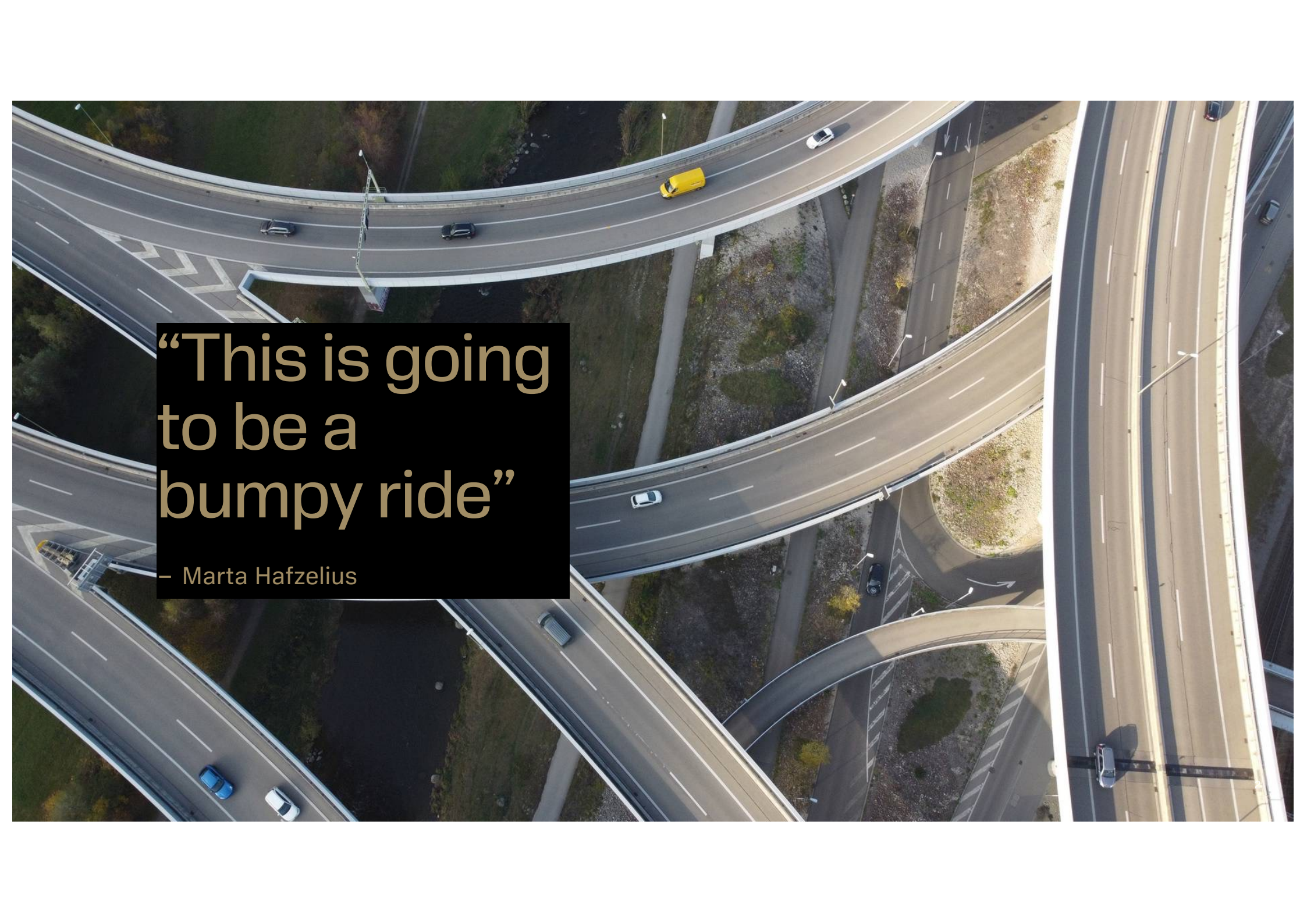# Digital Shift at Sandvik

Marta Hafzelius
VP Group Reporting and Consolidation

IFRS symposium 2024-09-11

"This is going to be a bumpy ride"

