MAKERS
OF
TOMORROW

SUSTAINABILITY REPORT 2018

CYBERCOM
GROUP

MAKERS OF TOMORROW

The Fourth Industrial Revolution is on the way. Virtually all companies and organisations are stepping into a digital reality. And things are moving fast. For Cybercom, this is our home playing field. We are making tomorrow, today.

We help our clients capture the opportunities of digitalisation. We provide innovative, secure and sustainable solutions in IT and communications technology by combining technical edge and strong business insight. This applies whether the issue is transforming products into services, developing new business models or helping the public sector get closer to citizens.

We are found where technology and business development meet. We think big. We test, learn and adapt. And the distance from planning to action is short. The single objective is for our clients to succeed in the connected world.

This is how we are making tomorrow, today.

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Cybercom has its sights set on the future: we are passionate about helping companies and organisations succeed in the connected world. And we are committed to doing it better than anyone else. The time has come to put words into action. We are cross-pollinating technical expertise with business insight and creating innovative solutions for a sustainable society. This is our contribution to future-proofing our clients' business.

And our own.

This is Cybercom

About us

Cybercom is an innovative IT consultancy firm. We are working every day to connect people, machines and services to make them work more smoothly together. Our consultants and the solutions they create take us all the way from e-services in the Nordic public sector to streamed media and driverless cars in Europe, national eIDs, secure card payments and health apps to healthcare, connected cranes and lifts and smart industrial robots.

New majority shareholder

In February 2019, Formica Capital became the new controlling shareholder of Cybercom. In the new ownership structure, Formica Capital owns 51 percent of the shares. JCE Group owns 41 percent, Tequity around 6 percent and CEO Niklas Flyborg around 2 percent. Formica Capital was formed in 2018 and makes impact investments in which social benefits are important in addition to the yield. The company is owned by the Olsson Eriksson family. Cybercom has been in private ownership since 2015, when JCE Group and Tequity bought out the company from the Stockholm stock exchange.

Vision

We are makers of a sustainable future and we are our clients' most trusted business partner in the connected world.

Business concept

We help you capture opportunities in the connected world. By combining technical edge with strong business insights we provide solutions that are innovative and enhance sustainability.

We operate in

Sweden, Finland, Denmark, Poland and India and have assignments in 20 countries.

A selection of clients

Alma Media, the Swedish Public Employment Service, ASSA ABLOY, the Finnish Population Register Centre, Ericsson, Husqvarna, IKEA, KONE, MTV Finland, Posti Group, SKF, Sony Mobile, Stockholm County Council, the Swedish Tax Agency, TDC, TomTom, the Finnish National Board of Education and Volvo Cars.

1,290
EMPLOYEES

45
NATIONALITIES

20
COUNTRIES WHERE CYBERCOM
HAS ASSIGNMENTS

Values

We are driven by a passion to change things for the better. We build trust through honesty and transparency. With good business insight and innovative solutions, we are contributing to new ways of thinking and new business models.

PASSION **INNOVATION** **TRUST**

1,678.1
SALES (SEKm)

142.3
PROFIT AFTER AMORTISATION
(SEKm)

93%
BUSINESS WITH SUSTAINABILITY EFFECTS

Five-year review

Operational performance and key figures	2018	2017	2016	2015	2014
Operating income, SEKm	1,678.1	1,463.0	1,353.9	1,259.6	1,262.9
Operating profit after amortisation, SEKm[1]	142.3	112.5	67.8	38.3	65.8
Total assets, SEKm	1,102.9	978.4	895	879.4	1,265.9
Average number of employees	1,223	1,157	1,110	1,150	1,190
Number of employees at end of year	1,290	1,262	1,203	1,218	1,307
Operating margin, %	8.5	7.7	5.0	3.0	5.2
Equity/assets, %	57	53	48	44	73

[1] Operating profit after depreciation and amortisation pertains to profit before impairment of goodwill and a capital loss on the sale of a subsidiary.

Created and distributed value
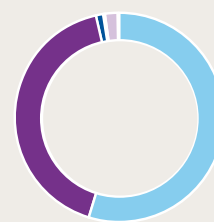
- Employee benefits, including social security contributions 54.9%
- Other external expenses 41.6%
- Investment activities 1.2%
- Net finance income/expense 0.2%
- Taxes 2.0%
- Charitable donations 0.04%[2]

[2] As of 2017, the value of pro bono work has been included in the "Charitable donations" item. Cybercom performed pro bono work in 2018 worth SEK 530 thousand for Hello World!.

Technology and digitalisation in the service of humanity

We are aiming for net positive impact and are committed to generating sustainable business and assuring positive social development. Our strategy for 2019–2021 has clear focus on innovation and sustainability.

High growth and good margins

A successful year has come to an end. Demand for Cybercom's services is high and we are growing in all of our markets. Our positioning in connectivity, IT security and cloud services resulted in organic growth of 14 percent in 2018. Our clients are found in the manufacturing industry, public sector and service industry. We have followed our strategic plan, further developed our services and achieved a shift of our deliveries from IT departments to our clients' business side. This generated higher profitability and profit before amortisation related to acquisitions amounted to SEK 162 million for the year, which we are proud of. The financial targets in Cybercom's recently completed three-year plan were annual growth of 5 percent and a margin of 10 percent at the end of the period.

In the new three-year plan, we have set our sights on continued growth and higher profitability, which will be accomplished by means including advisory services and focus on IT security and cloud services. Consequently, Cybercom Secure and CABG (Cybercom AWS Business Group) will become separate business areas as of 2019.

Our business must support Agenda 2030

Makers of Tomorrow is our mission and our identity. We intend to make a sustainable tomorrow and be our clients' most trusted business partner in the connected world.

We are living in an amazing time – machine learning and AI are gaining serious importance and the 5G networks are poised to future-proof smart social and business critical solutions. The UN Intergovernmental Panel on Climate Change (IPCC) is emphasising the opportunity to take advantage of digitalisation to develop technical innovations, organisations, business models and behaviours, and to reduce global energy requirements. This is an important message, and one that we take to heart in our business and service development. To give one concrete example, right from the quotation stage our sales staff note in the CRM system whether our solution can contribute to attaining the global Sustainable Development Goals and, if so, which ones.

