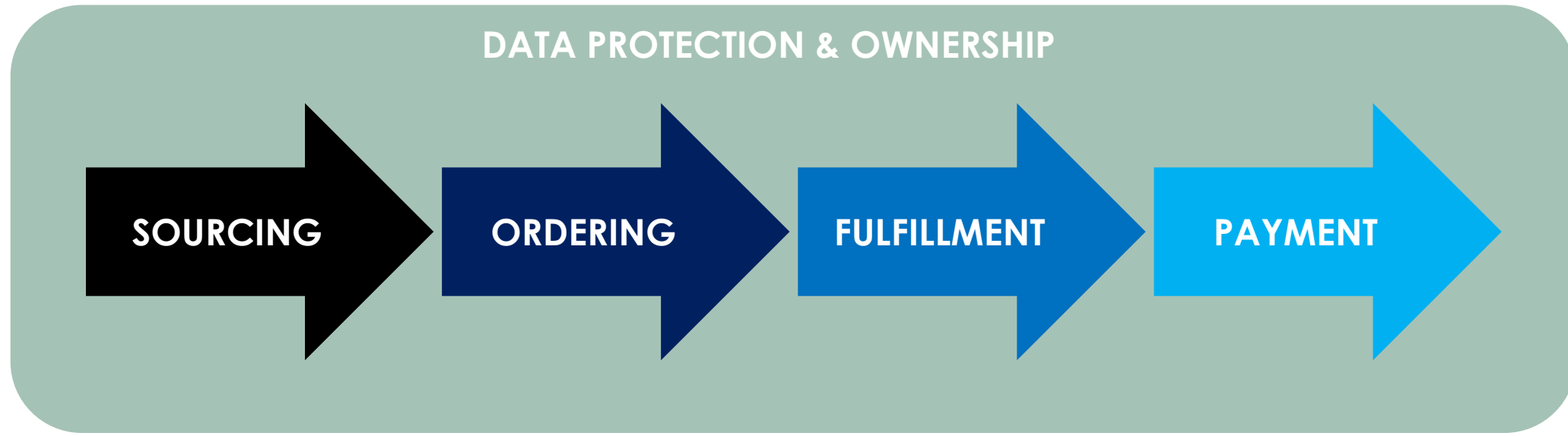


Digital Integration Between Operator's P2P & Supplier's O2C



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Digital Integration Between Operator's P2P & Supplier's O2C

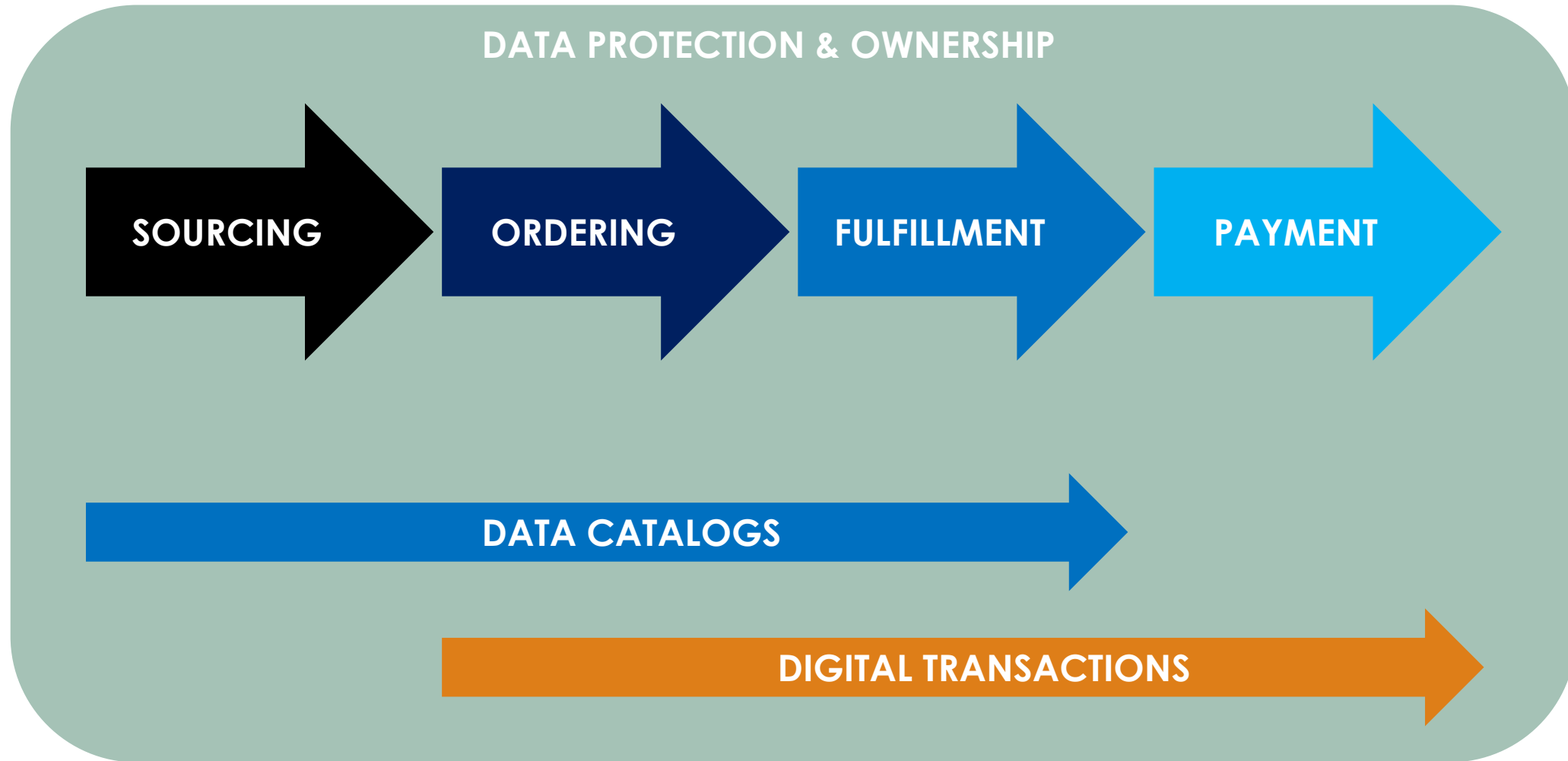


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THE OFS PORTAL AGREEMENTS INTER-LOCK TO PROVIDE AN END TO END DIGITAL FRAMEWORK FOR TRANSACTING SECURELY, IMPLEMENTING STANDARDS AND REDUCING COSTS TO ALL TRADING PARTNERS



Digital Integration Between Operator's P2P & Supplier's O2C



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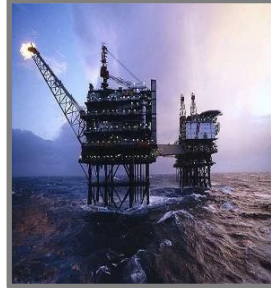
Services vs. Materials Procurement