– Marta Hafzelius

Marta Hafzelius

VP Group Reporting and Consolidation

Deloitte.
2007

Autoliv
2010

Klarna.
2016

SANDVIK
2020

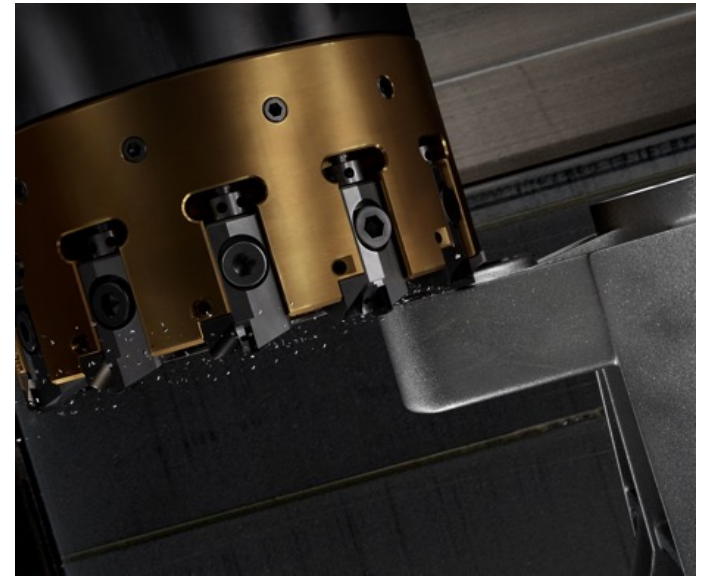# World-leading positions

Mining and rock solutions

Rock processing solutions

Manufacturing and machining solutions

Sales countries around the globe
170

Active patents
6,921

BSEK in revenues
127

R&D centers globally
68

Annual R&D investments, BSEK
4.8

Number of employees
41,000

Reporting facts

~450 legal entities
~550 reporting entities

+ 1,400 users

Decentralized
organization

Our strategy
to make the shift

Our platform to enable necessary shifts focusing on growth, sustainability, customers, agility, employee value and digitalization.
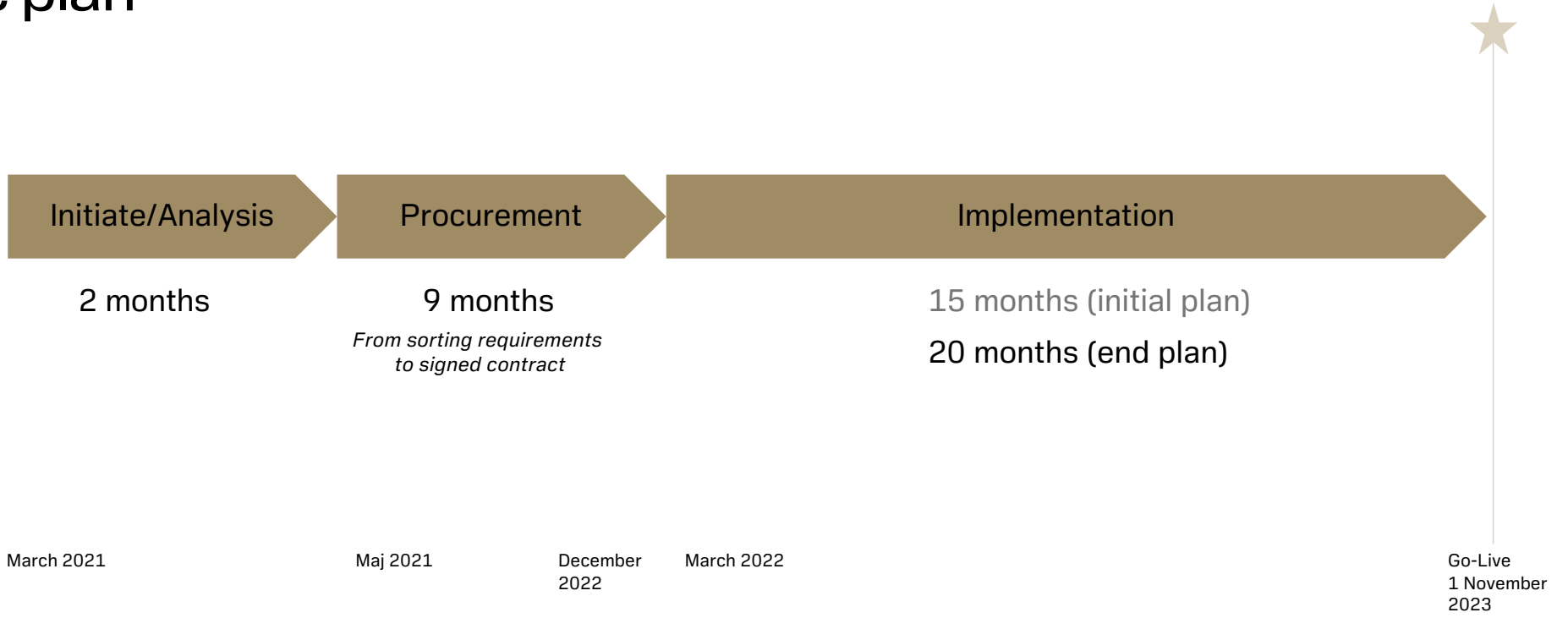