We are firmly rooted in our values of dynamism and insight into the effects of our products and services. We are driven by a passion to change things for the better. We generate trust through honesty and transparency. With strong business insight and innovative solutions, we are encouraging innovative thinking and new business models. This also means that we are continuing to support the UN Global Compact and its ten principles for human rights, labour, environment and anti-corruption.

Digitalisation and sustainability work hand-in-glove

Digitalisation is the strongest social trend of our time and a catalyst for human development. Technology can have positive or negative impact and our role is to guide clients in a positive direction to promote sustainable business and future-proof social development. Digitalisation and global sustainability should work hand-in-glove, and we believe they are a joint driver of innovation and growth. This is what lies behind Cybercom bringing together industry colleagues and leading the work with the digitalisation consultancies roadmap for a fossil free Sweden.

> "We are developing operations in the light of the 17 global SDGs. They are our framework for generating business."

The endless potential of technology

We are convinced that digitalisation can transform traditional industries, which can in turn reduce and ultimately eliminate the use of fossil fuels. At this point, no one knows exactly where the outer limits of technology lie. It is highly likely that technology is going to help us overcome great challenges. But that is also going to require thoughtfulness and rules of ethics and privacy. One example of this is GDPR, implemented in 2018, an area where Cybercom's IT security experts are helping clients assure compliance.

Cybercom is taking on the skills challenge

Access to the right skills is the greatest challenge facing Cybercom and the entire industry. We need more graduate engineers, systems developers, architects and specialists than are currently available. According to Swedish IT and Telecom Industries, there will be a shortage of 70,000 IT specialists in Sweden – and 750,000 in Europe – by 2022. The competition for skills is increasing and the consequences include a high employee turnover rate. Cybercom is addressing the challenge in several ways, and we reduced our employee turnover rate by 3 percent between 2017 and 2018. We recruit globally and more than 45 nationalities are currently represented among our employees. Inclusion and diversity are important to Cybercom: they create a favourable dynamic for our talents and innovation projects.

Our skills network is large and growing. We collaborate with a large partner network of self-employed consultants. We provided work for 500 consultants in 2018, in addition to our own. We have expanded our internal specialist academies. We are a partner to Hello World!, a successful NGO that offers children and young people opportunities to learn digital creation, aimed at sparking interest in technology and inspiring more young people to apply to technical universities. We are also a proud Founding Partner to Women in Tech, whose mission is to increase interest in technology among women. We are convinced that all of us in the Nordics and the entire EU must collaborate to encourage digital development and skills, and we are going to do our bit.

Strategy for specialisation and business benefit

Our strategy for 2015–2018 delivered the intended impact and brought us closer to our key accounts, with the results of client surveys and recruitment processes.

The time has come for a new plan to guide the development of Cybercom in 2019–2021. We are aiming at more distinct specialisation and centres of excellence in our operations in Sweden, Finland, Denmark, Poland and India. In addition, we will be sharpening our focus on innovation and sustainability in our client offering and employee skills development. We will strengthen our leadership capacity through a corporate leadership training programme. Innovation and sustainability must inform our actions and our day-to-day work. Consequently, all employees will spend more time on innovation work and understanding sustainability. In order to ensure a shift, we are implementing targets and key data for these areas.

Thank you

Our work with clients will be characterised by a continued climb up the value chain; we will ensure we are working with clients where we can expand our advisory services and contribute measurable business benefit.

In closing, I would like to thank all employees, clients, owners and partners – together, we made 2018 worthwhile! I am looking ahead with new energy, as business development is now at top speed.

Niklas Flyborg
President, CEO and Maker of Tomorrow

A world in digital transformation
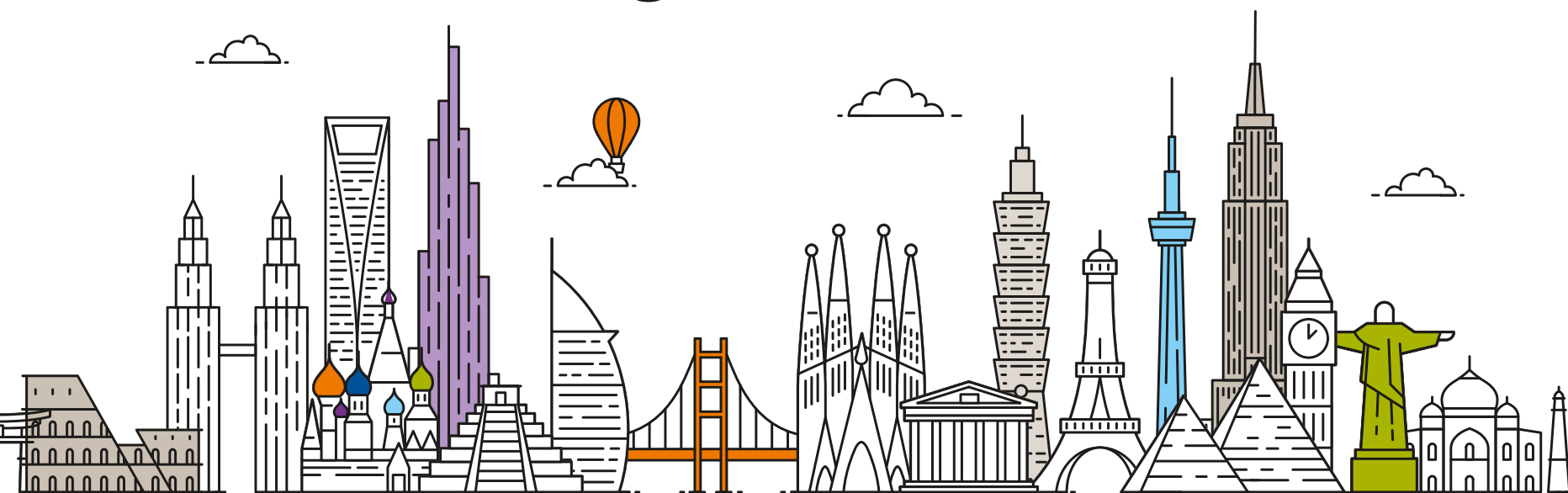
Cybercom's clients are operating in an era of intensive change. They demand close collaboration and innovativeness.

