

Global Sourcing and Procurement at TechnipFMC

Convegno ANIMP

Milano, Oct. 19th 2017



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Section 1: Company Overview

Broadest portfolio of solutions for the production and transformation of oil and gas **ONSHORE/OFFSHORE SUBSEA SURFACE**



TechnipFMC snapshot

Integrated solutions provider for the oil and gas industry

Stock exchange listings – NYSE and Euronext Paris \$13B

Total company market capitalization⁽¹⁾

\$14B

Total company revenue(2)

\$15B

Total company backlog⁽³⁾

Total company net cash balance⁽⁴⁾

Footnotes:



⁽¹⁾ Source: Public market quote from Bloomberg, LLP; TechnipFMC market capitalizations as of August 11, 2017

⁽²⁾ Revenue for full year 2016; Source: Form 8-K filed with the SEC on Feb 24, 2017

⁽³⁾ Backlog as of June 30, 2017; Source: Form 10-Q filed with the SEC on August 4, 2017

⁽⁴⁾ Net (debt) cash as of June 30, 2017; Source: Form 10-Q filed with the SEC on August 4, 2017

A comprehensive and flexible offering from concept to project delivery and beyond

A unique global leader in oil and gas projects, technologies, systems and services

Subsea

Subsea products

- Trees, manifolds, control, templates, flowline systems, umbilicals & flexibles
- Subsea processing
- ROVs and manipulator systems

Subsea projects

- Field architecture, integrated design
- Engineering, procurement

Subsea services

- Drilling systems
- Installation using high-end fleet
- Asset management & production optimization
- Field IMR and well services

Onshore/Offshore

Project management, proprietary technology, equipment and early studies to detailed design

→ Offshore

Fixed platforms (jackets, self-elevating platforms, GBS, artificial islands) and floating facilities (FPSO, semi submersibles, Spar, TLP, FLNG)

Onshore

Gas monetization, refining, petrochemicals, onshore pipelines, furnaces, mining and metals

Services

Project management consultancy, process technologies

Surface

- Drilling, completion and production wellhead equipment, chokes, compact valves, manifolds and controls
- Treating iron, manifolds and reciprocating pumps for stimulation and cementing
- Advanced separation and flow-treatment systems
- Flow metering products and systems
- Marine, truck and railcar loading systems
- Installation and maintenance services
- Frac-stack and manifold rental and operation services
- Flowback and well testing services



Section 2: Global Sourcing and Procurement at TPFMC



GSP Design principles and objectives

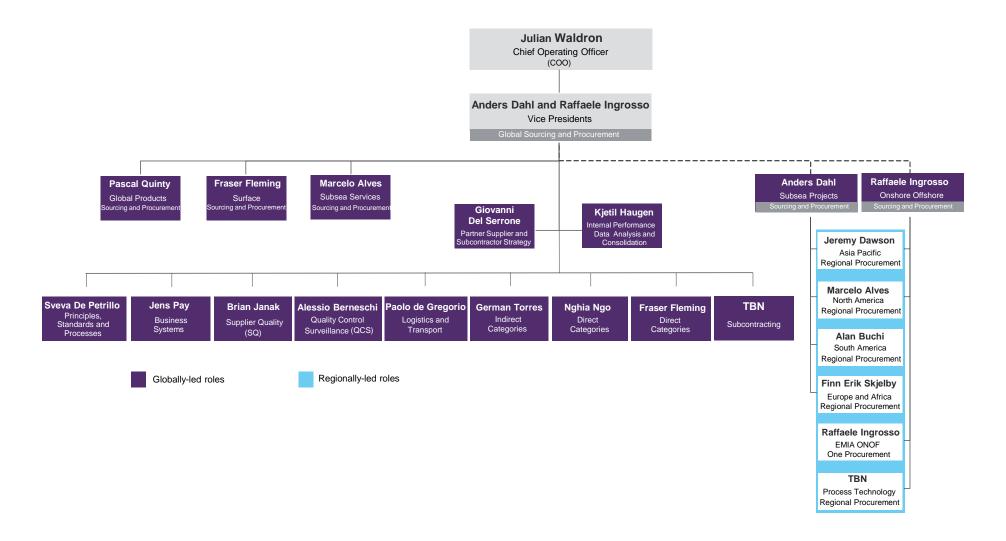
- Deliver synergies to the TechnipFMC leveraging the entire supply chain and transforming internal process and interaction with other functions
- Managing larger and more complex integrated projects, where thought-out vendor partnerships are going to be essential to deliver value
- Delivering the above without damaging the current parts of the business that are key to success today, and with a substantially lower cost of the function



- One single organization across TPFMC transversal to the 5 Global Business Units
- One voice towards Suppliers
- One set of principles and processes
- Complete the procurement transformation and interaction with other functions both at tender and execution stage
- Operate on a Regional basis as shared service



Global Sourcing & Procurement Organization





Direct Categories Organization (1/2)

Director Direct Materials

Nghia Ngo

Senior Category Manager

Nghia Ngo (Acting)

Process Static & Fired Equipment

- Boilers
- Reactors/ Columns
- Flares
- Furnace
- Pressure Vessels
- Heat Exchangers

Senior Category Manager
Salvatore Sauza

Electrical, Electronics,
Process Control & Automation

- Control Systems
- Power/ Transformers / Switchgears
- Substations
- Instrumentation
- FMC CDM
- E&I bulks
- Instrumentation valves (Control valves, PSVs...)

