

Fortum's Annual Report 2014

Fortum is an energy company highly committed to sustainability. We strive to respond to the needs of our customers by generating, selling and distributing low-carbon electricity and heat and by offering energy-sector expert services.

Control activities

Control activities are applied in the business processes and, from a financial reporting perspective, they ensure that potential errors or deviations are prevented, discovered and corrected. In financial reporting, the Controllers Manual sets the standards.

The Corporate Accounting and Control unit defines the design of the control points and the internal controls covering the end-to-end financial reporting process. Responsibilities are assigned for the controls and also for ensuring their operating effectiveness.

Fortum's processes include controls regarding the initiation, approval, recording and accounting of financial transactions. A standardised way of working is also ensured by Fortum's financial shared service centre, which performs controls for the recognition, measurement and disclosure of financial information. The financial shared service centre has been ISO 9001:2008 certified since 2011.

All divisions have their own finance function ensuring that relevant analyses of the

business performance are done, analyses such as volumes, revenues, costs, working capital, asset base, risks and investments. These analyses are reviewed at different levels of the Group and ultimately by the Board of Directors.