The Fourth Industrial Revolution: The scope and significance of digitalisation is vast – we are in the midst of a Fourth Industrial Revolution that affects us all. This is not merely a technical shift. It is a total transformation of how we interact with each other, including how we do business.

Without doubt, this transformation is the most important driving force behind Cybercom and our industry. The impact is great – according to IDC, more than 60 percent of global GDP will be digitalised by 2022.[1] Businesses that fail to move in that direction are going to see their markets shrink.

Prerequisites and technologies: The fifth generation network (5G) is a prerequisite for the digital world. The fact is that 5G is expected to be as revolutionary as the advent of the internet because it not only increases bandwidth, it creates scope for entirely new activities. 5G is going to change societies all over the world, and it uses less energy than previous-generation networks. 4G transmits to all devices 46 percent of the time, while 5G transmits only 2 percent of the time. There will be more machine communication in the 5G networks. Communication for self-driving cars that can reduce the number of road traffic accidents, mobile medicine and connected patients in rural areas are examples of social benefit potential. 5G will give rise to smart indoor and outdoor lighting and to energy-smart buildings. 5G might be the most important technological advance for meeting the Paris Agreement goal of maintaining a global warming this century well below 2 °C above pre-industrial levels.

Many digitalisation technologies already exist. AI and machine learning are going to find their way into all existing technologies. Physical and digital environments will be blended to create digitally enhanced – and yet realistic – experiences. AR (augmented reality) and VR (virtual reality) are two examples of this. Robotisation and automation are shaking up manufacturing industries in particular.

High standards for security: We are being confronted with new risks as more – and increasingly important – aspects of society are digitalised. Inadequate security can have serious consequences, from disruptions or total breakdown of vital public operations like energy supply to threats to personal privacy and identity. Physical assets can also be affected. Secure and resilient systems are essential to make optimal use of technology, along with the ability to assess risks and opportunities and take action in the right direction.

Digitalisation and sustainability together: The widespread support of the UN Sustainable Development Goals and Agenda 2030 is a clear sign of the willingness of business to contribute to sustainable development. We believe our sector can contribute to all SDGs, but especially Goals 3, 4, 5, 9, 11 and 13. Turn to page 13 to find out what the ICT sector can do for sustainable development and how Cybercom is helping make that happen.

Cybercom's markets and priorities: All Cybercom geographies are affected by the trends mentioned above. The industrial sector in northern Europe where the majority of Cybercom's clients are found is developing new business and service models, often with digital support such as IoT (Internet of Things). Nordic public sectors are investing in digitalisation of operations and services. Most operations need to further develop their technical skills due to digitalisation. Cybercom can make a big difference in all of these situations. Turn to the strategy section on page 15 to learn how we are grasping the opportunities.

Macro trends and their social impact

Digitalisation entails huge potential for many parts of society and business.

Industry: Digitalisation is not only affecting individual product characteristics, but also business models. This often involves servitisation, where company offerings are transformed from products to services. Connecting production and products has profound impact. Data collection and analysis make it possible to streamline both production and use. What used to be separated is connected. Everything is optimised in systems instead of individual units. The sustainability effects include higher security, traceability and lower energy consumption.

Consumers: Digitalisation is redrawing the consumption map, with new business models and offerings. People no longer buy a product, they buy a solution. Relationships are changing and it is no longer obvious who is the owner, producer or user. New networks are taking shape. One example is the smart home, with security solutions that might also incorporate connected services from other providers, such as health monitoring or single-use door codes for home deliveries.

Cities: By 2050, about 70 percent of the world's population is expected to live in cities, on a land area three times the size of what it was in 2000. In other words, many cities of the future have yet to be born. Urbanisation and digitalisation entail great opportunities to make life more sustainable in terms of energy, infrastructure, mobility and much more. The city becomes a device of a sort, one that can control how we use energy, ensure accessibility and manage self-driving cars that communicate with each other and their surroundings.

Citizens: The convenience we experience, as e-shoppers for example, is shaping our expectations in other areas, including society. This involves the entire relationship to society, from the democratic process to public services and all interactions with public agencies. Digital solutions are being used to vastly improve the efficiency of public management. This is a huge transition for public agencies – new demands are being placed on methods, organisations, systems and, not least importantly, the approach to citizens and business.

[1] IDC FutureScape: Worldwide IT Industry 2019 Predictions.

72%

CUSTOMER SATISFACTION INDEX

91%

PERCENTAGE OF CLIENTS THAT WILL
DEFINITELY OR PROBABLY
CONTINUE TO ENGAGE CYBERCOM

50%

PERCENTAGE OF CLIENTS WHO CONSIDER
CYBERCOM THE MOST TRUSTED BUSINESS PARTNER
IN THE CONNECTED WORLD

WHAT CYBERCOM DOES

BUSINESS AND ORGANISATIONAL DEVELOPMENT

We transform companies and organisations to become digital and sustainable and
become more competitive over the long term. Examples: Development of new
business models and strategies for cloud services or data management.

AGILE TEAMS AND SERVICES

We apply agile and interactive systems development for faster, more reliable market
delivery. Examples: Development of new technology like 5G, or in major system
deliveries to the public sector.

SECURITY

We help companies and organisations determine the right level
of security for their operations. Examples: Risk analysis, compliance, e-signatures
and security management.

INNOVATION AND SERVICE DESIGN

Accelerate the capacity to take successful concepts to market.
Examples: New services based on insights into users and their needs.

Innovative and sustainable solutions

"Our clients expect a proactive dialogue and that we will always be thinking one step ahead. We are happy to take up the challenge."

BO STRÖMQVIST, HEAD OF SALES

We are investing in expertise to remain on the forefront of business and technology development. This provides opportunities for our employees to flourish in their areas of interest and boosts business value for our clients.

Responsive and solutions-oriented

We aim to be the client's most trusted business partner. Understanding our clients, their markets, challenges and needs is essential to us. In a world of intensive tech development we must provide proactive advice, analyse consequences and lead the way. This is not Business as Usual anymore. It is Business as Unusual. With innovative power and focus on sustainability, we can partner with our clients to create significant competitive advantages or efficiency improvements.

By collaborating closely with clients, we shorten the path from idea to commercialised product or service. Cybercom brings skills, resources and support. We also help our clients reach their customers and consumers in a smarter way. Here, we contribute with qualified business development and advisory services.