Senior Category Manager

Jerome Dagrau

Rotating and Process
Package Units

- Rotating equipment (compressors, turbines, pumps...)
- Diesel engines
- Gears
- Process Skids (Surface)
- Water treatment
- Vacuum Units
- HVAC
- Handling equip/ Cranes/ Loading Arms

Senior Category Manager

Alasdair Hastie

Structural Fabrication

- Manifolds
- PLEM/ PLET
- Mud mats
- FFS
- Suction piles
- Support weldments
- Fabricated components
- Steel structures
- Reels



Direct Categories Organization (2/2)

Director Direct Materials

Fraser Fleming

Senior Category Manager

Daniel Engel

Plastics, Products and Wires

- Tapes
- Thermo-plastics
- Insulation
- Wire for Umbillical / Flexible
- Buoyancy
- Buoyancies modules
- Flowline, flexibles, umbilicals protections
- Bend restrictors / stiffeners
- VIV strakes
- PIP components (spacers, water stops, aerogel)

Senior Category Manager

Eric Lesponne
Valves & Actuation

- Valves
- Actuators
- Chokes

Senior Category Manager

Yann Charlot

Commercial & Engineered
Components

- Fasteners (Bolting)
- Springs (All)
- Shop Lifting Equipment
- Installation Equip
- Fuels & Lubes
- Non-Metallic Seals
- Hydraulic Couplers & Fittings
- Crown Plugs
- Feed Through Systems
- ROV Tooling
- Metal Seals & Gaskets (All)

Senior Category Manager

Samuel Lemesnager

Pipes, Fittings & Flanges

- Fittings & Flanges
- Rigid Pipe
- Clad Pipe
- Pipe-in-Pipe
- Induction Bends

Senior Category Manager

Jim Reinbold

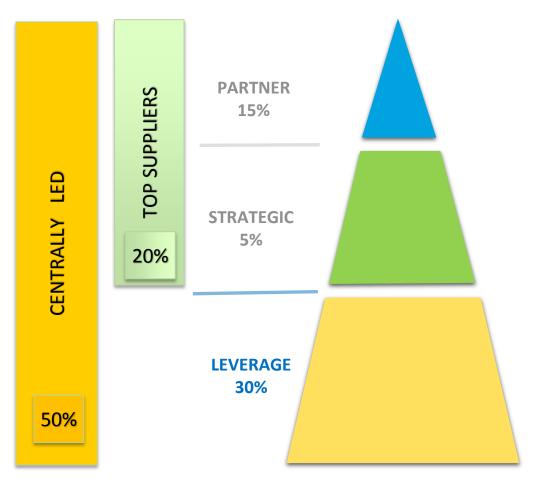
Metals & Machined Components

- Forgings
- Castings
- Welding Wire
- Anchoring
- Moorings (Chains
- Bodies
- Tooling
- Drilling Equipment
- Connectors
- Cladding (Components)
- Coatings (Components)
- Threading
- Manufacturing
 NDF
- Gates & Seats
- Shafts



SUPPLIERS STRATEGY

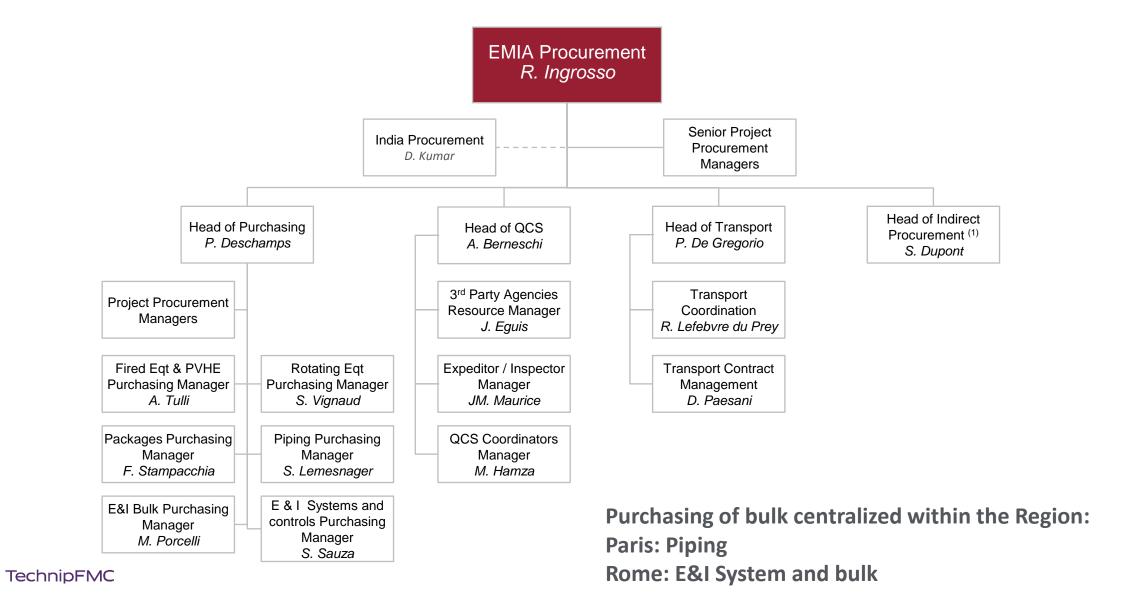
Diversified approach to priority



Reference period for % of spend: 2012 – 2015



Shared Services Model – EMIA Case



Stay lower for longer..... Or forever

Lower sustainably Supply Chain cost

- Supplier' strategy consistent with execution strategy at win-it stage
- Customer and Internal requirement challenge
- Contractor- Supplier relationship
- Anticipation and effectiveness in execution





Thank you