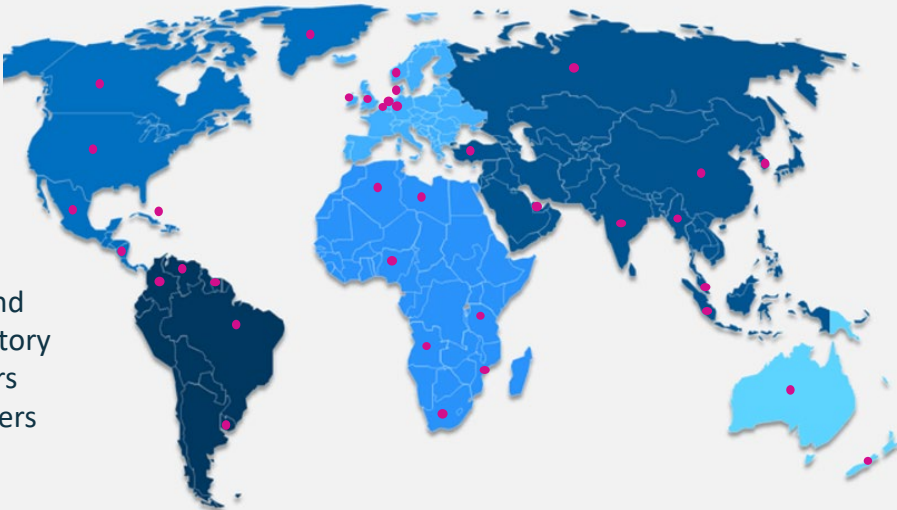




Supply Chain Disruption | AM Day Stavanger

The Equinor Supply Chains at a glance

Corporate

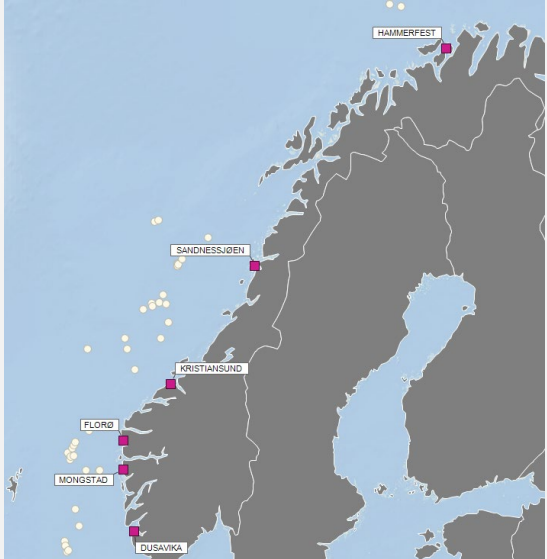


161 BNOK Spend
30 BNOK Inventory
9.000+ Suppliers
20.000 Customers
40+ Countries

Regional



40+ Installations
19 Helicopters
40+ Vessels
160.000 Road transports
1.6 Million tonnage



End-to-End Supply Chain





INDUSTRY

- Margin pressure & fluctuations
- The World of VUCA
- Climate change → frame conditions
- Digitalization
- New growth areas

COMPANY

- Business model evolving & diversifying
- From centralization to international clusters
- Data-driven, automated, remotely operated
- Value Chain integration & end-to-end orientation
- Growing relevance for supply chain

Dynamic Supply Chain Context

SUPPLIER & MARKET

- Reduced investor appetite
- Suppliers exploring new business models
- Growing levels of collaboration
- Partnerships, alliances & consortiums
- Convergence of suppliers / sectors / disciplines

CUSTOMER

- Rising customer expectations
- Speed, flexibility & optionality
- «Amazon, Google & Uber Experience»
- New customers profiles & requirements
- Customer centricity

EXTERNAL

INTERNAL



Predictions: The speed of change will intensify and the world of supply chain will look different as we move beyond 2020

By 2025, more than 50% of all supply chain tasks will be automated

~70% of all online purchases will take place on virtual marketplaces by 2022

~50% of CSOs report they will re-evaluate distribution models and warehouse locations due to shifting trade patterns and new technology

By 2023, more than 50% of large global companies will be using AI, IoT and advanced analytics in supply chain operations

By 2023, over 30% of operational warehouse workers will be supplemented (not replaced) by collaborative robots

By 2021, 50% of all manufacturing supply chains will have the capability (in-house or out-sourced) to deliver direct-to-consumption

By 2023, starting salaries for supply chain graduates in US will outstrip Finance, Accounting and Marketing majors by 10%

Circular (zero waste) economy will replace linear economy and transform supply chain design over the next 10 years

Major Trends Impacting Future Supply Chain Design

Re-defining the Core

Re-defining the Core

Multi-Tiered Service Design

- Tier 1 Services
- Tier 2 Services
- Tier 3 Services

Company | Supplier

Company | Service Provider

Supply Chain | IT

From Linear Chains to Networks

New Sourcing & Collaboration Models

Zero Waste Supply Chains

Improve

«0 Design»

Produce

Move

Utilize

Recover

Recycle

Reuse

A Circular Economy Eliminates Waste

Asset Light Supply Chains

- «Shared Logistics Assets»
- «3D-Printing»
- «Virtual Inventory»
- «Shared Inventory»
- «UBER-Logistics»
- «Inventory Optimization»
- «3PL & 4PL»
- «Just-In-Time»
- «Logistics as a Service»

Targeted Improvements

Commercial Supply Chain				Data	Insights	Collaboration
Physical Supply Chain				Automation	Robotics	Visibility

So what does this
mean for the
AM Community?