Everyone at Cybercom has business responsibility in the form of sales and/or delivery. We prioritise long-term collaboration and relationships and have Group KAMs.

Global sustainability as a driver of innovation and growth

Technology is helping us turn social challenges into business opportunities – our offering must contribute to sustainable development resulting in higher competitiveness and growth.

Innovation and digitalisation are critical to sustainable development

According to the Low Energy Demand scenario emphasised in the latest report from the UN Intergovernmental Panel on Climate Change (IPCC), greater focus on innovation and digitalisation is a pathway to keeping global warming below 1.5 °C. This is also the scenario that delivers the most towards achieving the other global Sustainable Development Goals (SDGs).

Methods for achieving digital sustainability

As consultants, we have a responsibility to ensure that some of the most powerful tools that humankind has ever created are implemented by our clients in a way that assures long-term sustainable growth, sharper competitiveness and a future for the generations of tomorrow.

We have addressed this issue by developing several methods that help our clients understand how digitalisation impacts business models, organisational approaches, behaviours and the technology we use.

The following methods fit within the concept we call digital sustainability:

1. Opportunity/risk assessment

Digitalisation can accelerate development in either a positive or negative direction. The wrong investments can be costly and contribute to locking in old business models. The right investments in digitalisation can produce substantial returns for a long time to come and pave the way to new opportunities.

This is why we are helping our clients identify risks and opportunities associated with planned digitalisation and giving them recommendations on choosing the strategic direction. We also work with clients all the way through deployment to ensure that our contribution goes beyond support and inspiration to actual implementation.

2. UX, service design and nudging

Many sustainable solutions are adopted not because we are raising awareness of energy consumption or how the solutions are contributing to sustainable development. Clients choose them because they make users' lives easier or better. Delivering sustainability and communicating sustainability are not necessarily the same thing.

We help our clients identify users' needs and behaviours in order to design globally sustainable services that are perceived as faster, more attractive, more convenient, more human, more efficient and more fun.

3. Business transformation for increased sales by contributing to sustainability

In these collaborative projects, we are working with clients to explore new business models and value propositions that focus on global sustainability. In so doing, we are turning the profound social challenges of our time into business opportunities.

In concrete terms, we are helping our clients develop products and services that contribute to achieving vital social goals through their core business and sales. And we are assessing the life-cycle impact of products and services in order to deliver net positive impact: end-to-end they should do more good than harm to our society or our planet.

CONTRIBUTIONS BY CYBERCOM AND ITS CLIENTS TO THE GLOBAL SUSTAINABLE DEVELOPMENT GOALS

POTENTIAL
- Increase access to information and healthcare
- Bring care providers and service users closer together, making it easier to give and receive care
- Increase efficiency and security in the chain of care in terms of e.g., logistics and spreading information

CURRENT SITUATION
In 2018, Cybercom won about thirty new contracts that contribute to the Good Health and Well-Being goal. Several assignments focused on improving healthcare and increasing patient safety. Cybercom also delivered services to personal alarm companies.

POTENTIAL
- Improve resource efficiency in consumption and production and contribute to breaking the connection between economic growth and environmental destruction
- Promote occupational health and safety
- Facilitate employment, training and work experience placements for groups including young people
- Develop secure and user-friendly internet banking systems, e-IDs and e-signature systems.

CURRENT SITUATION
A large share of Cybercom's assignments are within the public sector. These include strengthening public actors whose task is to increase employment. Turn to page 20 to find out how digital solutions can improve occupational health and safety.

POTENTIAL
- Make it possible to manage and optimise infrastructure, for water and roads for example, but also for communication
- Increase interaction and innovation
- Improve resource efficiency and productivity, e.g., by means of advanced logistics systems

CURRENT SITUATION
From the perspective of Cybercom's sales per global SDG, Goal 9 ends up in first place by a wide margin A large share of Cybercom's client assignments contribute to innovations for and development of industry and infrastructure. Read about one exciting example – what IoT can do for industry – on page 20.

POTENTIAL
- Increase access to information and thus to what the city has to offer, such as housing, transport, sharing services and education
- Improve productivity, governance, enterprise and democratic participation
- Develop construction and buildings, e.g., with smart networks for energy and water
- Develop systems that measure and visualise air quality
- Develop systems for detecting, predicting and preventing disasters.

CURRENT SITUATION
A large share of Cybercom's new business in 2018 is contributing to Goal 11. This involves, for example, essential infrastructure and 5G networks, IT security and new services in the public sector.

POTENTIAL
- Contribute to building efficient and transparent institutions
- Contribute to responsive and inclusive decision-making
- Contribute to public access to information
- Strengthen IT security and fight cybercrime

CURRENT SITUATION
New business for the year includes assignments that contribute to Goal 16. Here as well, this involves projects for public sector organisations with regard to information security, among else. You will find two examples from the Finnish public sector on pages 19 and 20.

SUMMARY
Cybercom strives for assignments that bring one or more sustainability effects. This may include, for example, servitisation, dematerialisation, increased transparency, security and energy savings.

Business ethics are addressed at each executive leadership meeting, and potential new clients and assignments that use digitalisation to accelerate development in the opposite direction from Agenda 2030 are discussed. For example, we have opted out of assignments for certain gambling companies and political organisations.

From 2018, we also categorise and follow up new client assignments based on the assignment's potential contribution to the UN's global Sustainable Development Goals.

We clearly see that our assignments make a positive difference. In total, 307 of our new assignments contributed to one or more global goals. In terms of revenue, Cybercom and its clients contributed mainly to Goal 9, followed by Goals 8, 11, 16 and 3.

Targets and outcomes 2018

The target areas for the 2016–2019 strategy period were sustainable business, client base, assignment type, recruitment, business ethics, growth and profitability. The targets and outcomes for the year for each of these areas are presented here.