EXPLORATION



DRILLING



PRODUCTION



PROCESS



TRANSPORT



REFINING

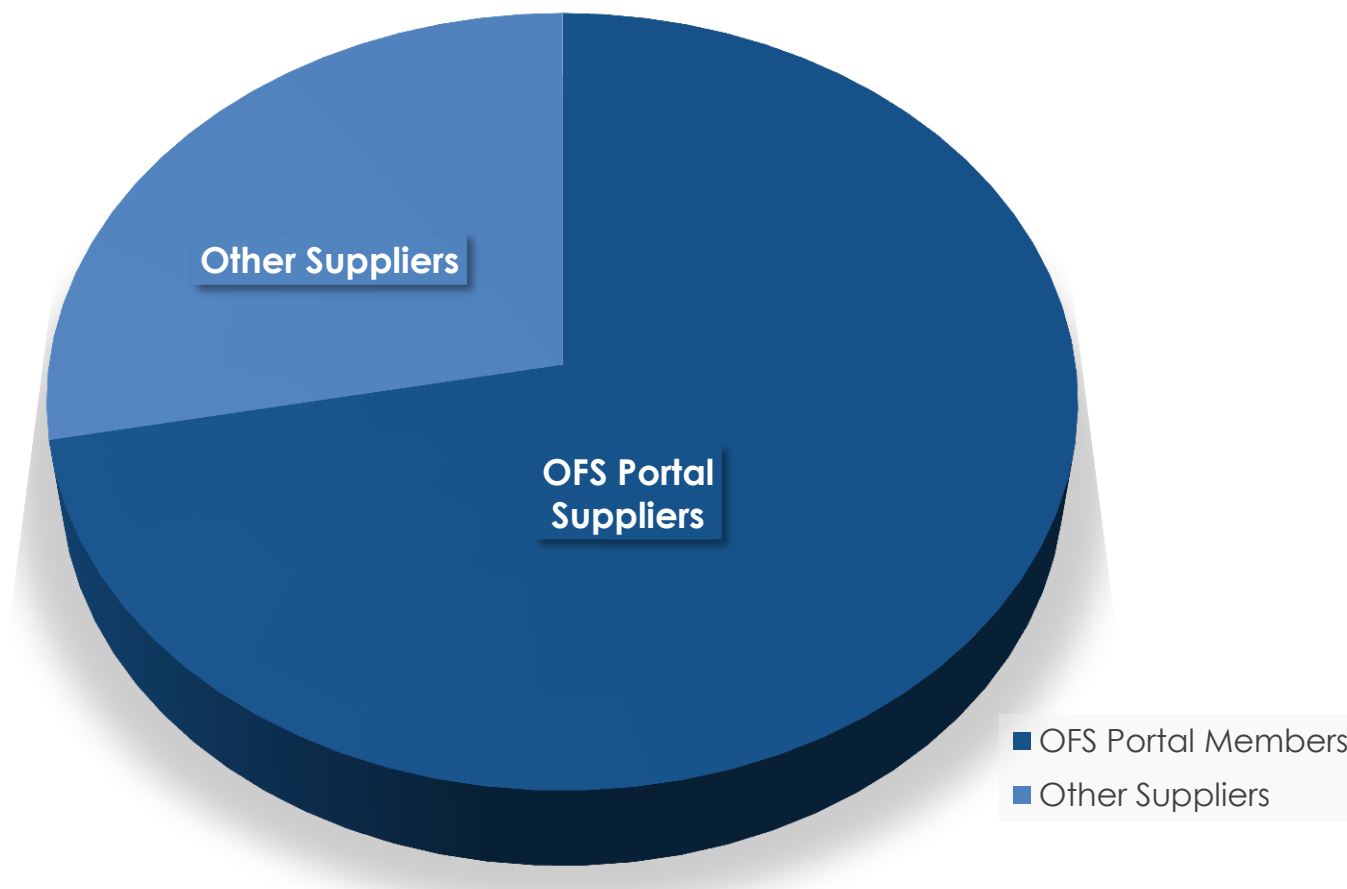


MARKETING



60-70% OF SPEND CAN BE DIGITALLY INTEGRATED

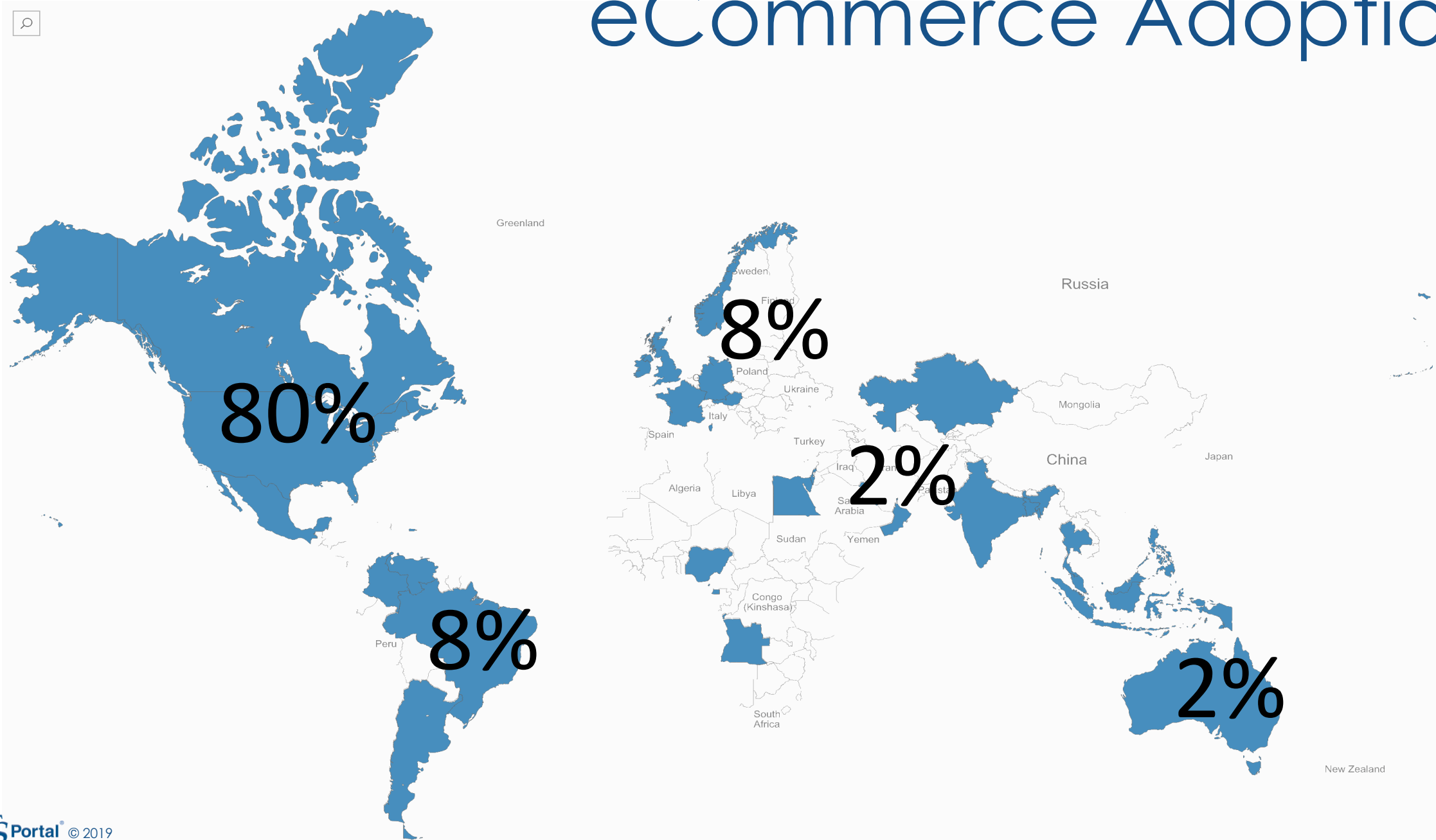
Typical Operator E&P Spend



eCommerce Adoption



eCommerce Adoption



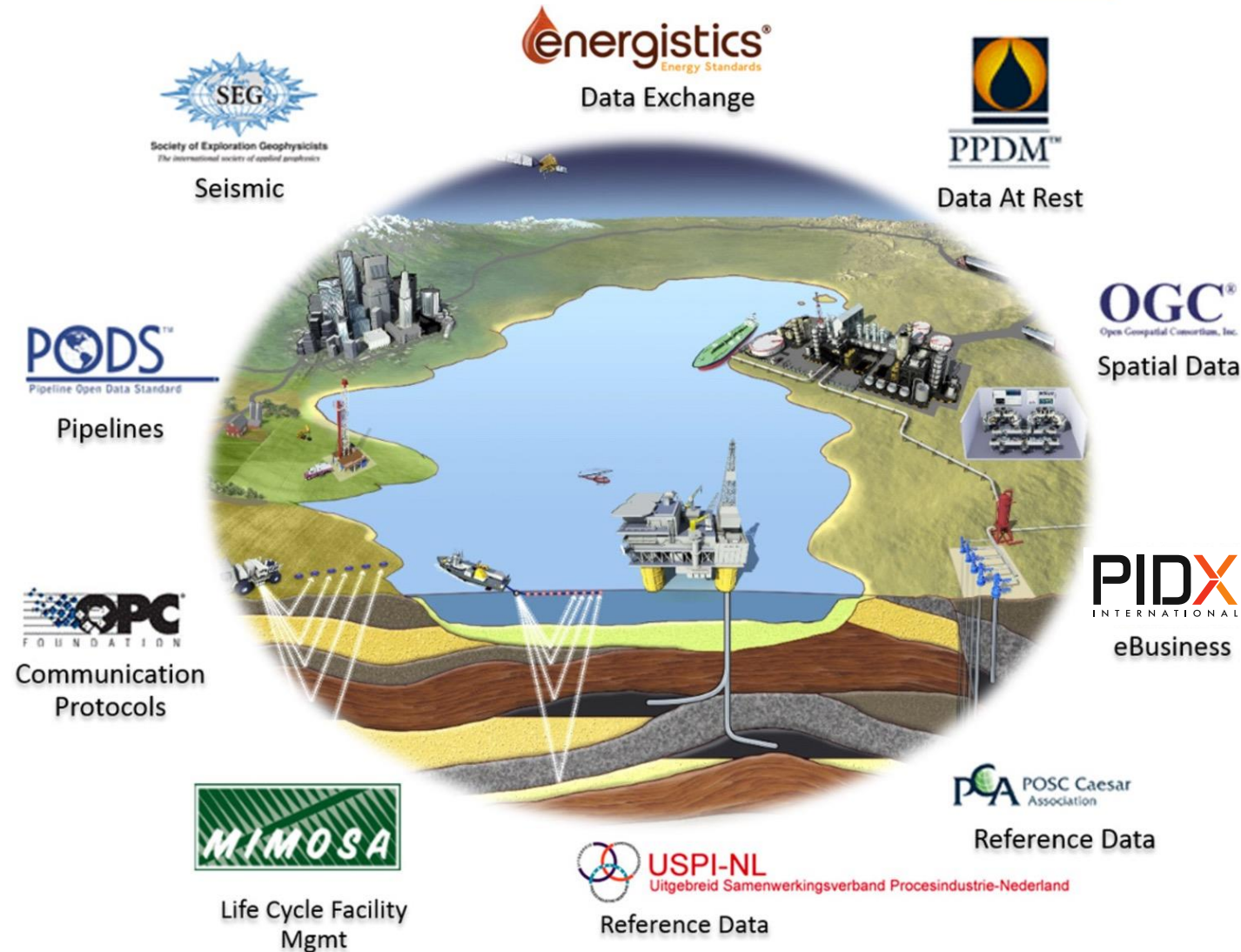
Oil and Gas Standards

Many Industry Standards Bodies
eInvoice (eBusiness) = PIDX

PIDXTM
INTERNATIONAL

Landscape

Points of Intersection





P2P

Sourcing RFI/RFP

Master Data Management

Contract Management

Catalogs

Request for Quote

Purchase Requisition

Purchase Order

Goods Receipt/Service Entry
Field Ticket Response

Invoice Response

Payment Remittance Advice

O2C

Bid Response

Catalog Data

Quote Provided

PO Change/Confirmation

Field Ticket/Delivery

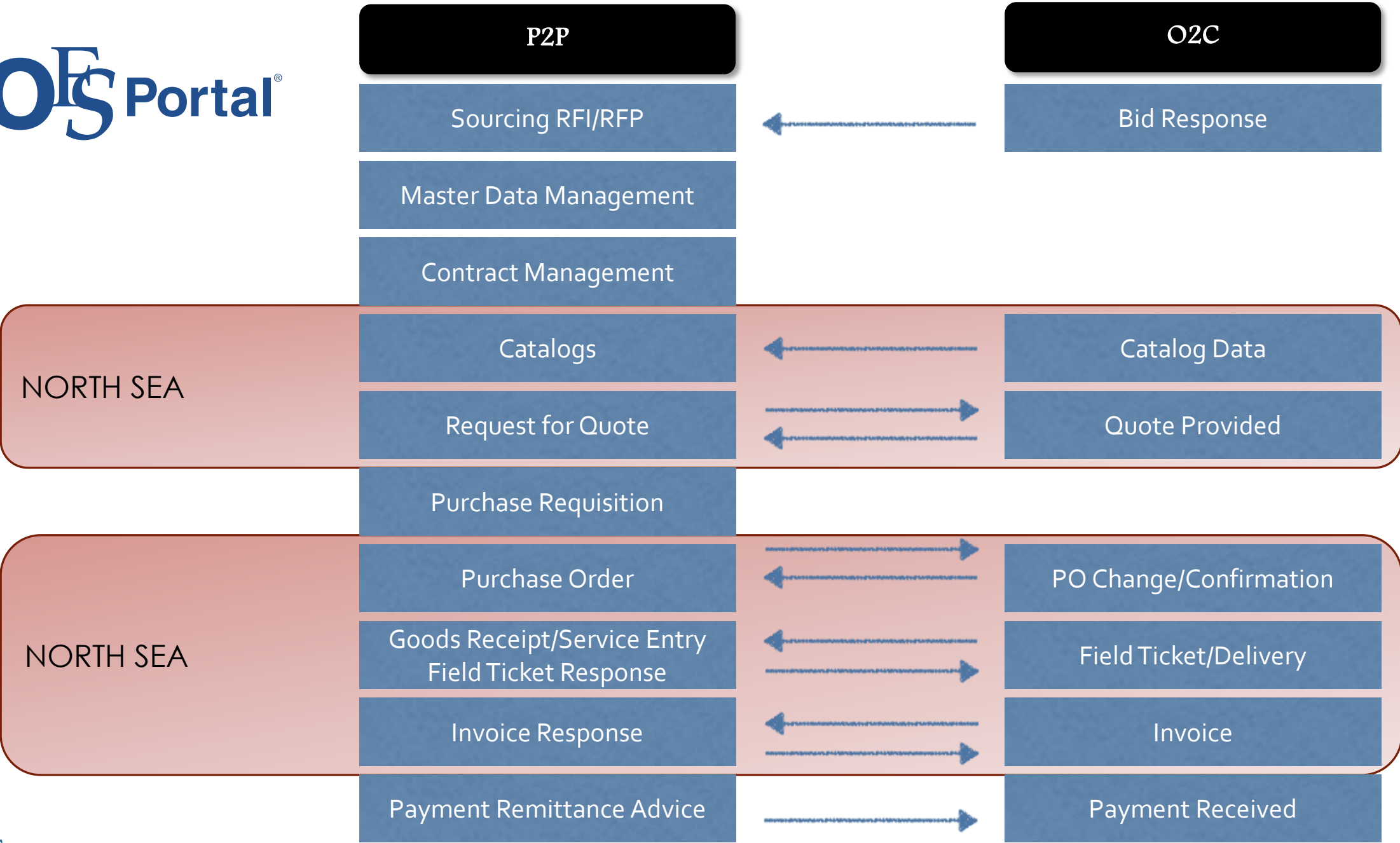
Invoice

Payment Received

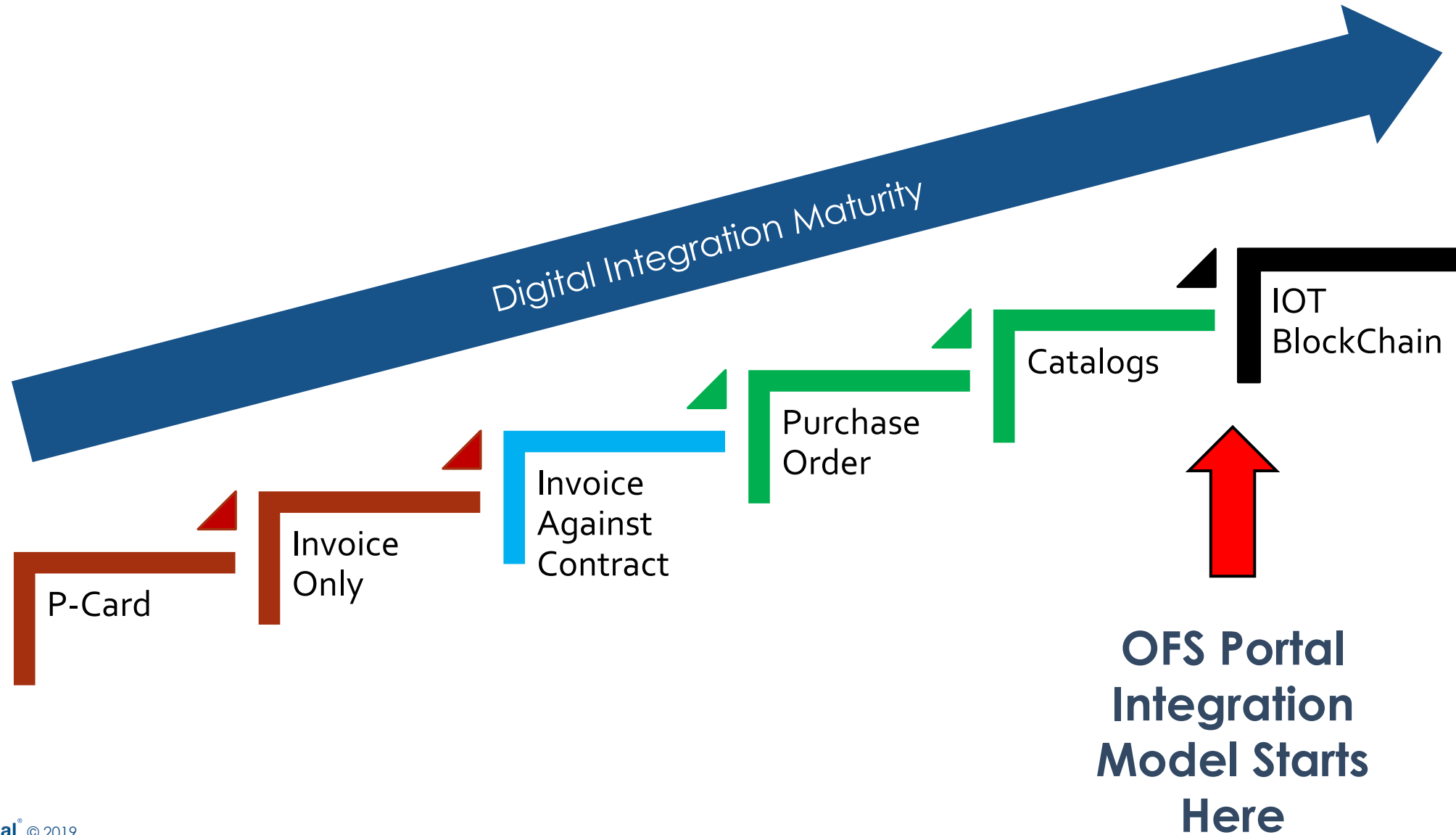


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Oil and Gas Operator Benefits



COST-EFFECTIVE ECOMMERCE

Implementing eCommerce with OFS Portal is cost effective because you implement one procurement model which encompasses the majority of your key oilfield Suppliers.

FINANCE

We give you the power to support greater volumes with fewer errors combined, with time saved. The OFS Portal Price Book automates price validation, classification and spend analytics, and increases contract compliance, giving you full advantage of your eCommerce investment.

PROCUREMENT

Our automation of P2P creates a layer of eCommerce transparency for both internal use and external partners, allowing for more accurate forecasting.

DATA PROTECTION ACCELERATES ONBOARDING

OFS Portal's legal framework between Suppliers, Networks and Operators is viewed as an industry best practice and protects the confidentiality of data for both buyers and sellers. When Suppliers know their sensitive data will remain safe, the onboarding process is faster and more streamlined.

