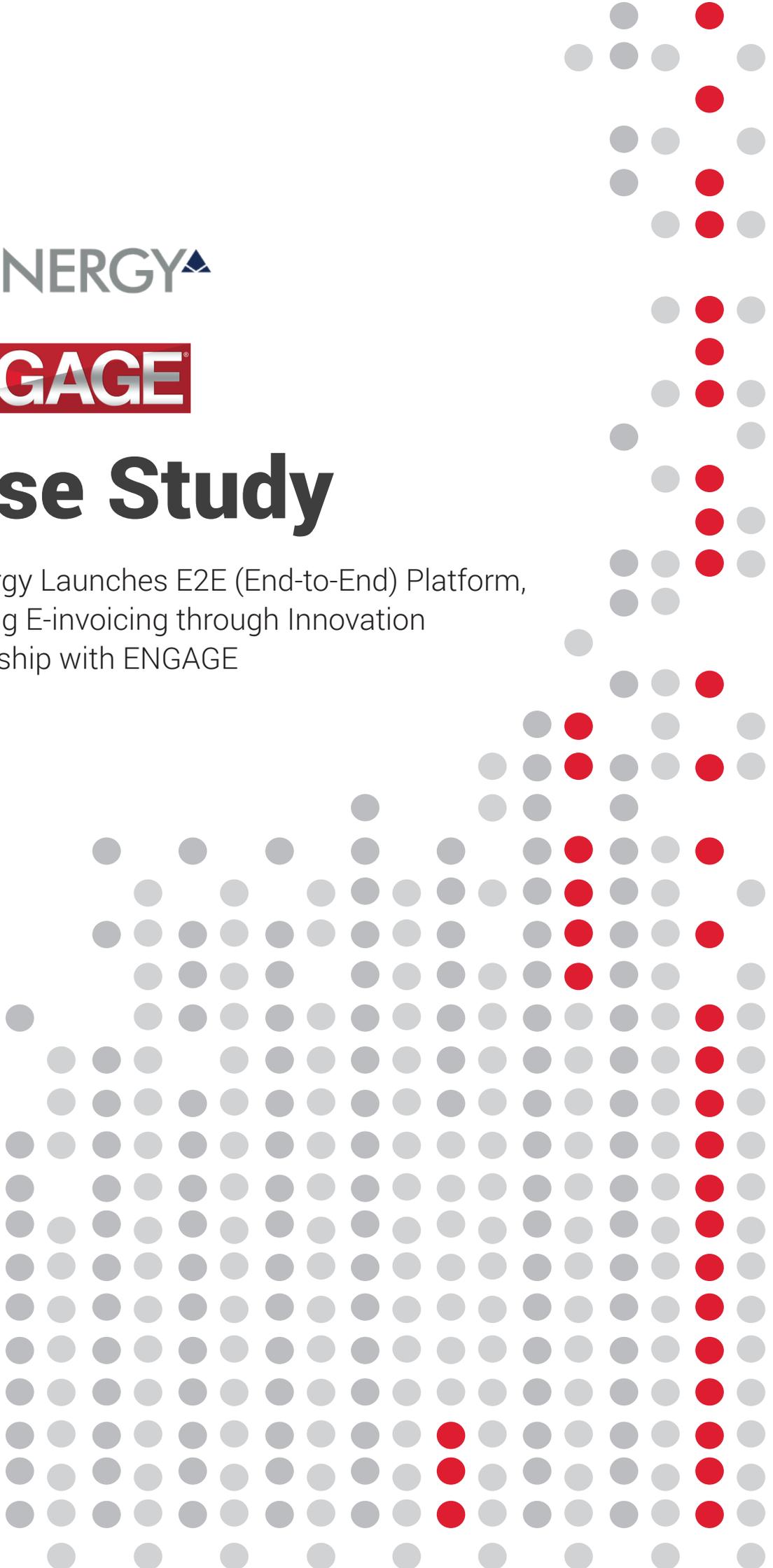


EP ENERGY

ENGAGE

Case Study

EP Energy Launches E2E (End-to-End) Platform,
including E-invoicing through Innovation
Partnership with ENGAGE



Opening Summary:

In Q2 of 2020, EP Energy and ENGAGE formed an innovation partnership to redefine and streamline the antiquated and fragmented procure-to-pay processes that plague workflows throughout the industry. Initially, the partnership focused efforts to validate transactions closer to live field operations by leveraging ENGAGE's E-ticket software. Secondly, EP Energy and ENGAGE co-developed E-invoicing software, closing the accounts payable loop. This E2E platform unlocks EP Energy's ability to design automated business rules applied in near real-time for transacting with services providers while removing redundant touchpoints, mitigating disputes and error rates and optimizing EP Energy's resource base. The E2E platform will directly integrate to EP Energy's ERP, P2 Bolo. Service providers will be able to manage financial workflows from predictive dispatch to automated payment all within the same intuitive, cloud-based software package. In short, the goal of the partnership is to digitalize and streamline EP Energy's account payable process and account for all field transactions in near real-time.