TARGET AREAS	TARGETS	OUTCOMES	REMARKS
1 SUSTAINABLE BUSINESS	Cybercom will increase the percentage of business with sustainability effects. The assignments will contribute in various ways to achieving the UN Sustainable Development Goals.	93% 88%	Refers to Cybercom's ten largest clients ■ Share of sustainable business in 2018 93% ■ Share of sustainable business in 2017 88%
2 CLIENT BASE	Key accounts will generate 70 percent of sales, the ten largest clients for 50 percent and no individual client will account for more than 15 percent of sales.	48% 45% 19%	■ Key accounts 48% (46) ■ 10 largest clients 45% (43) ■ Largest client 19% (17)
3 TYPE OF ASSIGNMENT	Cybercom will have even distribution between consultancy services and turnkey commitments.	61% 39%	■ Consultancy services 61% (65) ■ Turnkey commitments 39% (35)
4 RECRUITMENT	Cybercom's net recruitment will be at least 5 percent, with focus on more equal gender distribution. At least 30 percent of employees should be women, reflecting the percentage of women who earn technical degrees.	80% 20%	Net recruitment for the year was 2.3% (4.9) ■ Men 80% (81) ■ Women 20% (19)
5 BUSINESS ETHICS	High ethics will be part of Cybercom's DNA and be at the heart of our entire operations and all of our business. All employees will complete training in Cybercom's Code of Conduct.	100% 90% 56%	Anti-corruption training ■ Board of Directors 100% (100) ■ Group management 90% (80) ■ Other employees 56% (58)
6 GROWTH	Cybercom will strive for growth of 5 percent per year over a business cycle.	14%	Net sales growth 14% (8)
7 PROFITABILITY	Cybercom will be one of the more profitable companies among its peer competitors and achieve an operating margin of 10 percent.	9.7%	Operating margin before acquisition amortisation 9.7% (9.0).

CYBERCOM'S BUSINESS MODEL

We generate value for clients and revenues for Cybercom in several ways. Our business model is based on either continuous billing or fixed price commitments. We deliver in agile teams, expert assignments, project or service deliveries and licensing.

AGILE TEAMS
Cybercom offers teams of 6–8 employees who apply agile methods to development. The client pays a fixed price for the entire team.

PROJECTS
Cybercom takes responsibility for and delivers a project (such as development of a particular solution) or takes on a greater commitment. The client pays based on effect and value. As a result, the project may be delivered at a fixed price or on a continuous billing basis.

EXPERTISE
Cybercom offers one or more consultants to meet a particular need for the client. The client pays for the skills and time delivered.

SERVICES
Cybercom takes responsibility for a system, application, feature or service and its maintenance and uptime. The client pays a fixed price per month, but the service may include a variable component related to volume or time.

LICENSING
The client has access to software developed and owned by Cybercom in exchange for a licence, royalty and/or maintenance fee.

Cybercom's strategy 2021

MAKERS OF TOMORROW

BUSINESS VALUE

SPECIALISATION

SUSTAINABILITY

INNOVATION

The mission to create innovations for a sustainable future, Makers of Tomorrow, is the foundation of Cybercom's strategy. We have set our sights on 2021. By that time, Cybercom will be the most outstanding consultancy firm in Connectivity, Innovation and Sustainability.

Business value: We are focusing on clients for whom Cybercom's knowledge and services create the most value. We are pushing development and sustainability by being proactive and innovative.

Makers of Tomorrow: We are focusing on profitable areas and investing in thought leadership and targeted skills development in order to grow faster than the market. We inspire colleagues, share insights, are change-driven, work in teams, reinforce our leadership capabilities and are the best workplace for Makers of Tomorrow.

Makers of Tomorrow is our mission and our identity. We put words into action. We are cross-pollinating technical expertise with business insight and creating innovative solutions for a sustainable future.

Innovation: We are continuously exploring new and better methods. We are finding new paths and building new skills through groundbreaking client projects and our Innovation Zones.

Sustainability: Global sustainability is our driving force in our operations and business. We are encouraging good initiatives, leading by example and investing in positive sustainability effects. We strive for net positivity.

Specialisation is our core
Digitalisation and global sustainability are the main drivers of innovation and growth at Cybercom. Specialisation is at the core of our direction and focus is on creating growth, above and beyond selling hours. We are specialising ourselves and refining local centres of excellence. We are servitising our solutions to increase growth. We have zeroed in on the areas where we have solid experience and the expertise to develop even sharper offerings. Our focus is on connectivity, sustainability and innovation, and we add client value by selling and delivering teams, services, projects and products. That is how we are climbing the value chain in the minds of our clients and becoming more attractive to our employees.

New target areas

In order to succeed with our strategy, we will focus on and track the following target areas in 2019–2021

1 INNOVATION

2 BUSINESS WITH SUSTAINABILITY EFFECTS

3 CLIENT SATISFACTION

4 EMPLOYEE SATISFACTION

5 REVENUE PER HOUR

6 PROFITABILITY

7 GROWTH

M A K I N G

0 1 1 0 0 1

1 **T O** 0 1 0

0 **M O R** 0 1

1 0 0 **R O W**

0 1 1 0 0 0

■

Working closely with our clients is second nature to us at Cybercom. Ideally, we want to be considered an engine of value creation in their business. We earn that trust only by staying one step ahead and constantly sharpening our specialist skills. This focus equips us to offer solutions that make it possible for our clients to make a positive impression on the market. And on the planet.

When all is said and done, that is what counts.

IoT saves spawning fish in the Lillån River

When everything is as it should be, the fish in the Lillån River near Bankeryd swim upstream to reproduce. The problem is that they have virtually stopped doing it – probably due to discharges to waterways of pollutants including ammonia. The Jönköping County Administrative Board monitors several water values to protect the river and its ecosystem. At present, measurements are taken manually on site, but not often, because this is extremely time-consuming and labour intensive. To address this issue, the County Administrative Board has begun working with Cybercom.

The assignment is to develop automated measuring equipment. The new equipment will make it possible to take the measurements virtually as often as they like. All values will be transmitted to the County Administrative Board's database using the IoT LoRa (Long Range) technology and then made available to all. IoT that is reinforcing environmental measurements and environmental protection is undoubtedly a step in the right direction!

Life Below Water
The goal aims at preserving and sustainably using oceans and marine resources for a sustainable development.

The digitalisation consultancy industry's roadmap for a fossil free future

The Swedish Government was presented with the digitalisation consultancy industry's roadmap for a fossil free future in March 2019. Thirty-three firms participated in the roadmap project, which was managed by Cybercom and prepared within the framework of the Fossil Free Sweden initiative.