Shift to growth

Sustainability shift

Customer's 1st choice

Agile through cycle

Employer of choice

Digital shift

Customer focus

Passion to win

Fair play

Innovation

We make the shift
Advancing the world through engineering

Digital shift

- ➤ We drive automation and efficiency
- ➤ We utilize the full potential of our finance systems to create seamless information flows

Time plan

Initiate/Analysis	Procurement	Implementation
2 months	9 months	15 months (initial plan)
	From sorting requirements to signed contract	20 months (end plan)

March 2021   Maj 2021   December   March 2022   Go-Live
                                                2022   1 November
                                                                                                                                 2023

Getting the organization ready for Go-Live
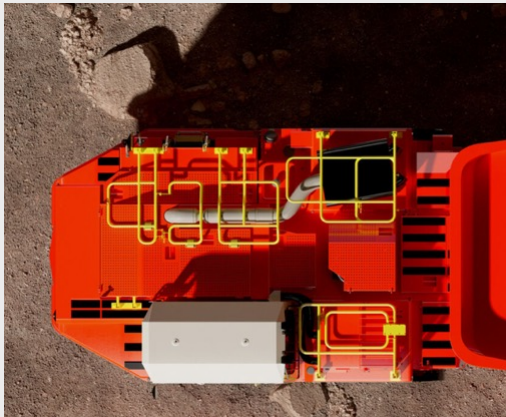
Parallel run 1 – April 2023

– Quarterly closing

– March closing

Parallel run 2 –June 2023

– Quarterly closing

– Redo March closing with extended timeline

Parallel run 3 – September 2023

– Quarterly closing

– June closing with exact timeline

Parallel run 4 – October 2023

– Quarterly closing

– September closing with exact timeline

OneStream Program

Purpose of Consolidation System: To provide accurate, compliant and timely financial data required for external reporting and Group's performance management processes.

Guiding Principles

Quality and speed
through rigid controls and
seamless flows

One set of truth
for external reporting and
Group's performance
management processes

Utilize standard consolidation functionality
to as high extent as possible to
drive efficiency and quality while
minimizing risk and cost

Transparent data logic
easy to understand system
set-up and process steps

High system performance
for a reliable and stable
system with minimal
downtime

Adaptability
to cater for future needs
in a maintainable way

Things that went well

- Enhanced collaboration within the organization (Group/BA/IT)

- Reporting of numbers is more efficient for our entities

- Change management efforts paid off

- Good program structure

Program structure

– Areas being followed up on a weekly basis throughout the program

| Change & Communication	Data	Functionality
Integrations	Operating Model	Resources
Security & Infrastructure	Testing	Training

Things that went well

- Smoother than expected

  - Fast closing of the contract
  - Good structure of requirements
  - Pro-active project management
  - On-line training
  - Steering group composition (Group/BA/IT)
  - Being agile and ready to adopt when needed

