

GLOBAL CONTINUOUS IMPROVEMENTS

Within the accounting processes @Statkraft

13:00 -13:40



AGENDA

1 Who are we?
(Espen & Robert)

2 About Statkraft
(Espen)

3 GACIP introduction
(Espen & Robert)

4 Methodology
(Robert)

5 What have we
achieved
(Espen)

6 Questions

Who are we?



Espen Øvergaard

Head of Accounting at Statkraft AS



Robert Sipina

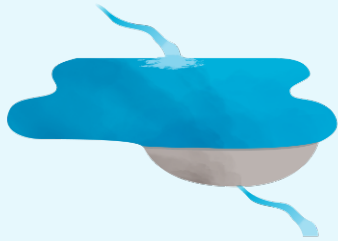
SAP Project Manager and solution architect
at Bouvet AS

Photo: Steffen Olsen / Danish Meteorological Institute

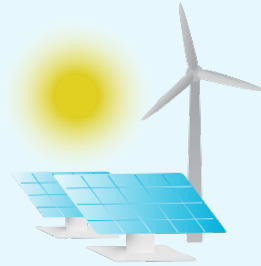


Powering a green future

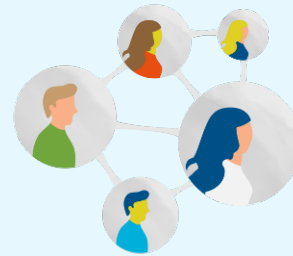
We are committed to develop and manage green, smart and profitable energy solutions