COMPLIANCE

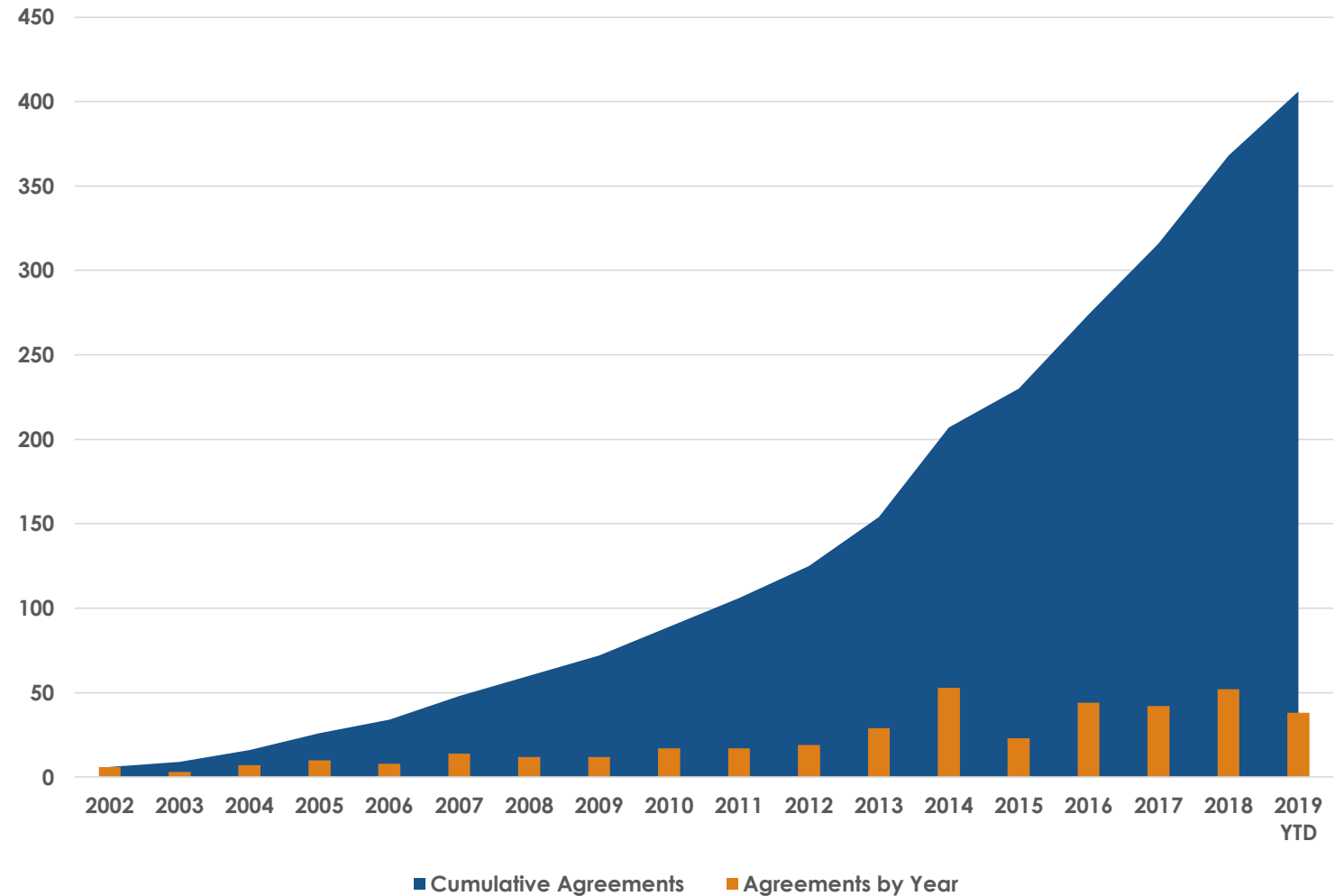
OFS Portal delivers premium supply chain knowledge to increase compliance and decrease risk.