Things to consider

- Large effort put on change management

- Project management took more time than expected

- Tight timeline put stress on the implementation

- Two parallel runs would have been too few

- Clearly follow up on what has been tested to what extent

- Clear expectations from the organization, quantified if possible
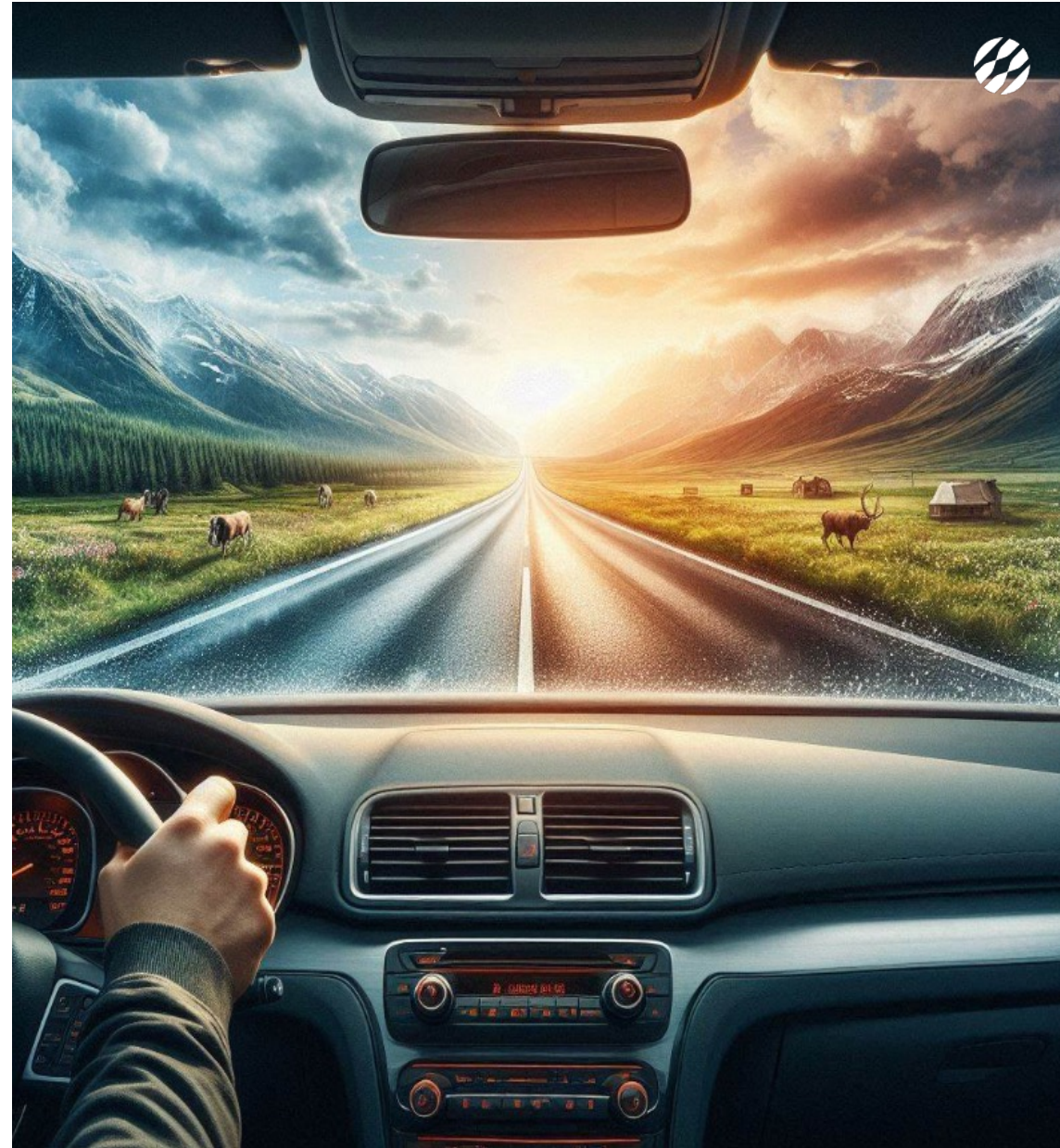
Things to consider

- More difficult than expected
    - Finalizing the data model timely
    - Getting the detailed requirements
    - Longer time to align with Business Areas
    - Performance testing not possible
    - To include clear expectations also for the "given" topics

