

Baker Hughes Supplier Frequently Asked Question
Ariba Initiative

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Introduction:

Dear Valued Supplier,

As explained in previous messages, Baker Hughes has begun a strategic initiative to improve its invoicing processes. A key component of this initiative is the adoption of the Ariba Procure-to-Pay platform, which includes transacting with our suppliers on the Ariba Network. With this change, Baker Hughes will be transitioning our purchase orders and invoices to the Ariba Network.

Below is a list of frequently asked supplier questions that we wanted to share with you.

Frequently Asked Questions:

What does this mean for me?

Interacting with and transmitting invoices through the Ariba Network will soon be required to conduct business with Baker Hughes (including legacy GE Oil and Gas entities). However, not all Baker Hughes legal entities will be transitioning at once.

Why is Baker Hughes Transitioning to Ariba Network?

Baker Hughes's future way of doing business is e-commerce. To streamline our supply chain / sourcing and accounts payable processes, we chose Ariba network.

Why join the Ariba Network?

There are several benefits to using Ariba Network e-invoicing for your business which include (but are not limited to):

- a. **Greater visibility of your invoice status** - check the status of your invoice at any stage
- b. **Fast, guaranteed invoice delivery** - Invoices are processed faster through a more streamlined process than when they were emailed into Baker Hughes
- c. **Early invoice data validation** - Invoices will be in the perfect Baker Hughes format, so the chance of an invoice going on hold due to inaccuracies is reduced
- d. **Cost** - Reduction to your AR processing cost
- e. **Environmentally sustainable solution** - Completely paperless invoicing

Are there any fees associated with transacting on the Ariba Network?

If you received a Trading Relationship Request (TRR) from Baker Hughes, we are offering you a free Enterprise account. If you did not receive a TRR, we are offering you a free Standard account. **(If you choose to utilize an existing Enterprise account or upgrade your standard account, but did not receive a TRR from Baker Hughes, Ariba Fees might apply).**

How should suppliers' process old invoices and purchase orders after the cutoff date?

- Existing Purchase Orders (POs), PO's issued prior to Go-Live, are to be invoiced using the current invoicing method.
- On the day of Go-Live, you will receive an email from an Ariba email address called ordersender-prod@ansmtp.ariba.com with new POs. A copy of the PO PDF will be attached with billing information.
 - o Invoices for these new POs cannot be submitted to current invoicing mailbox, but rather invoiced via the Ariba Portal

What does this mean if I am currently invoicing via Tungsten / SNC?

You will need to migrate from Tungsten/SNC onto the Ariba Network for submitting invoices to Baker Hughes. Once you establish your account on the Ariba Network, you will be given a date to begin submitting invoices through the network. Until then you should continue to submit invoices through Tungsten/SNC. Baker Hughes and Ariba will work with you to make the transition as smooth as possible.

Will the Ariba network be the preferred method to transact with Baker Hughes in the future?

Ariba Network indeed will be the preferred method to transact with us in the future. Baker Hughes would like to align the systems we use for purchasing and to ensure we get the best to collaborate with you globally as well as provide you faster service, faster payments. We want to show our commitment to this initiative by offering Ariba at no cost to our suppliers.

Our PO Collaboration, including RFQ's and documentation submission, is currently conducted in iSupplier. Will we need to start using Ariba?

No, if you are currently using the iSupplier portal for any of the below:

- Request for Quotations (RFQ) Process
- Document Sharing
- Order management

Please continue using iSupplier. For you, this Initiative will impact Electronic Invoicing.

I have a small volume of business with Baker Hughes annually. Will the Ariba Network facilitate this small volume of transactions and will Ariba be the platform for me to use?

Given the low volume of invoices and the annual spend, we would recommend signing up for a Standard account. The Standard account is free of charge, easy to use and has all the functionality needed to collaborate with Baker Hughes.

How will I know when I have a new PO via the Ariba Network?

The Ariba Admin must configure an Electronic Order Routing in the Ariba Settings and add the emails of the appropriate contacts to get the PO notification via email.

What is an Ariba Administrator?

In SAP Ariba, administrators and users perform different roles. Administrators of Ariba system perform the following responsibilities:

- Account configuration and management - registering new accounts in SAP Ariba network
- Handle account login issues and act as primary contact for Ariba users.
- Creating new roles in Ariba system.
- Linked to username and login entered during registration.

I do not know if my company has an Ariba administrator. How can I tell who my company's Ariba administrator is?

There are three ways we recommend:

- contact Ariba customer support or
- ask around your organization who might be the Ariba admin to accept TRR or
- if you are on the Ariba network and you know you are not the Ariba admin, log in to your account, click your username in the upper right corner. You should see from your dropdown menu Contact Administrator. Click that and it will show the Ariba administrator contact information on file for your Ariba Network account.

What is the Baker Hughes ANID?

It is AN01015927430

Is there a location in Ariba network where I can view remittance or payment information for invoices that have been submitted?

Yes, that option is available. To learn more, please review the Account Configuration section of the training.

Is integration supported for Baker Hughes suppliers? Will I be able to send invoices via cXML or EDI rather than PO flip?

Some of our suppliers have large amount of transactions. After Trading Relationship Requests (TRR) have been sent out, the Ariba Supplier Onboarding Specialists (SOS) will reach out. If you do indicate that you'd like to integrate with Baker Hughes, the specialists will be sending you an integration questionnaire. Please complete that in a timely manner and send it back to the SOS. They will review that and that will be passed on to Baker Hughes.