EP ENERGY

EP Energy is driven to deliver superior returns for investors by developing the oil and natural gas that feeds America's growing energy needs. Their high-quality asset portfolio includes programs in the Eagle Ford and Uinta basins. They have a diverse asset base with significant reserves and large positions in their core development programs. "We value Innovation – We execute on today's ideas while identifying tomorrow's breakthroughs." – EP Energy.

Corporate Expectations:

- Lower lifting costs
- Reduce headcount needed for expansion
- Increase free cash flow after capital
- Increase capital spend transparency
- Streamline transaction process to gain control
- Real-time visibility to capital and LOE spend for cash flow management

The impact of ENGAGE E2E will directly align with EP Energy's long-term corporate goals and strategy of creating value by invoking real-time cost management which lowers lifting costs and G&A.

The Partnership Goals:

40% transaction touchpoints removed

3% cost reduction in early pay discounts

5% reduction of LOE

5 hours per week per approver optimized

With real-time cost management and streamlined workflows, EP Energy will increase confidence in their financial forecasting, budgeting, and reserves reporting, while concurrently improving AP with vendors and lowering internal and external audit risk.

The efficiencies gained through use of ENGAGE E2E will also allow EP Energy employees to apply even greater focus to safety, ESG Initiatives, managing their operations and optimizing costs and production.

EP Energy's service providers will also benefit immensely from ENGAGE E2E as this new process automates batch submission of invoices for payment, reducing DSO and administrative costs.

This project will entail onboarding 100% of EP Energy's vendors to use both the ENGAGE E-ticketing and/or E-invoicing solution by the end of 2021.

"EP Energy is excited to partner with ENGAGE on the E2E platform," said Chad England, SVP and Chief Operating Officer. ***"We believe the E2E platform will provide significant value to EP Energy, our vendors and the industry as a whole."***

Industry Problem:

Approvals for dispatch, field ticketing and invoicing are siloed processes that use (paper tickets) and/or multiple sets of software to manage. This creates redundancies within workflows, increases the chances of errors or disputes, and most importantly does not enable the financial control needed to proactively manage cash flow for operators or their service providers in real-time. Due to this, both revenue and expenses can be mis-allocated to the wrong accounting period, which creates challenges for budgeting, forecasting, auditing and reporting.

Another result of a disconnected or non-automated workflow is the inability to fully optimize staff. Employees can be bogged down with manual tasks that can be easily streamlined through business E2E automation. Until now, the market has not had a single software solution that can effectively manage the entire ticketing and invoicing workflow from beginning to end.

The Solution:

This partnership has enabled ENGAGE to fully build out the new E-invoicing platform, which streamlines previously authenticated data from the E-ticketing platform directly into the E-invoicing process. EP Energy will use ENGAGE's E-ticketing solution to schedule, track and approve field services, while using ENGAGE's predictive scheduling technology to dispatch repeatable services. Since these tickets have already been approved at the field level, vendors can now submit approved tickets through ENGAGE's E-invoicing portal to EP Energy for near real-time payment processing through P2 Bolo.

EP Energy also plans to use business automation to validate data based on predetermined conditions so transactions can be automatically approved or rejected, eliminating manual approvals and auditing processes.

By implementing ENGAGE's E2E workflow, EP Energy will aggressively move towards a touchless transaction model with real-time accounting and forecasting

By adopting ENGAGE E2E, EP Energy has cemented itself as an innovation leader in the energy industry.

ENGAGE E2E synchronizes complex field workflows with authenticated business logic and financial processes, closing the data loop for supply chain, operations, and accounting teams in real-time. Our proprietary business automation processes predictively schedules work orders and tasks with embedded validation algorithms triggered by captured edge data points. By operationalizing predefined business rules, E2E eliminates redundant approval and dispute processes, automating each transaction seamlessly through invoicing and payment processing.