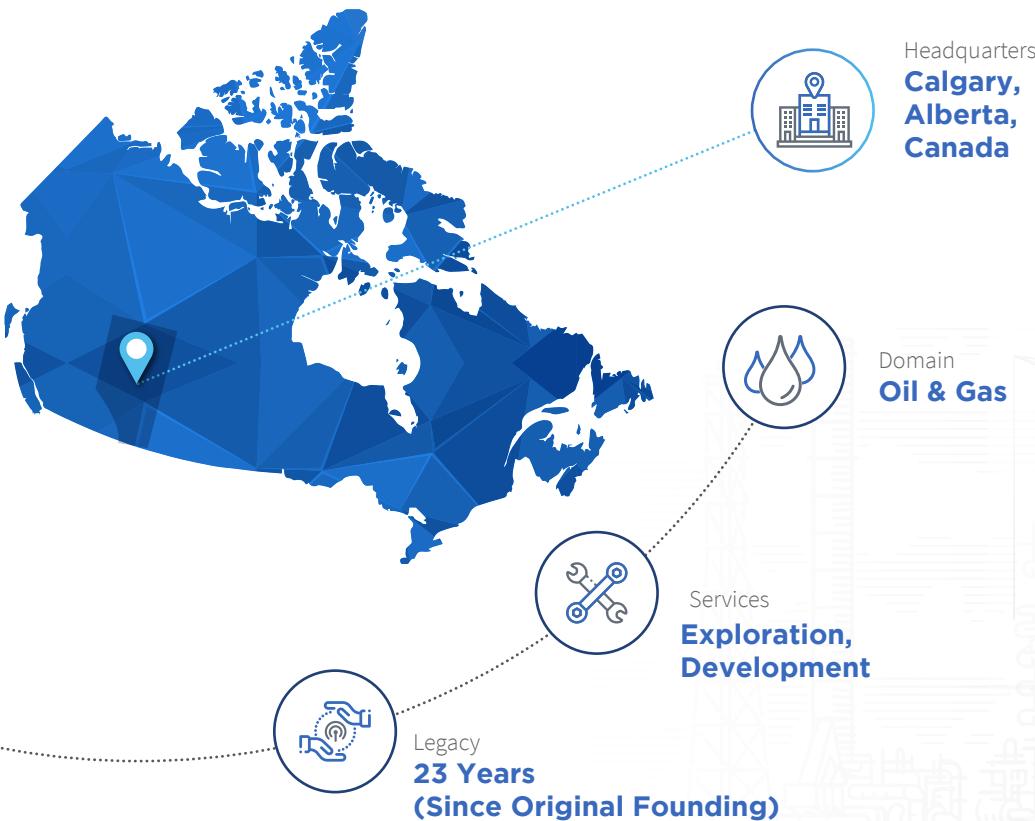




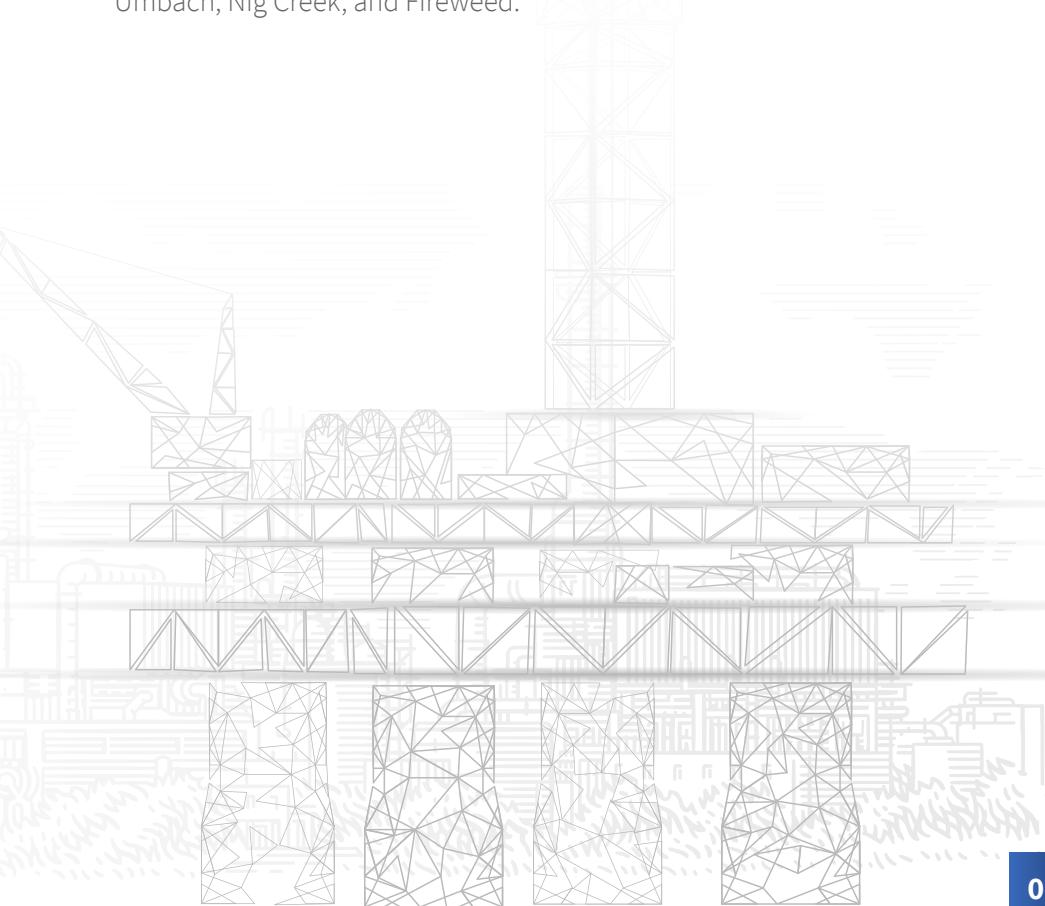
Storm Resources **Enriching and Future-Proofing Supplier Management Systems for an Oil & Gas Client**