In consultation with SAP Ariba they will make the final decision related to the supplier seeking to integrate. Integrations last between 6 to 8 weeks. While the integrations are going on, you can in parallel use PO flip.

To summarize, whether it's cXML or EDI, you do have that option. For those suppliers who are not yet familiar with the integration process, a kickoff call will be established to explain the process prior to integration and all the testing.

Is CSV Upload supported for Baker Hughes suppliers? Will I be able to upload via CSV?

Yes, the CSV upload option is available for Enterprise suppliers. To learn more, please go the Supplier Information Portal and download the CSV Upload Guide.

Why did I receive two or more different letters?

You may be on two separate purchasing systems at two or more different Baker Hughes sites. Please make sure to consolidate your invitations into one ANID when applicable.

What happens if I already use Ariba Network for other customers?

Great! You will continue to enjoy the benefits with another customer of yours!

Can I add Baker Hughes Ariba account to my existing Ariba account without incurring any additional fees?

Once you receive the TRR (Trading Relationship Request) from Ariba Network, accept it, provide your Ariba Network Number and your admin and all transacting Ariba Network Fees related to Baker Hughes will be waved.

However, if you did not receive a TRR, we believe that a free standard account

would be enough to transact with Baker Hughes. **(If you choose to utilize an existing Enterprise account or upgrade your standard account, but did not receive a TRR from Baker Hughes, Ariba Fees might apply).**

I already have an Ariba network account. How do I add Baker Hughes?

If you received a Trading Relationship Request (TRR). You have two ways to accept it. 1) Create a new Ariba Network account or 2) Use existing Ariba Network account. Once you receive the TRR, select existing account, enter username and password and the TRR will be accepted for Baker Hughes.

If you did not receive a Trading Relationship Request (TRR), we believe that you should transact with Baker Hughes via Standard Account.

Will I need another logon ID and password if I'm already using Ariba?

Suppliers decide internally. Please let us know the email address and contact name where we can send the TRR to. Please inform your Ariba admin of the login details they are required to use.

I'm currently an ERS supplier, what changes for me?

The invoice is still created via the ERS process. However, now you can see the ERS invoice in Ariba when it is generated.

What is Evaluated Receipt Settlement (ERS)?

Evaluated Receipt Settlement (ERS) invoicing program is a globally used procedure for the automatic settlement of goods receipt, without supplier submitting invoices. Once goods receipt is performed, the ERP creates an invoice, based on PO and Goods Receipt details (e.g. price). We authorize payment based on that, at agreed payment terms. Key benefits are on time payments and manual invoice submission elimination. For more information, please contact us at Supplier.Enablement@bakerhughes.com

Will the ERS options continue to be available via the Ariba network?

It will be available in Ariba. In fact, it will be the preferred method for invoicing where feasible. Many of our suppliers do utilize ERS today even without Ariba. Using Ariba, once we receive the goods, you will get notification that invoices have been automatically generated. You will be able to view these invoices via the Ariba network.

This means that POs will have to be as accurate as possible upfront. Pricing, quantities must be correct because the invoice will get generated based on

what the PO says.

If you do have more questions, please contact us at Supplier.Enablement@bakerhughes.com. We can get you more information and training.

[I am already on ERS. What will change going forward?](#)

We will continue to use ERS in Ariba. From this point of view, nothing is expected to change. The key difference and benefit for our suppliers is that this becomes very visible. Once you ship and we receive in our system, you can see that as well as once the invoice is generated. When today for our suppliers ERS may be difficult as you don't have visibility of what invoice have been generated, once on Ariba and ERS, it will be become much easier.

[Will I be required a Purchase Order flip if I already use ERS?](#)

This is all based on business rules. These will be covered and confirmed during the Functional Training. In general, if the Purchase Order (PO) comes through to the Ariba network with no ERS flag, you will be required a PO flip. However, those POs flagged as ERS may not require a PO flip.

[How do I invoice without ERS?](#)

The Ariba Network supports electronic invoicing to be utilized where ERS invoicing cannot be used for certain circumstances.

Manual/paper/document/emailed invoices will not be an option in Ariba. You will receive training on how to create invoice in Ariba.

[Will rolling to the Ariba network affect payment terms?](#)

No. Payment terms, payment methods remain the same.

[Will the MUFG program or other Payment programs be impacted by this change?](#)

No, all payment programs and terms are not impacted by the Ariba Initiative.

[How can I get my invoices or my invoice numbers into the Ariba network?](#)

Once you receive the Purchase Order and ship it, you will be able to flip the PO to an invoice and choose any alphanumeric number that you generate in your system to add on to your invoice in Ariba. Invoice Number is a mandatory field that suppliers are required to enter while creating the invoice. This will be showcased during the training session.

[Is there a mobile application for Ariba?](#)

Yes, there is one available for suppliers. For more questions, please click on the hyperlink and complete the webform [Baker Hughes Supplier Enablement Inquiry](#)

Am I required to have a cell phone to access the Ariba network?

No, not at all. If you have a computer and an access, you should be all set to start using the Ariba network.

How can I learn more about the Baker Hughes and Ariba partnership?

A recording of the web-based supplier summit can be accessed by Clicking Here. If you still have further questions, please reach out to:

- Ariba Network Related Questions by clicking on the hyperlink below
- [Baker Hughes Supplier Enablement Inquiry](#)
- Business Related Questions:
 - Supplier.Enablement@BakerHughes.com