



# 2020

IV МЕЖДУНАРОДНЫЙ НЕФТЕГАЗОВЫЙ  
САММИТ **SAP ONLINE**



## REPORTING 4.0

From visible process to visible results

- Gazprom Neft PJSC
- PwC
- SAP

# From the advanced to the digital: IFRS and MD&A reporting function evolution



IFRS reporting



Reports for Gazprom PJSC

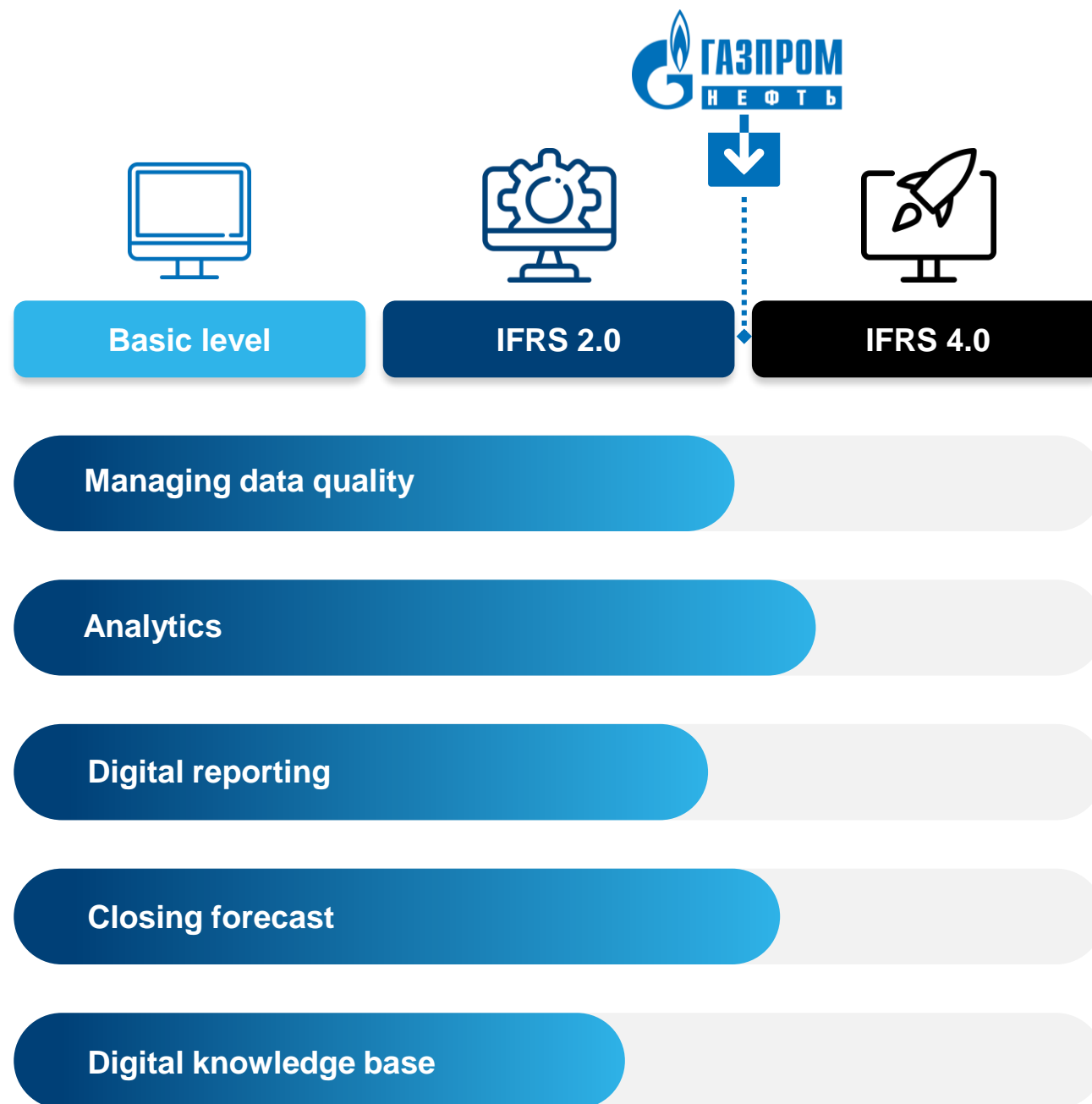


Reports for the second shareholder

Analytical procedures

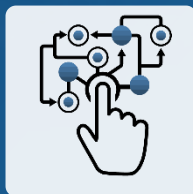
MD&A

Information for external users





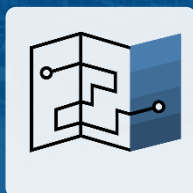
# More than reporting: goals, prerequisites and development areas



External and internal users understand the Company's reports; they are error-free; the speed of reporting generation process meets expectations set by the internal efficiency analysis processes and MBO



Reducing transaction tasks performed at the Corporate Center level, to release resources for value-adding tasks



Building an integrated business analysis system and creating reports that meet the requirements of both internal and external users