About Storm Resources



OVERVIEW

Storm Resources Ltd. is an oil and gas exploration and development company incorporated in the province of Alberta, Canada on June 8, 2010. Currently, the company operates primarily in northeast British Columbia and has a focused asset base with large land positions in resource plays at Umbach/Nig Creek/Fireweed which has multi-year drilling upside. Near term, Storm's efforts are focused on advancing the development of the liquids-rich Montney natural gas resource on 170 net sections of land at Umbach, Nig Creek, and Fireweed.



BUSINESS CHALLENGES

The client was facing challenges in its documentation and compliance classification for its suppliers based on the “stale” data being provided. This meant that certain key indicators that the client needed to verify its supplier’s capabilities were often outdated, unverified, or lacking quality insights. Between 2008-2012, compliance and operational data provided by 50% of the client’s suppliers wasn’t updated in the given time span. Simply put, the data being provided was not fresh, current, or reliable in most cases.

The challenges associated with sub-optimal supplier data are only exacerbated the larger an organization gets – a factor that was applicable for Storm Resources as well. This was further complicated by the provincial WCB industry coding system used for audits in Canada. For example, Alberta alone had over 600 different industry codes to manage different industries across the province, so when paired with various other territories in the country it would be a significant logistical burden to assign the right codes to the right supplier audits.

The client needed a supplier management partner to lighten their burden with regards to prequalification, compliance, and supplier management. Specifically, the client wanted a supplier management partner that would help them facilitate the processes and not drive their business as a whole.



SOLUTIONS DELIVERED

After discovering the company, the client found that Avetta's robust prequalification and supplier management processes aligned perfectly with their business needs. With their quality over volume approach to data, Avetta worked in close collaboration with the client to adapt their pre-existing qualification process to better capture and review data from their supplier list. The client already possessed a good clean list of their suppliers, which they further refined to provide Avetta with the best possible starting point.

With the help of the Avetta Connect application, the insights gathered from the audit procedure were used to reinforce processes such as underwriting, insurance certification, and compliance through COR, federal and provincial regulations. This was particularly important for the client due to the nature of COR certification and its links with industry and worker compensations, which is vital for safety processes and government subsidization in the related industry. While several other management partners have had the propensity to try and undervalue COR's capacity in favor of their own audit processes, Avetta's approach was more open to using CORE as part of the client's system. This approach enhanced the WCB, Industry, supplier and client's recognized audit process significantly and reinforced what the client had been striving to achieve for the longest time: a contractor management system where suppliers work in partnership with the client to drive business.



Furthermore, Avetta's Supplier Prequalification solution broke down the supplier management process into a simple, segmented, form-based procedure that was in sharp contrast to previously used and overly complicated WCB industry code. The prequalification form used strategic questions that allowed for suppliers to be grouped into clear categories. These included questions related to their onsite services, technical services, site engineering and other key demographics, as well as onsite requirements and risks. This level of detail in categorization made it far easier for the client's underwriters to be able to identify key supplier information and map insurance codes accordingly.

To summarize, some of the solutions Avetta provided were:

Contractor prequalification that ensured all compliance and regulatory requirements were being met as per the requirements of local certification practices

Comprehensive and simple prequalification of contractor's skills and capabilities

Thorough and reliable insight generation pertaining to key contractor statistics, which are up-to-date and easy to access

A single-source insurance monitoring system that took into account a simple localized approach to coding and returns based on Avetta's pre-qualification setup



BENEFITS EXPERIENCED

By partnering with Avetta, the client was able to achieve a simple yet incredibly effective supplier management system that helped support their business processes. This would ensure that the business was future-proofed and that the supplier data could be carried over to any further business dealings in the event of an acquisition.