Community Growth

Operators Accelerating Digitalization

Cloud Enabling Many More Innovative Service Providers

Operator Electronic Data Agreements



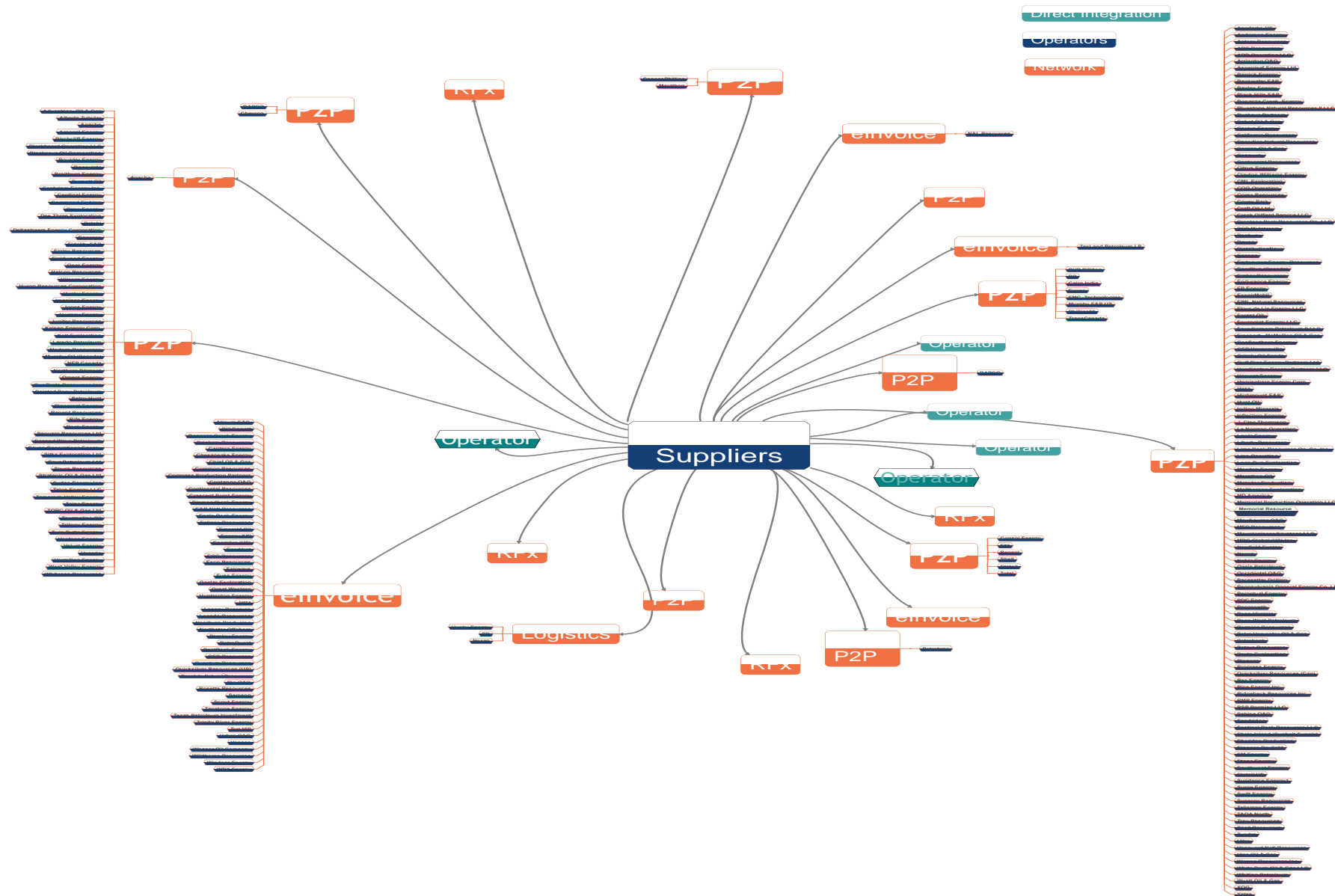
Community Growth

400+ Operators

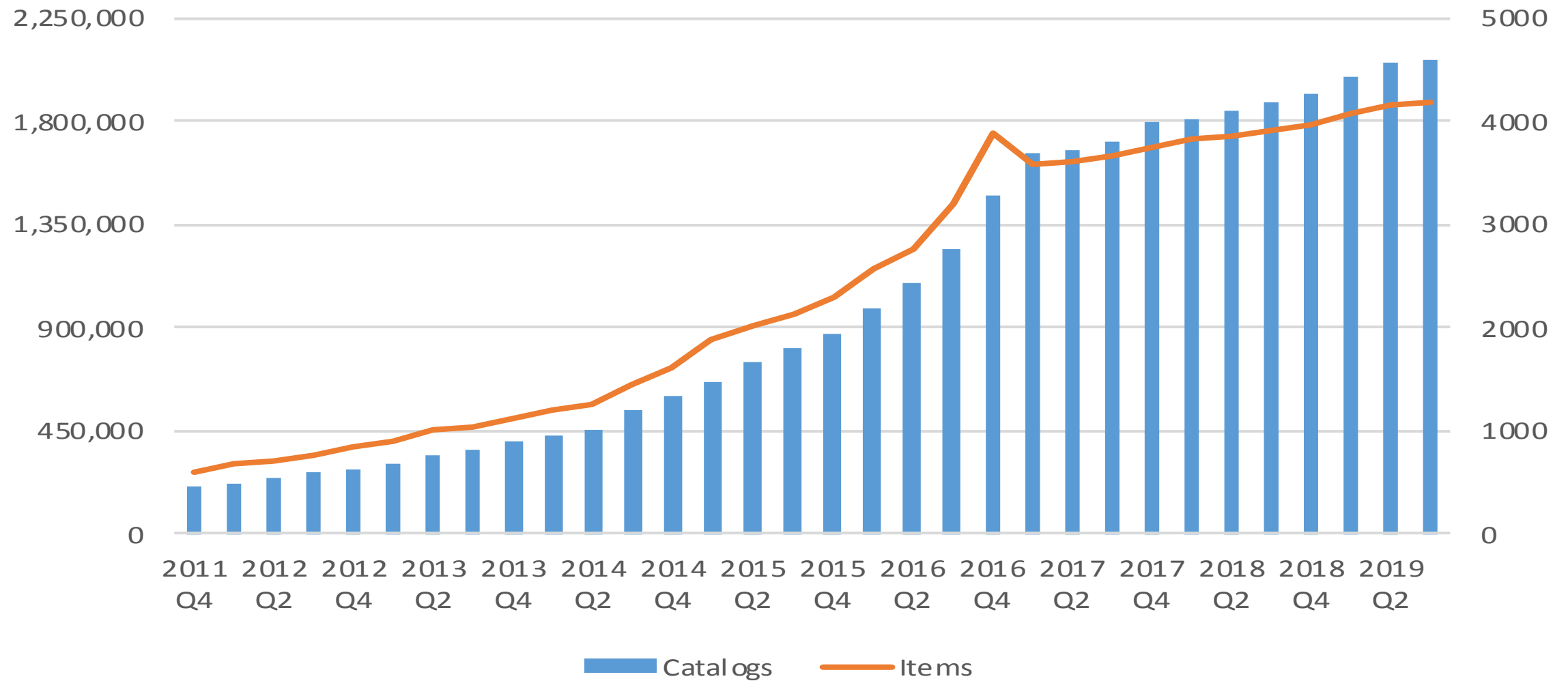
45+ Networks



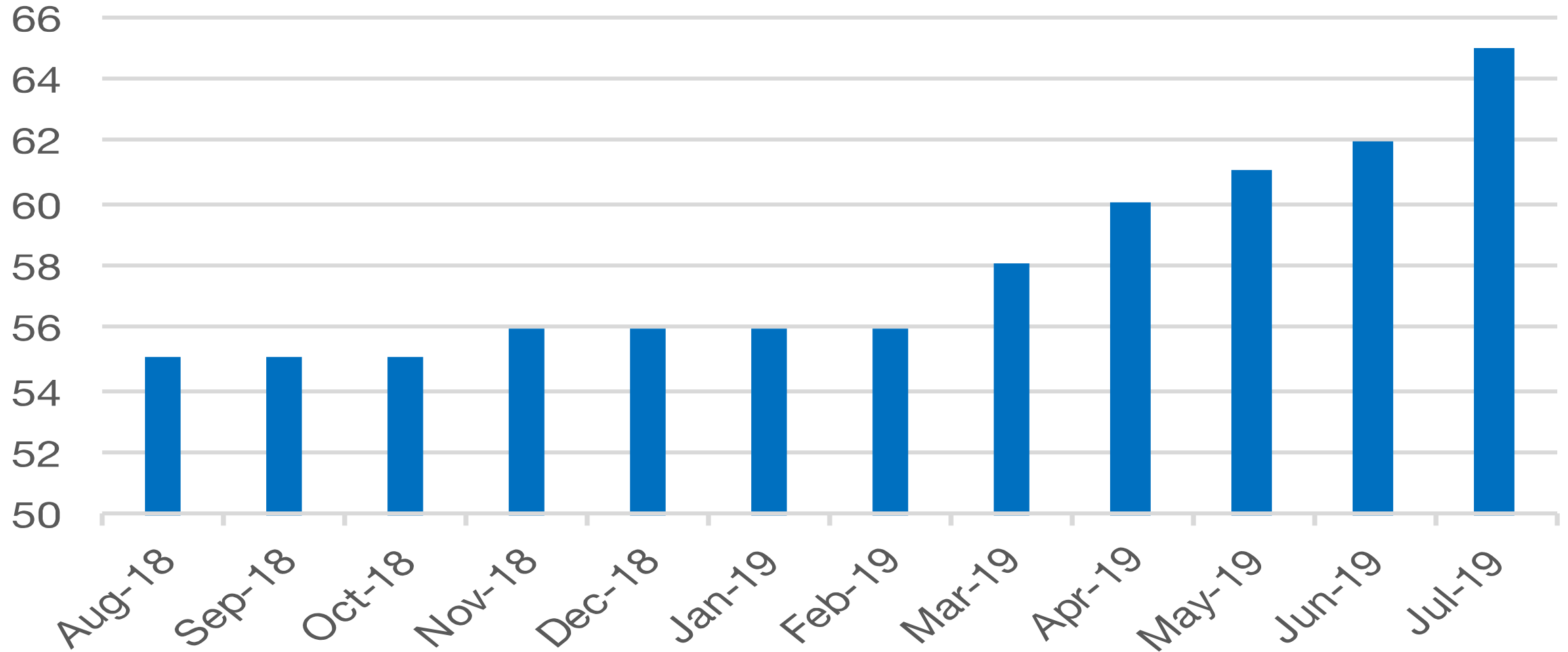
Created a Complex Web for Suppliers



Number of Catalogs and Items

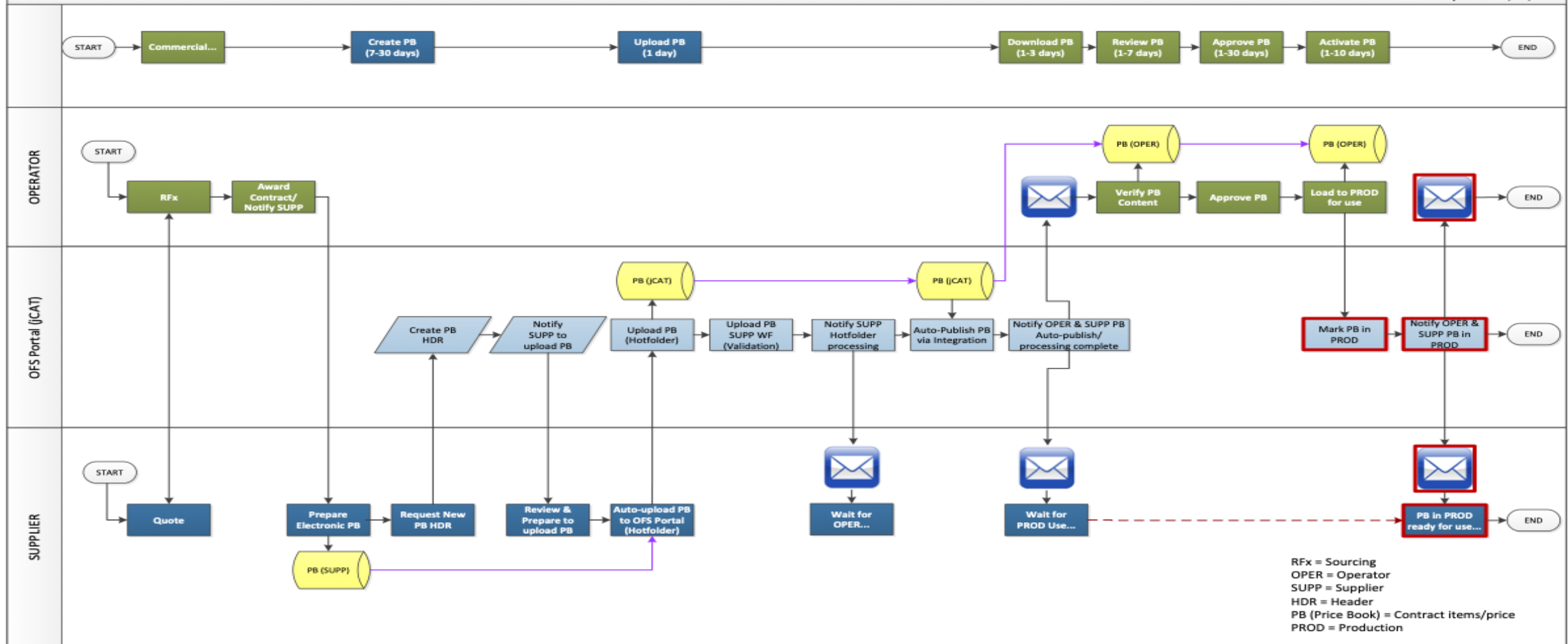


Number of Catalog Operators



OFS Portal Catalog Process (PB in Production Notification)