The roadmap shows how digital solutions can accelerate development towards a fossil free future. The linchpin is a joint transition involving the digitalisation industry, users of digital solutions, politicians and other decision-makers. The roadmap has been prepared by an industry whose primary contribution is to enable other industries' transition to a fossil free future rather than to reduce its own emissions.

"We should drive three climate efforts in parallel: optimise current systems, accelerate initiatives and deploy entirely new system solutions to bring about transformation. The digitalisation consultancies play a critical role here. To make that happen, we have brought together our industry colleagues to back the roadmap and its calls," says Niklas Flyborg, President and CEO, Cybercom.

The digitalisation industry's roadmap shows that deliberate and responsible digitalisation can lead to radical reductions in greenhouse gas emissions. Along with calls for action to the Swedish Riksdag and Government, the roadmap presents the commitments made by the digitalisation industry.

"Properly applied, digitalisation can lead to system transformations that drastically reduce emissions. Now the politicians have to create the right conditions that enable new business models and ensure that the power of digitalisation is utilised in the best possible way," says Svante Axelsson, National Coordinator for the Fossil Free Sweden Initiative.

Climate Action
The goal is to take immediate action to fight climate change and its consequences.

AR app helps kids feel better

Leslie Alfredsson got the idea for her company MyEsteeme when she noticed that her six-year-old niece was terribly worried about her appearance and wanted to wear makeup.

MyEsteeme began to develop various toys and educational tools to strengthen children's self-esteem. The idea is for the products to also be used in exercises to promote diversity and equal treatment, principles that are included in the Swedish national preschool curriculum, for example.

The Cybercom Innovation Zone came into contact with MyEsteeme through collaboration with the MINC incubator in Malmö, Sweden. At that point, MyEsteeme was looking to expand its offering by becoming more digital. With Cybercom's help, they launched their first AR-based mobile and edutainment app for schools in the autumn of 2018. The Cybercom team was made up largely of university students and several of them later went to work for Cybercom. The goal is for the new app to be the first of many tools that help kids and their parents play, learn and feel good together.

Good Health and Well-Being
The goal is to ensure that everyone can live a healthy life and to promote the well-being of people of all ages.
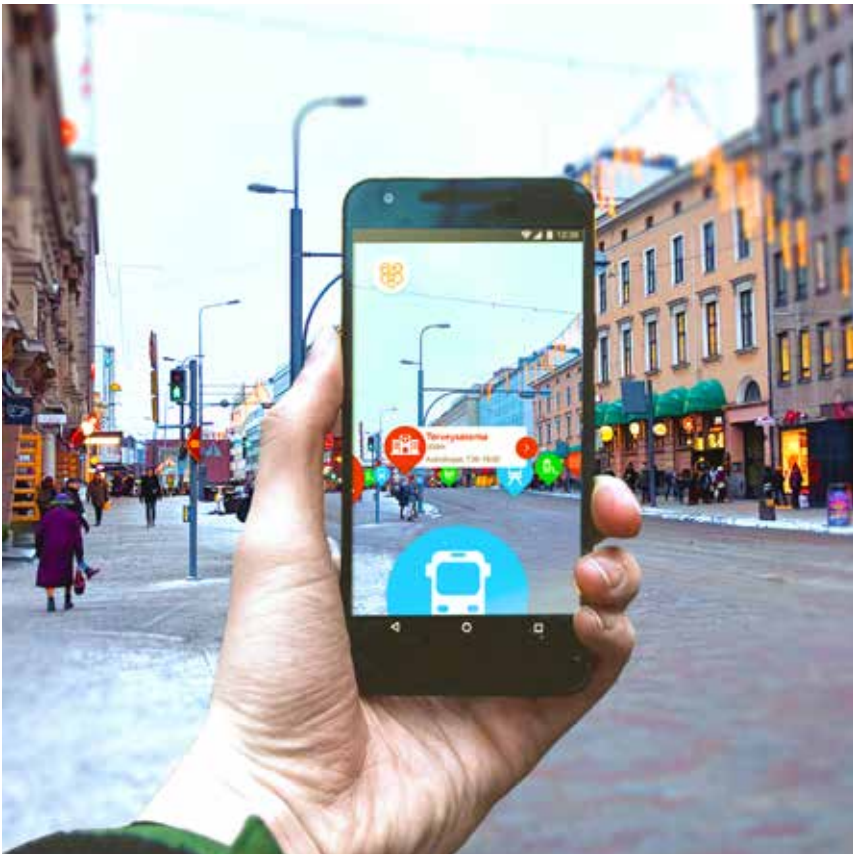
AR guides citizens to public services

The Finnish public sector is becoming more accessible all the time. One example – equally new and innovative – is Service Locations, an app that guides citizens to all manner of public services. Users can access information about government agencies, libraries, swim centres, preschools and much more. The app shows where the various services are located and uses AR (augmented reality) to make it easier to find them. When the user holds up their phone, a street view pops up and nearby services are displayed in a layer on top. Augmented Reality in reality, so to speak. The app was developed by Cybercom for the Finnish Population Register Centre. A beta version is available for Android devices and version for iOS is in development.

Peace, Justice and Strong Institutions
The goal is aimed at promoting peaceful and inclusive societies and fairness for all. It also involves building efficient, accountable and inclusive institutions at all levels.

The most innovative cinema in Europe

Audience numbers at the Fyrisbiografen cinema have stagnated at about two visits per person and year, even though the average Swede watches more than 70 films per year. A method inspired by Silicon Valley start-ups became Fyrisbiografen and Cybercom's joint weapon against the "death of the cinema".

The project began with an evaluation of the activities that worked – and those that did not. The solutions that were ultimately implemented ranged from improving Fyrisbiografen's digital purchasing flow to starting to sell nostalgic sweets.

"We could see how our audiences actually behave and find out what they like. As a result, we could easily design better solutions that elevated the entire cinema experience, from buying the ticket to taking your seat in the auditorium," says Olle Agebro, chair of the Fyrisbiografen Association.

The mix of traditional and digital was a success – audience numbers have risen by more than 50 percent compared to the year before. Fyrisbiografen won the European Cinema Innovation Prize at the Venice Film Festival.