Some of the marked benefits the client experienced from this partnership included:



A brand new supplier management platform that was simple, functional and adaptable to the client's specific needs

Direct support from Avetta's teams in Canada that understand local requirements and compliance mandates

Avetta took over management for the client's list of suppliers by narrowing it down to active members on the system

Additionally, Avetta was quick in refunding contractually owed money to those suppliers that no longer fit these requirements, thus clearing up further admin tasks on the client's behalf and benefitting the business from an ethics and optics standpoint

Greater clarity and visibility into the communications between Avetta and suppliers, allowing the client to gain detailed feedback beyond just statistics

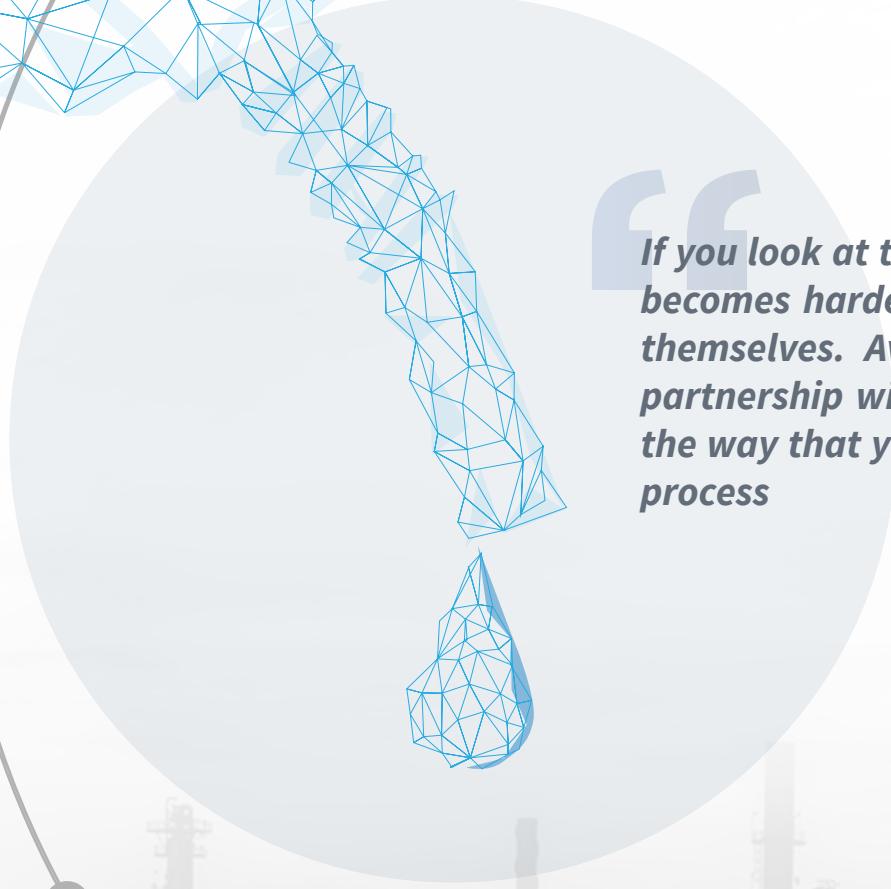
Quicker ability to reevaluate engagements with suppliers in the event of any changes to their reporting requirements or exemption requests

Region-specific quality audit protocols that allow the client to effectively meet local compliance and regulatory requirements (COR, ISO, etc.), which doesn't undervalue one certification over the other

Potential plans to connect directly with workforces and integrate all suppliers onto a learning management system for company-specific and site specific training

Potential to help the client supplement its visibility into supplier operations on the ground

Capability to easily and quickly transfer data and other important supplier management processes in the event of any changes to the client's business structure



If you look at the broader picture with larger companies, it becomes harder for them to manage their suppliers all by themselves. Avetta helped us lighten that load in close partnership with us, and the huge shift that we noticed in the way that you approach and attack the prequalification process

— Jeff Weaver
Manager, Health & Safety, Storm Resources Ltd.



ABOUT AVETTA

The Avetta SaaS platform helps clients manage supply chain risk, and their suppliers, to become more qualified for jobs. For the hiring clients in our network, we offer the world's largest supply chain risk management network to manage supplier safety, sustainability, worker competency and performance. We perform contractor prequalification and worker competency management across major industries, all over the globe, including construction, energy, facilities, high tech, manufacturing, mining, and telecom.

For suppliers in our network, our audit and verification services help lower their safety incidents rate by 29%. As a result, more than one-third of members find additional job opportunities within the first year of joining. In addition, our suppliers receive privileged access to the Avetta Marketplace, where dozens of partners offer special discounts for business services like insurance and work gear. Avetta serves more than 500 enterprise companies and 125,000 suppliers across 120+ countries.