Forward looking

Further automating review
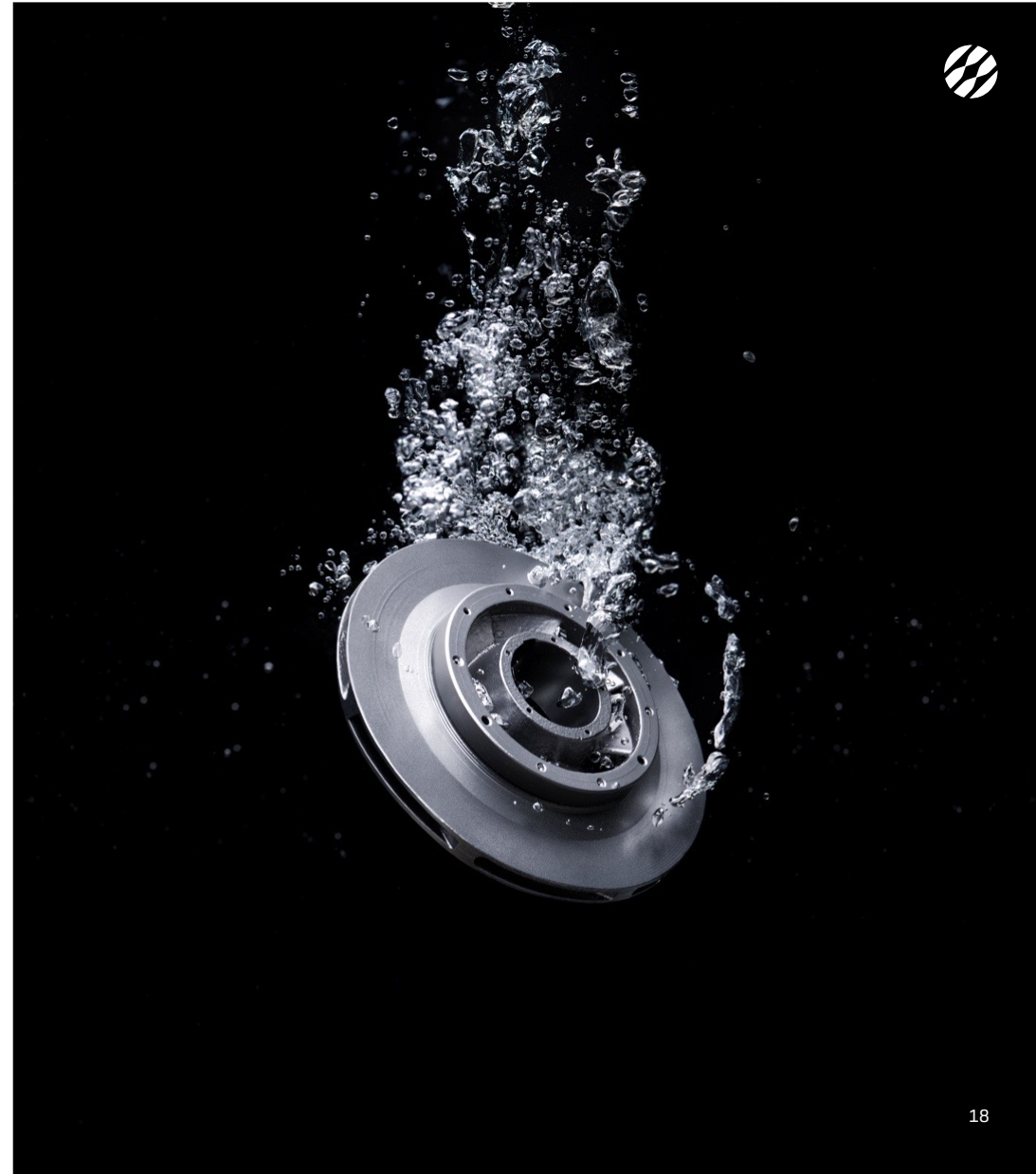
Continuous improvements of processes

System to system

Master data management

With automation and AI high on our agenda

– All teams within Group Finance have an OKR for the year to identify areas in which AI and/or automation can be utilized

– ERP roll outs within our Business Areas to streamline the reporting

Questions?

SANDVIK

Thank you

marta.hafzelius@sandvik.com