

# PRESS RELEASE

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## Vattenfall to save SEK 2 billion to make room for investments

**In its strategic transformation process Vattenfall has identified a need to increase efficiency in staff and support services. A program with an ambition of a SEK 2 billion cost reduction target for these areas by 2020 has been decided.**

In the light of a rapidly changing energy landscape, Vattenfall needs to adapt in order to stay competitive. Magnus Hall, President and CEO of Vattenfall, says:

“Vattenfall has a clear strategic direction and a path for transformation in which we include needed cost reductions to free up capital for future investments.”

With the transformation that has been taking place during the past years, Vattenfall has shrunk significantly. However, staff and support functions have not been reduced to the same extent. At the same time Vattenfall is operating in a rapidly changing energy landscape. Therefore a cost saving need and an opportunity for even higher agility has been identified in this area.

The savings ambition is so far only set in monetary terms. It is very likely that a reduction in workforce will be an essential part of the solution. However a target in terms of employees has not been set at this stage. Vattenfall will handle implications for employees in a socially responsible manner and in consultation with workers' councils and unions. Already ongoing efficiency programs, as the earlier communicated outsourcing of certain functions, are included in this ambition. President and CEO Magnus Hall continues:

“A slim and cost efficient organization is a prerequisite for profitable growth in the company. Therefore, this kind of initiative is a continuing part of our strategic objective to secure high-performing operations.”

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