Updated: 4/27/2016



COMPLEXITY INCREASING IN THE DIGITAL WORLD

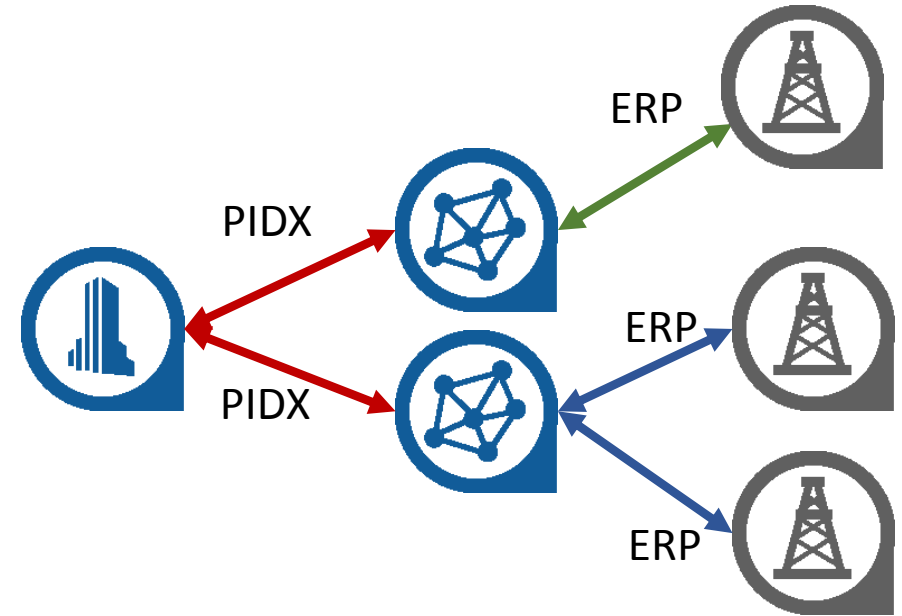
Government Mandates on eInvoicing

CFDI Mexico, DIAN Colombia, FatturaPA Italy, EHF Norway

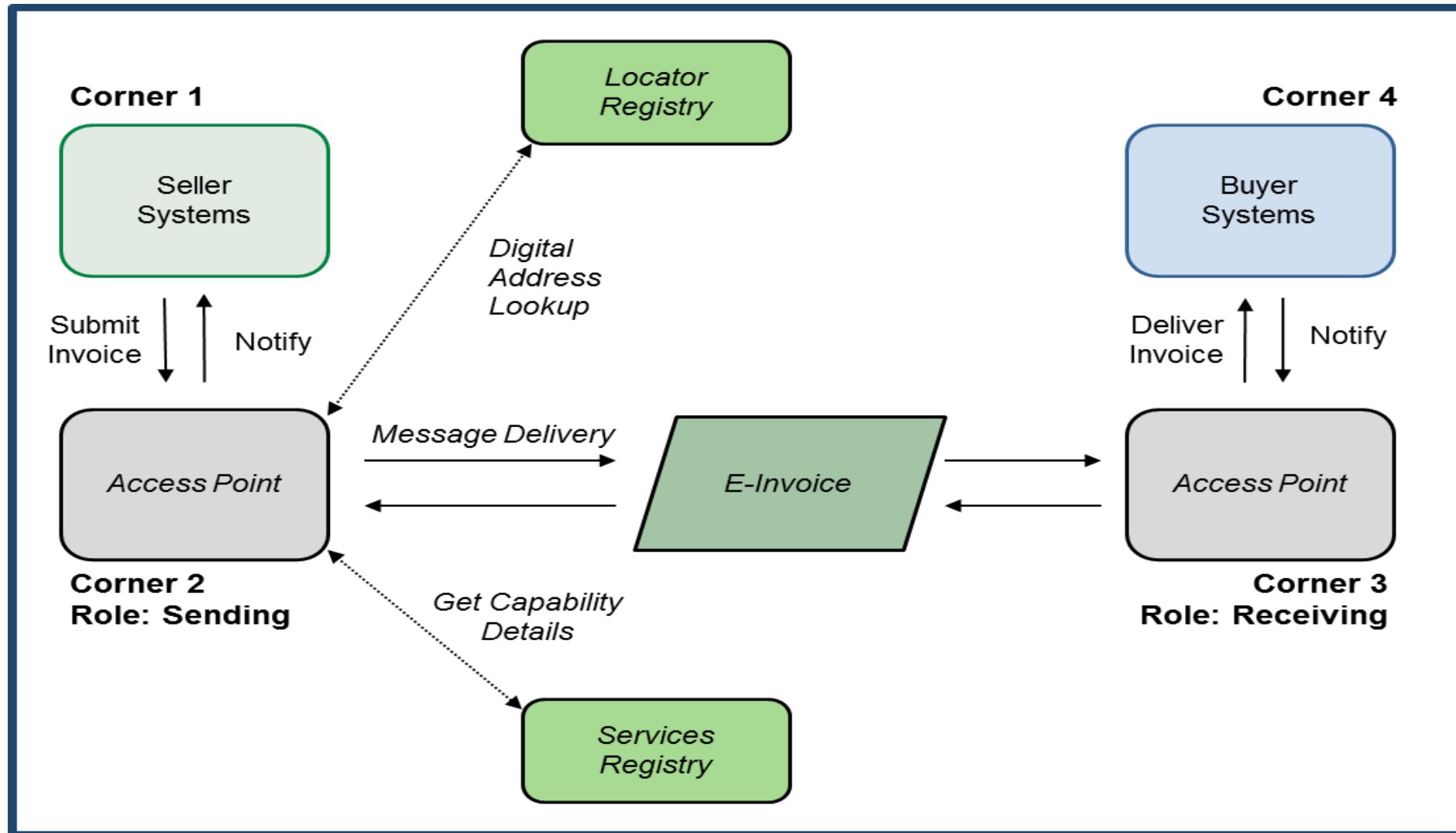
What is the impact on the deployment for industry standards?

Are the government standards fit for purpose for major global industries?

When to adopt the access point model?



