

PRESS RELEASE

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Cost reductions in staff functions as Vattenfall transforms

The SEK 2 billion cost-saving programme previously announced by Vattenfall is now entering its next phase. A necessary measure to achieve the goal is a reduction in the number of employees and consultants in the staff functions. The total number affected is approximately 1500 full time positions.

In order to maintain competitiveness and increase room for new investments and business initiatives, Vattenfall in September last year announced a SEK 2 billion cost-saving programme within the staff and support functions, to be implemented by 2020.

"It's natural, and an important part of our strategy to constantly review our costs in order to be efficient and increase the room for new investments. The fact that we now show a positive financial result doesn't mean that we can rest on our laurels. On the contrary, we need to constantly improve in order to continue to be profitable and to grow," says Magnus Hall, Vattenfall's CEO.

In recent years Vattenfall has reduced considerably in size, mainly as a result of the sale of the German lignite operations. The staff functions, on the other hand, have not been reduced to the same extent. At the same time, digitalisation offers opportunities for newer and more modern ways of working.

"Vattenfall is undergoing major changes. At the same time, climate change and a constantly changing energy landscape requires us to be able to adapt quickly to new circumstances and have modern solutions. This means that our organisation has to be efficient and competitive for the future," says Magnus Hall.

In total, approximately 1500 full time positions of employees and consultants are affected: Approximately 600 in Sweden, 600 in Germany, 275 in the Netherlands and 25 in other countries where Vattenfall has operations. The majority of those who work in the staff functions are in Stockholm (Solna), Berlin, Hamburg and Amsterdam.

Vattenfall will handle implications for employees in a socially responsible manner and in consultation with the workers' councils and unions

Ongoing efficiency improvement programmes, such as the previously announced outsourcing of certain functions, are included in the planned overall reduction of SEK 2 billion. This to the extent of more than 500 full time positions out of the 1500.

Vattenfall has a total of around 20,000 employees, primarily in Sweden, Germany, the Netherlands, Denmark, Finland and in the United Kingdom.

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