Digitization of the IFRS and MD&A reporting assurance process



**Managing data quality**



**Closing forecast**



**Analytics**



**Digital reporting**

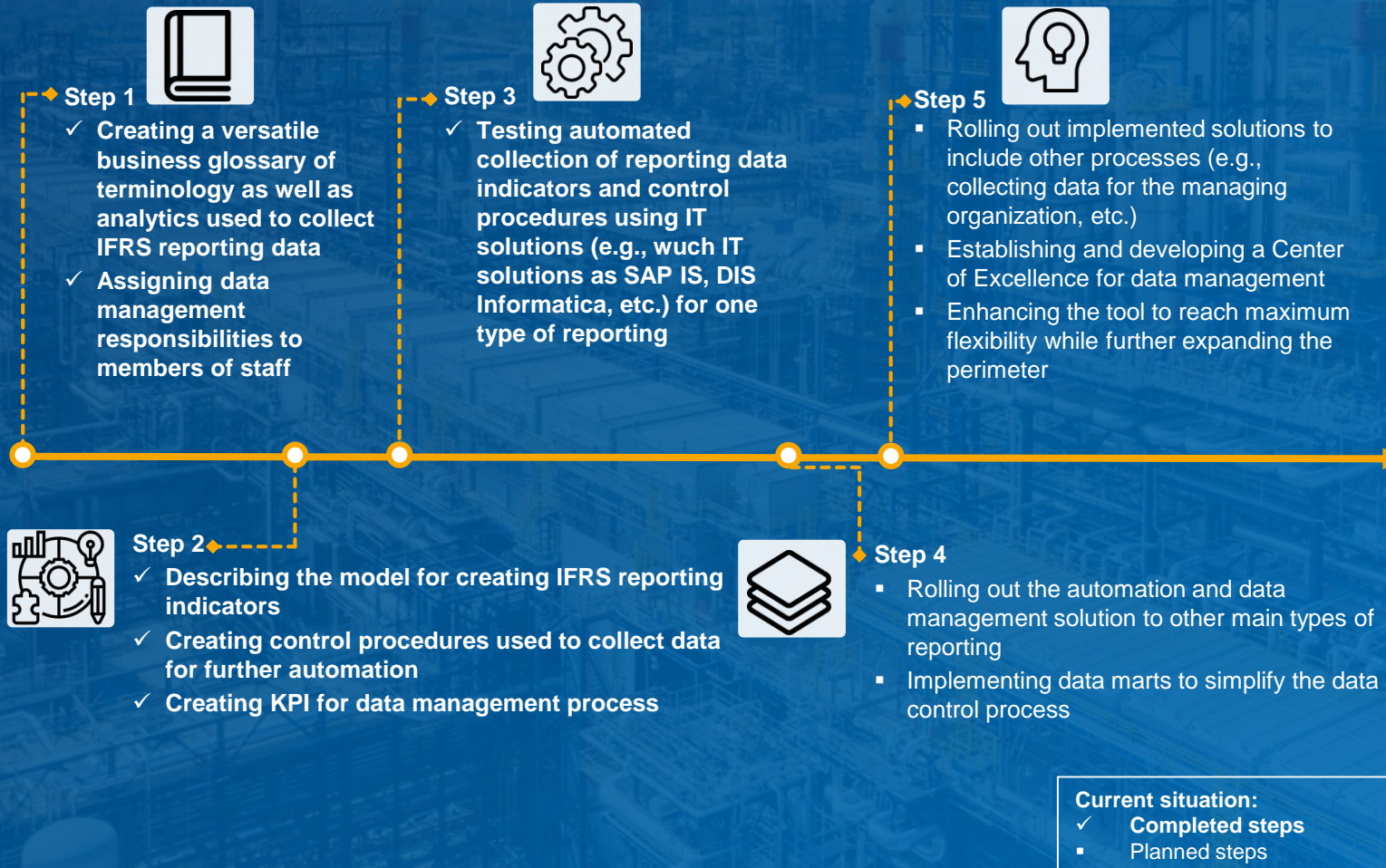


**Digital knowledge base**



# Data quality management

## Data management process: development strategy



## Business effects



### Operational efficiency

Optimizing the costs related to data management function by reducing FTE for routine tasks (data reconciliation, data cleaning, etc.)



### Quality

Ensuring full data reconciliation at all stages of closing;  
100% documenting of all errors when collecting data and transforming



### Time

Reducing the overall time to generate reports, due to timely error identification and correction



### Service and flexibility

Tolerating change in business processes and creating a fully flexible tool to assure data quality



# Closing forecast

## Goals, objectives and development areas



### The main project results

Creating and implementing a function of closing forecast for Gazprom Neft Group IFRS-based consolidated financial reporting (P&L statement)



### The key task

Short-term forecast: Group's P&L on the 25th calendar day



### Further development

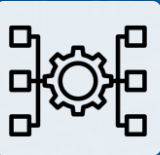
Mid-term forecast: Group's P&L for the next year

## Areas to improve needed to complete the task



### Data

Ensuring a high level of availability and analytical value of financial, business, management and operational data



### IT infrastructure

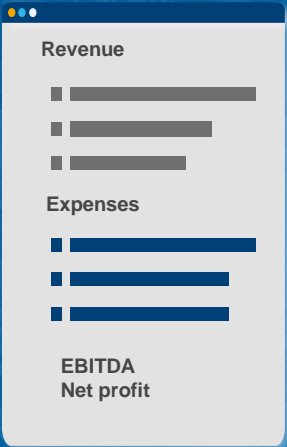