4 Corner Model



Fiscal and International Tax Compliance

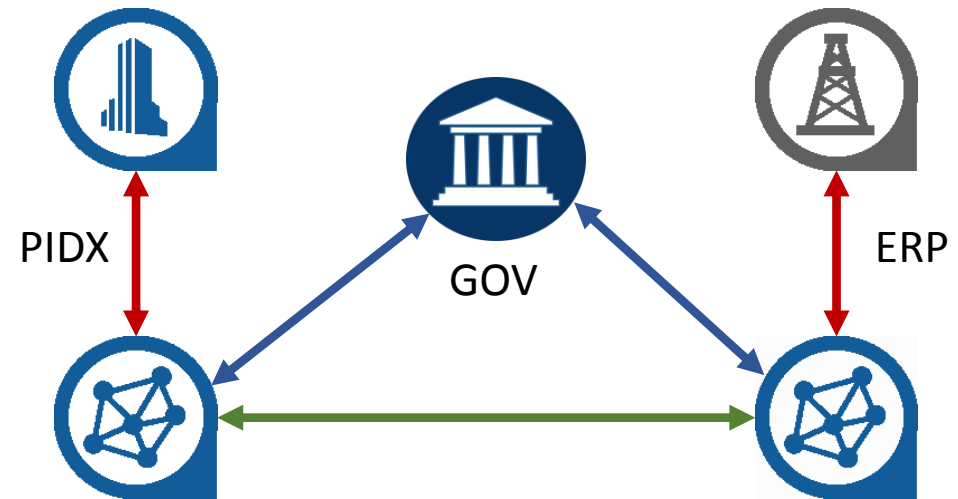
Government Mandates on eInvoicing

Italian FatturaPA

Norwegian EHF/PEPPOL

Mexican CFDI

Colombian DIAN



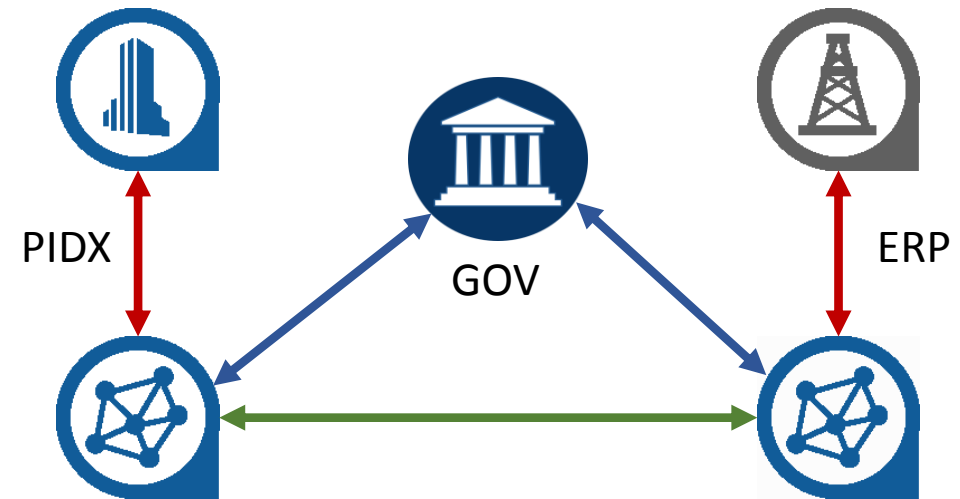
5 Corner Model

Fiscal and International Tax Compliance

Government Mandates on the Horizon

Germany
Portugal

Argentina
Bolivia
Guatemala
Paraguay
Panama
Dominican Republic
Vietnam
India



5 Corner Model

Digitalization of the Entire Business

Cloud, Edge, IoT, A.I., Robotics

BlockChain

APIs, API Management

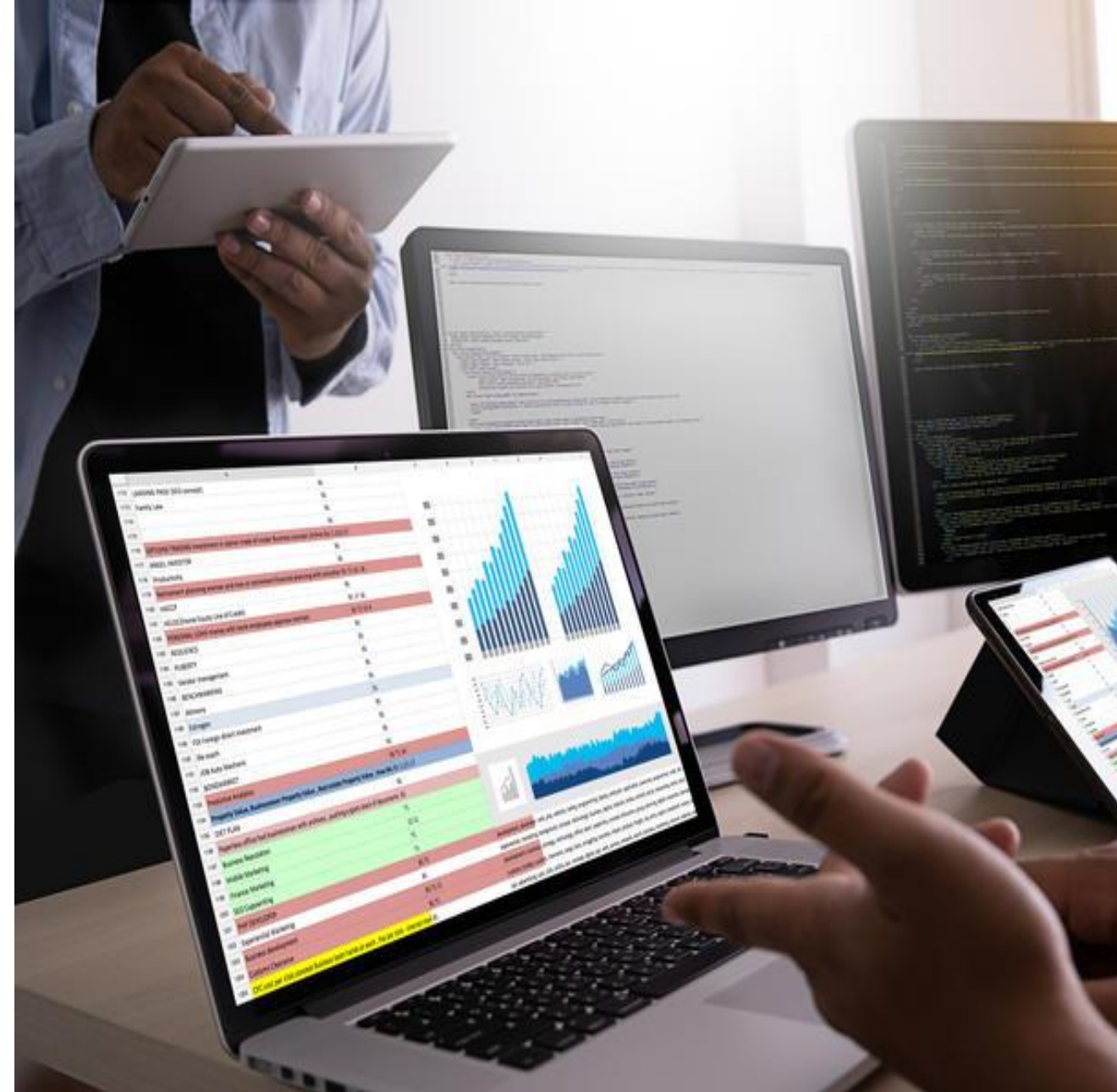
PaaS

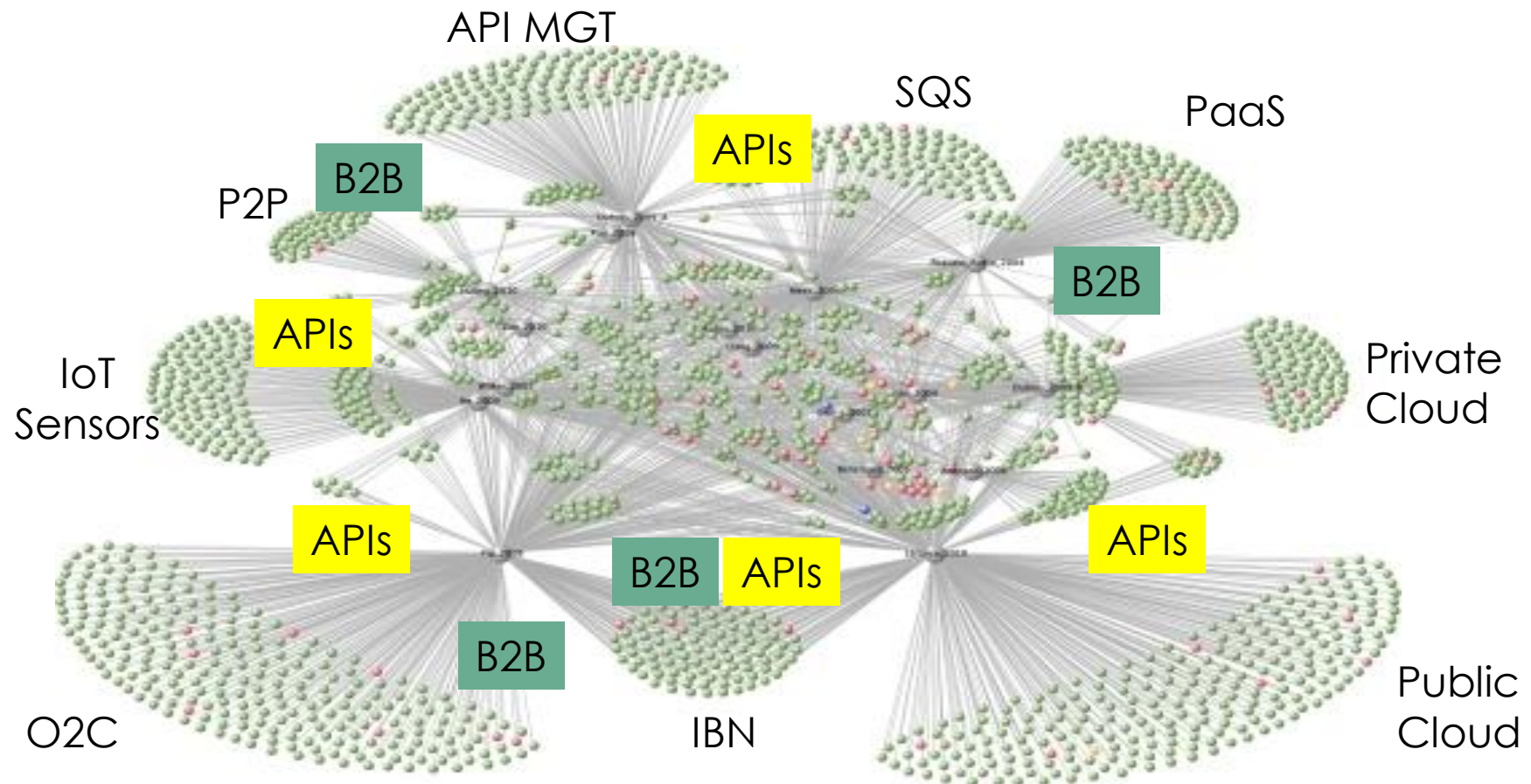
MicroServices

Data Lakes

Infinite Interconnectivity

Cyber Security





Key Issues to Facilitate Interconnectivity

Security Standards

Data Standards and Data Ownership

B2B Transaction Standards

API Integration Standards

KEY
ISSUES

Industry Business Network

Without a clear Industry Business Network

Hybrid of Connectivity and Data Access

B2B for Transaction Management *60%

API for Data Access and B2B Initiation *40%

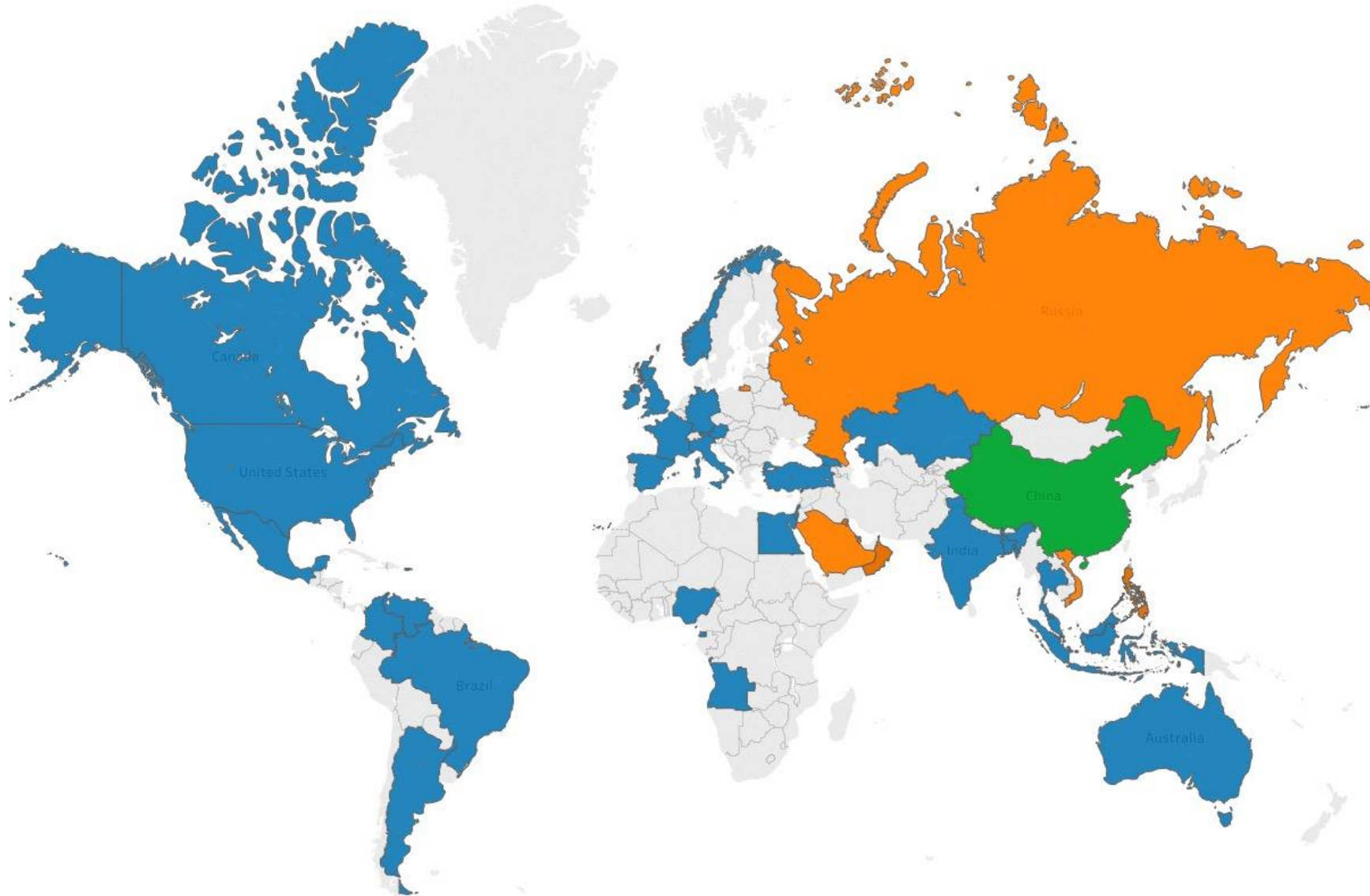
*Mark O'Neill, Gartner Analyst, CLEO Connect, September 2017