Responsible Consumption and Production
The goal is aimed at ensuring sustainable production and consumption patterns.

Leading-edge technology for higher occupational safety

Delete, a Nordic environmental services company, is determined to improve safety at its demolition sites in Finland. When Cybercom was engaged, it turned out that there were no turnkey solutions capable of effectively addressing Delete's challenges. The objective of Cybercom's assignment was to protect workers from the dangers that heavy equipment can present. Cybercom developed a solution including presence sensors and UWB (ultra wideband) radio technology. The solution involves monitoring of heavy equipment where the operator is warned when someone approaches. Virtual "red zones" show whether workers are in an area where they should not be. Cybercom did it all, from generating ideas to testing the solution and finding suitable manufacturers. Delete and Cybercom are continuing to work to complete the solution. The goal is to markedly improve safety without disrupting work and productivity.
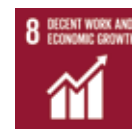
Decent Work and Economic Growth
The goal is aimed at inclusive and sustainable economic growth and full and productive employment with decent working conditions for everyone.

IoT and gas springs for a more efficient auto industry

Extracting metals and minerals from the earth and using them for manufacturing is one of the human activities that has the greatest impact on the climate. Nor is it free: a medium-sized manufacturing company's energy bill can be as much as SEK 1 million per month.

The exciting news right now is that industry is on the brink of an efficiency revolution. Digitalisation and concepts like Industry 4.0 have huge potential, where it will be possible to improve the efficiency of the value chain end-to-end, from raw materials extraction to finished products, usage and recycling.

Working smarter with what might seem to be trivial elements can have major impact. To take one concrete example: the machines that mould vehicle chassis are dependent on "gas springs" to work. Gas springs are also critically important to the quality of the end product. The problem is that gas springs are often incorrectly used, which results in more mainte-nance, shorter product lifetime and scrapped parts. In a nutshell: waste of materials, energy and money.

Cybercom and Strömsholmen, the world's leading manufacturer of gas springs, have solutions for these challenges. Real-time information showing the condition of a gas spring makes it possible to take the right action at the right time. This increases the product lifetime and results in more efficient production with a lower energy requirement.

Connected products equipped with sensors, data communications in harsh environments and, naturally, management of huge datasets processed to become useful and value-creating decision input, are all necessary for this to work.

The effects have knock-on effects too. Connecting gas springs used for almost half of global vehicle chassis production will create huge opportunities to improve the efficiency of the entire value chain. That is exactly what Strömsholmen is doing, in partnership with Cybercom.

Industry, Innovation and Infrastructure
The goal is to build up a resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

The public sector takes the AI lead

In 2018, the Finnish government ordered a feasibility study of what might become the world's most ambitious AI system used in the public sector.

Aurora, as the AI system is called, is based on citizens and their real-life situations and needs. Aurora is meant to facilitate smooth and convenient service consisting of solutions from various providers – exactly the right service at the right time. The client, the Finnish Ministry of Finance, and the project are aiming high for a single software or solution (that would rapidly become obsolete), they developed an entire network of intelligent services. These are services that public and private providers, and perhaps even individuals, can create together.

Advanced machine learning

Aurora is based on machine learning (specifically, reinforcement learning), where the network combines services from public and private providers that get the highest fit rates by users over time. The user groups are created based on anonymised personal data.

"The more anonymous information we have at the group level, the greater the potential to offer relevant services at the individual level. As a result, we can bring the citizen and society closer together," explains Antti Hahto at Cybercom Finland.

Tested on real-life events

The feasibility study was carried out based on three typical real-life events: a move to a new town to attend university, skills development to improve employability and support to children and parents when family relationships change.

"By using information and AI, we can create new types of services that cross administrative lines. Focus is on the citizen's needs and perceptions of smooth and convenient service, not the needs of an individual government agency," says Minister of Local Government and Public Reforms Anu Vehviläinen, who is responsible for the digitalisation of public services.

The feasibility study will be completed and reported in spring 2019. If it proves successful, further development will follow. Something to look forward to, without a doubt!

Peace, Justice and Strong Institutions
The goal is aimed at promoting peaceful and inclusive societies and fairness for all. It also involves building efficient, accountable and inclusive institutions at all levels.

S Group contributes to a more sustainable Finland

Finland will become more sustainable by 2050. The country's "social commitment to sustainable development" requires exactly what the name indicates – all of society's involvement. This includes a number of climate-related goals, including resource and energy efficiency.

A really big actor that has accepted the Finnish government's call is the cooperative group S Group (S-ryhmä). S Group works in retail and is with nearly 40,000 employees Finland's largest private employer.

Sales are on par with some of the largest companies of the Helsinki stock exchange.

S Group is investing in cloud solutions and one of many advantages is energy efficiency. Cybercom provides cloud services through a frame agreement covering managed services, 24/7 support, advisory, project deliveries and cloud security. This makes the cloud platform more efficient and supports the S Group's business development.

Responsible Consumption and Production
The goal is aimed at ensuring sustainable production and consumption patterns.

Digital signatures are making Official Sweden more efficient

Ink on paper – isn't that a bit outmoded? The technology that makes digital signatures possible exists, and there is nothing in the law standing in the way. Nevertheless, countless agreements are signed by hand on paper with everything that entails in terms of the time and resources required for signature, distribution, transport and paper archives.

Cybercom's new SignPort service has torn down the remaining barriers. A signed e-document cannot be altered without detection, which means documents can be stored and distributed digitally. Documents can be signed using various authentication methods (such as the Swedish Bank-ID system or single-use codes sent by text message), and it works for both external and internal processes. Naturally, Cybercom considered the users and what would be most convenient for them when SignPort was developed. Cybercom has resolved all the tricky issues related to security, privacy and compliance. SignPort is based on a solid cryptographic platform and has been reviewed by the Swedish Legal, Financial and Administrative Services Agency to ensure that it complies with the technical frameworks recommended by the Swedish Agency for Digital Government.

SignPort was built to work for any organisation, and government agencies in particular have much to gain by binning paper agreements. Cybercom has already delivered SignPort to several of Sweden's government agencies, which means that millions of paper agreements have been replaced. And more are waiting in the wings. Now that's what we call efficiency improvement!