**OPTIMISE AND EXPAND
HYDROPOWER
PORTFOLIO**



**RAMP UP AS WIND AND
SOLAR DEVELOPER**



**GROW THE
CUSTOMER BUSINESS**



**DEVELOP NEW
BUSINESS INITIATIVES**

Own capacity

20 000 MW

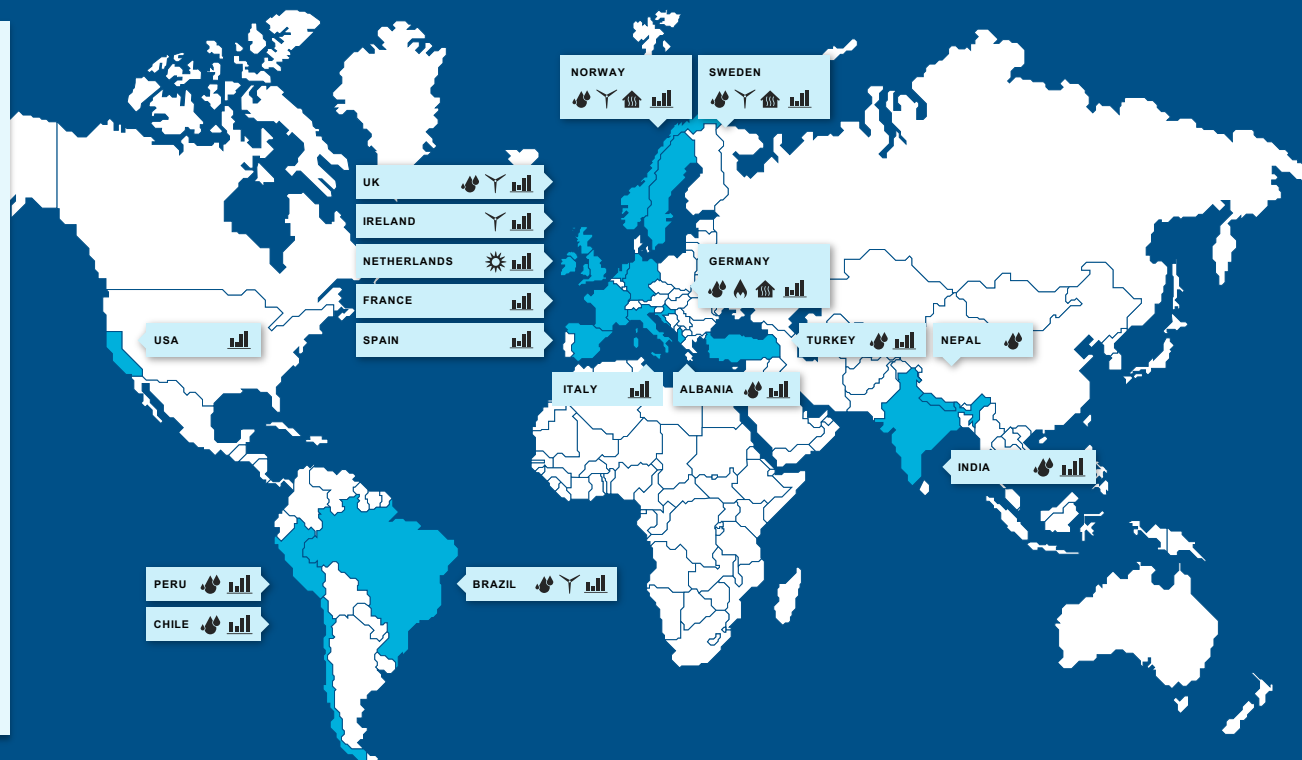
65 TWh → 92% renewable

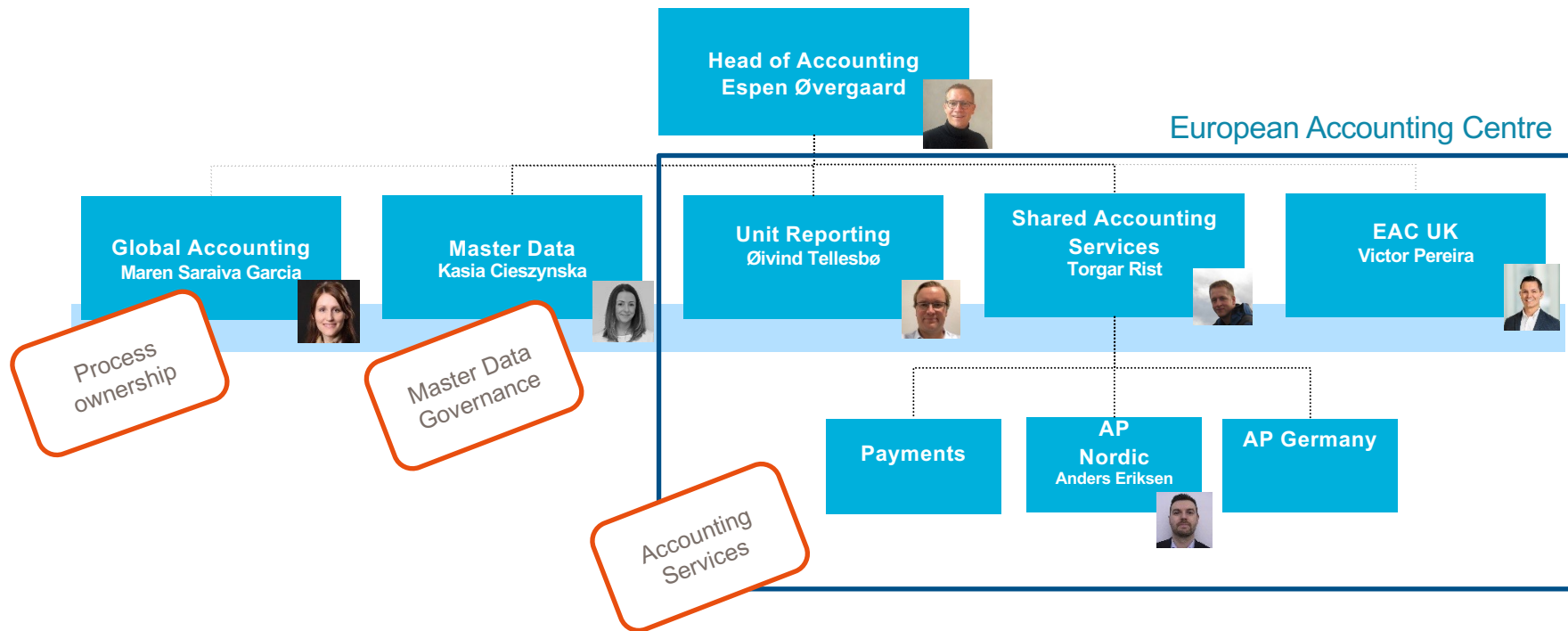
Third party capacity

20 200 MW

Employees

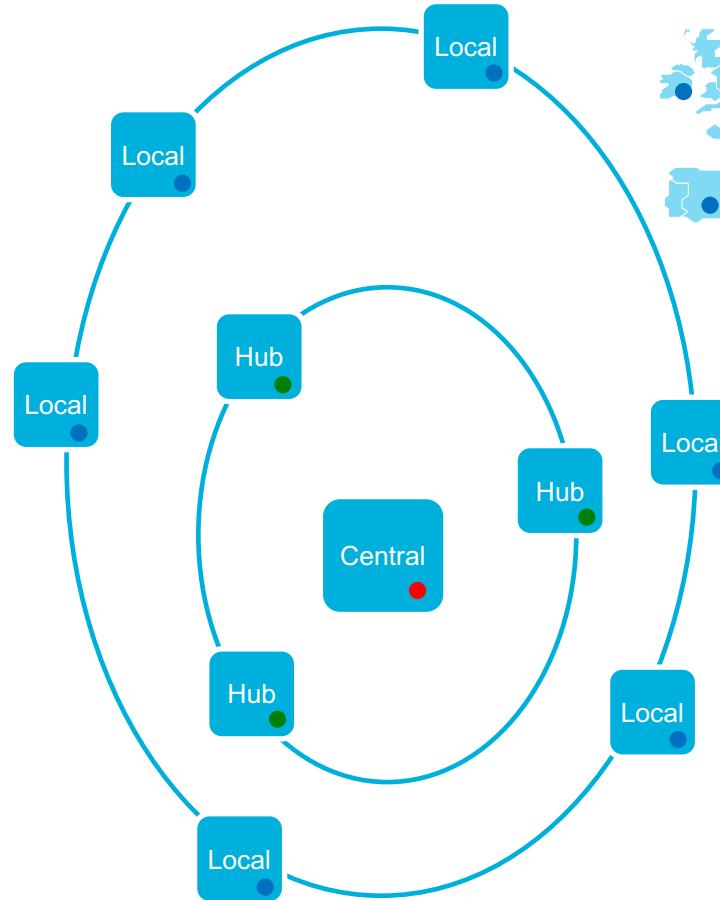
4 500





Service delivery model

- Centrally from Oslo
 - Central Accounting Services (inter company billing, closing support activities etc.)
 - Master Data Services
 - Payments
- Accounts payable services from Oslo, Düsseldorf and London to serve rest of Europe
- Local presence with unit reporting in all countries and close collaboration with business
 - Local entity reporting: tax, VAT and statutory
 - Reporting to group
 - Asset accounting, B/S reconciliation
 - Revenue accounting (excl. M-business)
 - Local audit contact





GACIP INTRODUCTION

(Espen/Robert)

GACIP introduction

▶ Program objectives

The main objective of Global Accounting Continuous Improvements Program (GACIP) is to have a dedicated focus on continuous global and local improvements, to find, prioritize and follow-up on initiatives in a structured way.