Security In An Increasingly Digital World

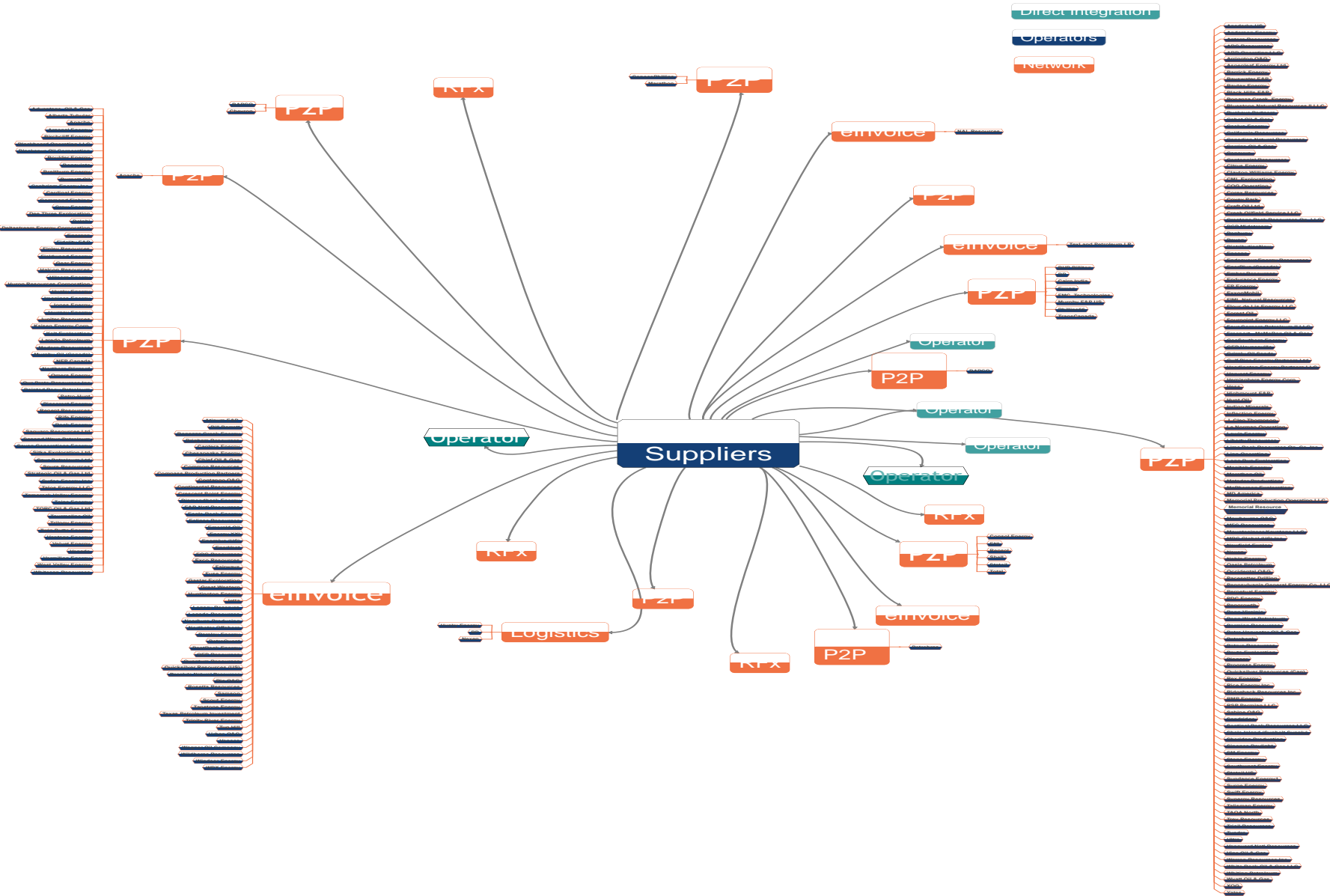
Through a contractual agreement, which sets a foundation in standards and data protection, OFS Portal instills the promotion of standard protocols and adoption of legal principles to protect oil trading partners, networks and their data, thereby facilitating the global use of eCommerce by preserving the confidentiality of commercial trade secrets and other electronically exchanged data.



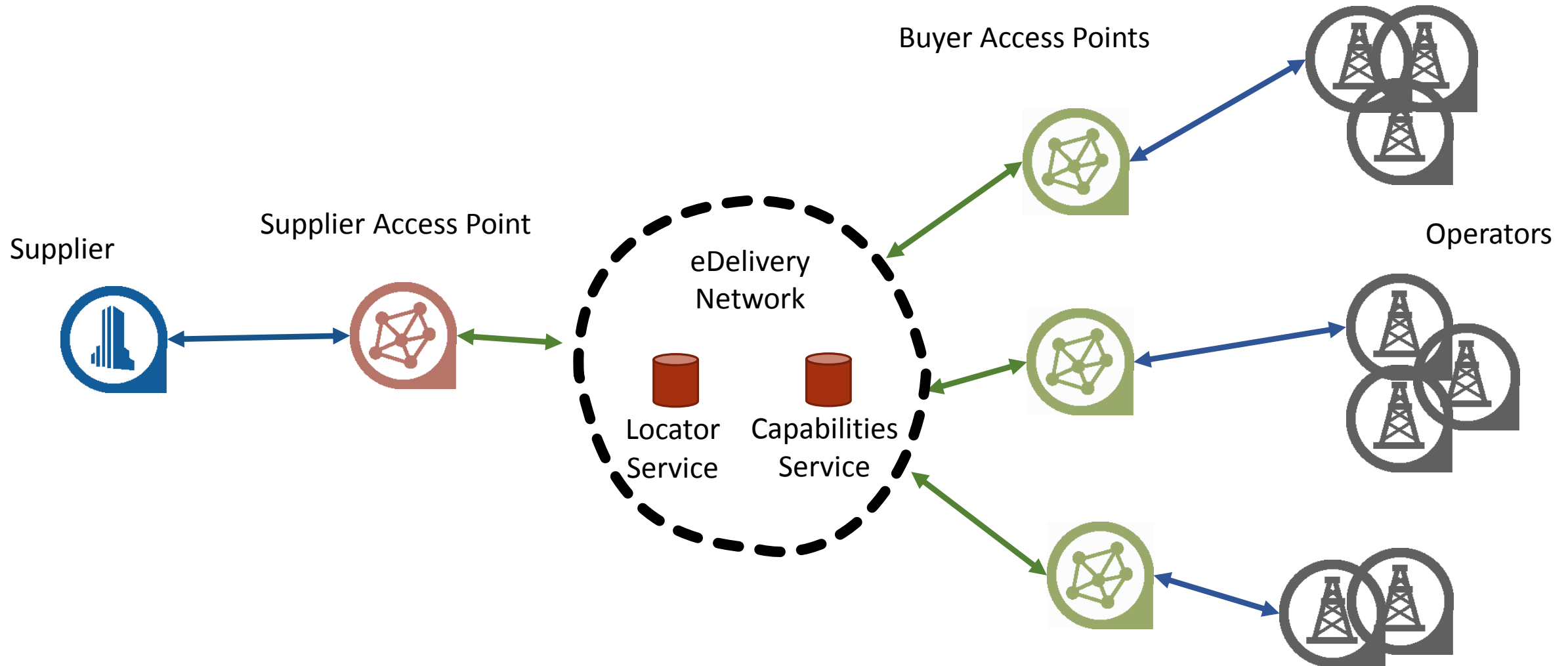
eCommerce Adoption Future



Simplifying Connectivity for all Suppliers



Simplifying Connectivity for all Suppliers



Legal
Framework for
Data Security
& Transaction
Standards

Catalog
Management
& Syndication

Supplier
Connect
Integration
Service

OIL & GAS BEST IN CLASS eCOMMERCE

Why OFS Portal?

We are an advocacy group funded by diverse oil & gas suppliers promoting best practices for eCommerce based on core principles:

Data Protection, Ownership & Security of Electronic Commerce

Use of Royalty Free Open Industry Standards

Reducing the Cost of Trading for all Parties

“An OFS Portal membership enables us access to an already established large legal framework of agreements with our customers and their networks which means we don’t have to do it one at a time. Through their agreements we will immediately be able to use the PIDX standard as protocol for all of our customers, making customer onboarding easier and faster.”

Chris Beard, VP of Technology, Wellbore Integrity Solutions



Contact Us..

Interested in learning more?
Please contact us today.

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