Implementing tools for orchestrating, flexible data flow processing and machine learning



### Methodology

Creating a methodology to forecast reporting lines; identifying business drivers

### P&L forecast



## Business effects



### Data availability

Timely availability of data for management, shareholders and investors; managing expectations for the Company's financial results before the period end



### Analytical procedures

Capability to perform analytical and control procedures at the interim stages of closing



### Data quality control

Monitoring the documenting of substantial and new operations

# Further development of digital reporting powered by SAP solutions



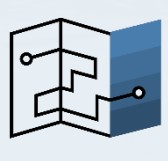
Complex and fragmented IT landscape in a company with a non-uniform set of data.



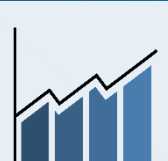
Data fed from sources in an aggregated form.



Complicated intercompany settlements – complicated transactions to document data for reporting.



Manual data transformation with no guaranteed data uniformity or quality.



A large number of non-uniform and duplicate reports.



## S/4HANA Finance

(SAP Central Finance)

1

With any accounting system, there should be data available and as detailed as possible;

2

With any accounting system, all data should be brought together using unified references and methodology;

3

With any accounting system, data should be available in real time.





# Questions and answers



24 November 2020

Webinar by Gazprom Neft, SAP и PwC

# Reporting 4.0: From visible process to visible results



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