▶ Deliverables

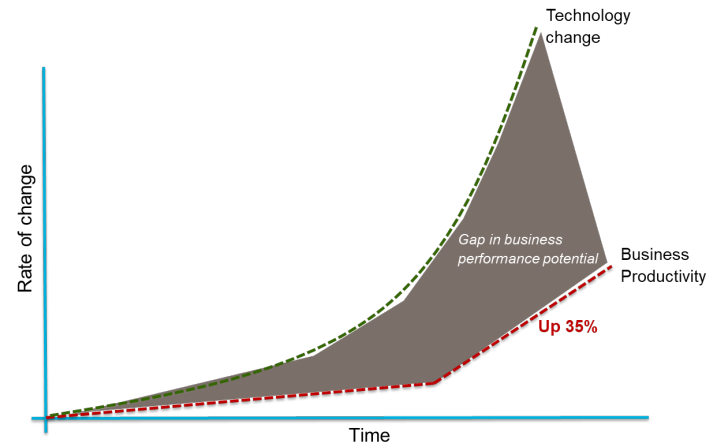
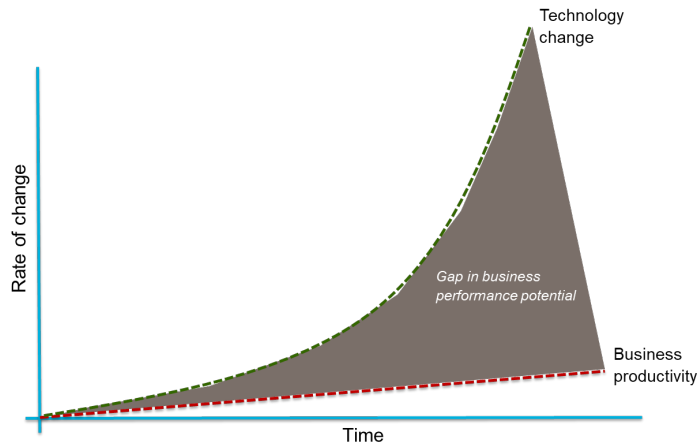
Prioritize, implement and follow up on expected benefits.

▶ Affected business processes

Accounts payable-, unit reporting-, bank- and master data related accounting processes. Both system and process improvements, will be handled operationally. For system improvements we will involve SAP-IT.

GACIP introduction

We are actively pursuing efficiency gains from improvements in our SAP system as well as digitalization technologies such as Robotics process automation (RPA). It is the sum of many small improvements that add up to substantial benefits. The GACIP program has enabled accounting to take on new tasks and responsibilities without increasing our staff.



METHODOLOGY

(Robert)



Methodology

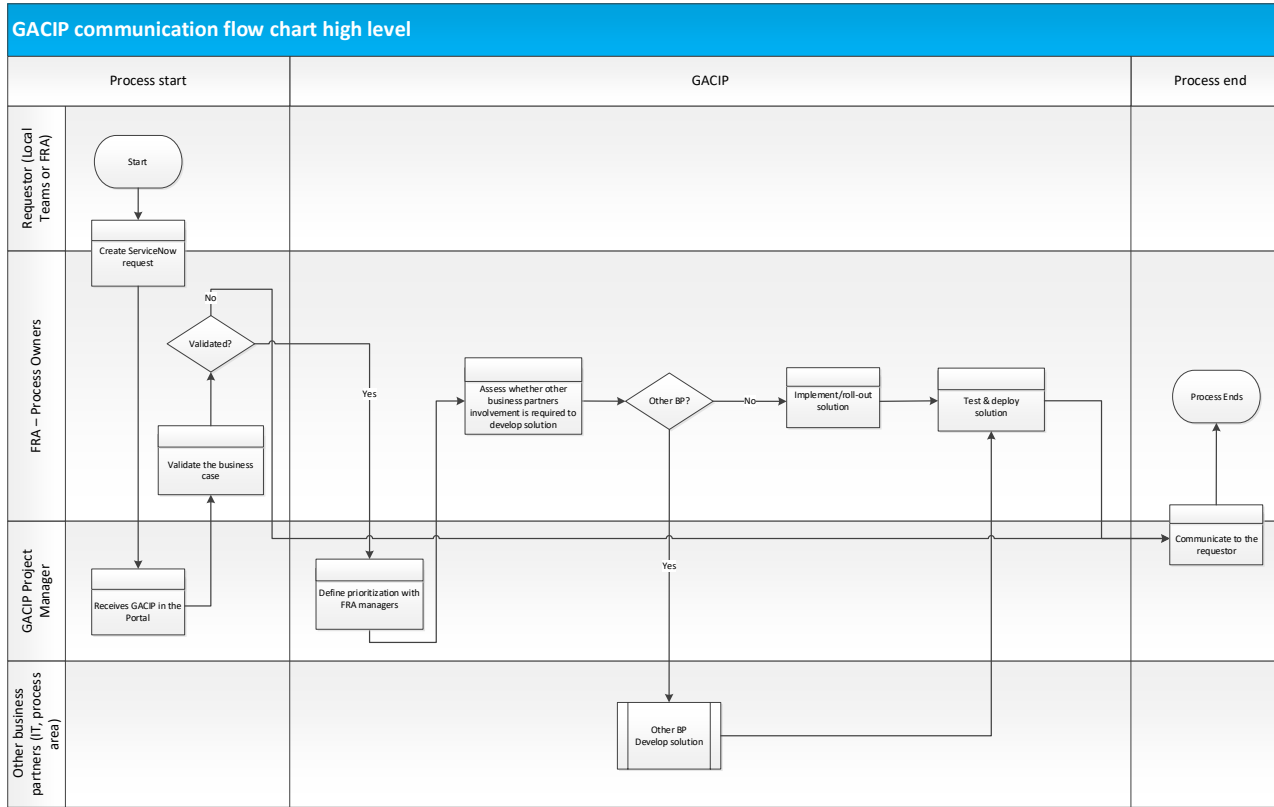
Working the agile way

This means that we need to continue to pursue adaptability in the face of challenges, self-organized GACIP teams, and cooperation.

Each GACIP case is addressed by different GACIP teams. These teams manage their own way of working and progressing based on availability, competence/expertise and experience. We do not define any strict roles, tasks and timelines. It is not necessary when the teams per GACIP case are self organized.

After all, it's about working smarter faster and together. Enabling fast, efficient, and correct flow of data and information.

High level process flow



3 main considerations to decide which improvement to pursue

1. What is the benefit?
How much time is saved, is there increased usability, etc?
2. Is there a compliance requirement to do this?
Local and global compliance requirements are naturally implemented. Examples are SAF-T reporting in Norway and Making Tax Digital in the UK
3. Have all geographies gotten “their fair share”?
The program should benefit the entire Accounting function in Statkraft. All accounting teams, in all geographies and all BA’s, are welcome and encouraged to submit improvement proposals.

How do we identify an improvement?

- ▶ Where can we be more efficient and make our work easier?
- ▶ What is cumbersome today?
- ▶ Do we perform repetitive tasks that could be automated?
- ▶ What problem do we want to solve?
- ▶ What's not working?
- ▶ What's taking too much time?
- ▶ How can we work smarter, faster and together as we pursue fast, efficient, and correct flow of data and information?

WHAT HAVE WE ACHIEVED

(Espen)

What have we achieved

2 examples of improvements in the program

► **Pre-booking if invoices**

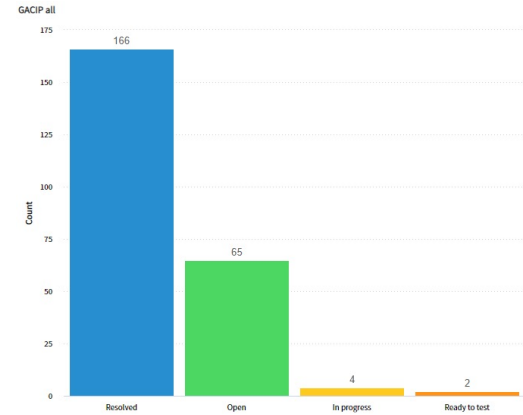
We know, and understand, that many users of the invoice WF solutions has struggled to find the correct G/L account and tax code. This year we have implemented a new logic that automatically assigns a proposed G/L account and tax code for over 90% of the FI invoices that are sent out. This is a win-win solution that both improves the quality and efficiency in the booking

► **The invoice email robot**

A robot is now monitoring the e-mail inbox for accounting. The robot can do many things that normally would have been manual steps such as send invoice to scanning, convert attachment to PDF, send email to vendor asking for a real electronic invoice in the future, separate dunning and other communication and forward to another address for manual follow-up, and much more. We see that robots are perfectly suited to these kinds of repetitive and rule-driven tasks.

Status - Savings

We have successfully completed 166 GACIP improvements & saved 15.000 hours per year so far.



	2018	2019	2020	2021
Cases completed	44	48	64	10
Benefit (yearly h)	2.900	3.100	6.800	2200

The GACIP program is a facilitator to take on new tasks/responsibilities without increasing number of employees handling finance tasks.

GACIP improvements benefits the entire Statkraft organization, not only finance personnel.



QUESTIONS?