Climate Action
The goal is to take immediate action to fight climate change and its consequences.

We are Makers of Tomorrow

Makers, because we make digital happen. We believe in talking less and doing more. We are the client's partner in a changing world, where we take on business challenges with digital tools. We understand that innovative and sustainable solutions are as much about technology as what the technology can actually do.

Tomorrow, because we want to create a better tomorrow. Digital development and sustainable development should always be synonymous. We learn from experience, benefit from our collective capabilities and are creative in how we apply technology. That is how we are creating solutions for a sustainable digital future.

We are passionate about Cybercom's mission: we are Makers of Tomorrow. No one here is afraid of the unknown. We are thrilled and energised by the prospect of constant development.

At Cybercom, we are the same and we are different. Professionalism, the passion for innovation and our down-to-earth approach are what we have in common. We are also a diverse collection of personalities and profiles. Of 1,290 people, 20 percent are women and 80 percent are men. The youngest of us is 18 and the oldest is 65. We come from 45 different countries and represent a wide range of areas of expertise. Anyone who is looking for expertise, regardless of whether that means in-depth industry knowledge or digital tools on the leading edge, will not have to look far. Cybercom has what it takes.

A better tomorrow
We do not only put high demands on the solutions we create, but also on what our solutions should achieve. We do not work with technology for its own sake or for just any purpose. Our solutions should be innovative, scalable and secure. And they should contribute to profitability and sustainability.

Our priorities
Attracting, developing and retaining creative and skilled employees are essential to Cybercom. Skills provision is the industry's – and thus Cybercom's – greatest challenge and opportunity. We make our living by mining, melding and making use of knowledge to create value for Cybercom's clients. It all happens in a changeable – and largely unpredictable – environment. No one can precisely predict what technical skills are going to be needed. As a result, an agile mindset capable of handling change and learning new things is a key skill, in and of itself.

This reality requires us to constantly accelerate our flexibility and development. Colleagues and culture are essential parts of Cybercom's strategy for 2019–2021, with focus on skills, innovation and long-term leadership. Diversity and inclusion are also vitally important to our employees and to Cybercom.

Skills and innovation
Cybercom is an arena of skills. Here at Cybercom, people gain experience from different industries, companies and organisations. And opportunities to work across the entire field of IT and develop in various roles. We are convinced that we learn the most in our assignments – after all, our work is immersed in digitalisation. That is why Cybercom's breadth and development potential are some of the best we have to offer.

Charlene Sequeira
SOFTWARE DEVELOPER, STOCKHOLM

■

I grew up in Goa, India and as an engineer, I was part of a male-dominated environment. My parents taught me to dare to dream and work to achieve. This mindset led me to Stockholm, KTH and Cybercom. I remain a Maker because of my assignments and colleagues. Cybercom is my second home, and my colleagues are my friends!

Each employee ultimately owns their development. Cybercom shows the way by creating clear development paths and offering a carefully chosen range of skills-enhancing activities in our specialist areas.

In addition, neither Cybercom's employees nor its clients settle for baby steps or a little at a time. That is why Cybercom's new skills plan is also about increasing our combined competence and innovative power – and that of individuals. The main elements of the plan are:
- Defining the implications of Cybercom's orientation towards specialisation for the individual employee and their development
- Clarifying opportunities for development
- Integrating innovation in skills development

How is innovation integrated into skills development?
Innovation Zone is Cybercom's hub for development and innovation. This is where employees, clients and other partners can test ideas, develop prototypes and run pilot products in a highly creative environment. We put organisations, teams and skills together cross-functionally in order to achieve as much as possible. The method can be best described as empirical innovation.

Started in 2016, Innovation Zone has since evolved from a concept for skills development for employees between assignments in only a few offices and is now found in all Cybercom offices. Innovation Zone is where we explore new areas of technology internally and in partnership with clients, and has also become a key component of the onboarding process. In 2019 and forward, we will be devoting vigorous effort to continuing to spread the method and the culture of innovation to more organisations, clients, employees, managers and administrative functions. Because the only thing we know for sure about the future is that we must all never stop learning so that we can take full advantage of novel ideas and new technology.

Long-term leadership
Courageous and secure leaders focused on longevity and sustainability will take Cybercom into the future. With that in mind, we will be developing a corporate leadership development and collective intelligence programme in 2019.

We believe strongly in a cross-functional approach and are always seeking new ways to collaborate. Being a leader at Cybercom involves boosting employees, promoting collaboration and diversity and facilitating business that creates value. When it comes to employee development, the emphasis is on strengthening their self-leadership and commercial focus. Cybercom's leadership structure is based on leaders of small teams in the same skills area, as opposed to traditional consulting managers and larger teams. A Team Lead devotes about 20 percent of their time to leadership and works as a consultant the rest of the time.

Diversity makes Cybercom stronger
Cybercom's focus on diversity and inclusion is based on three factors. First, we do not wish to reject or for that matter reward anyone on erroneous grounds – discrimination is simply not permitted. Read about the Cybercom Code of Conduct on page 29. Second, we know that a wide range of perspectives strengthens our creative and problem-solving capacity and makes us better partners to our clients. Third, there is a skills shortage in our industry and we devote considerable energy to finding the right people for the company. We need every channel available and our search field is wide, both within and outside Europe.

Cybercom has made several changes to make it easier to hire employees from other countries. For example, we now manage the process of applying for work permits for foreign employees on their behalf, and we offer language instruction and cultural orientation classes. There has been a steep increase in the percentage of foreign employees in recent years.

Cybercom is also participating in several initiatives to help people who are new to Sweden find jobs in their skills area. For example, in a collaborative programme with the Public Employment Service and the Chamber of Commerce of East Sweden, we are offering work experience placements to recent arrivals to Sweden. The goal is to offer participants jobs or put them together with partners or recruitment firms that can match people to jobs in their networks.

Equal opportunity on the agenda
More equal gender distribution is one of the company's general objectives: Cybercom will be 30 percent women by the end of 2020. The goal is based on the 70/30 ratio of new graduates in technical education in the countries where Cybercom operates. Cybercom has hit the target at the board and management level – the board consists of four women and four men, while there are 35 (32) women and 86 (89) men in senior management. We have a little way to go overall – at the end of the year, the gender distribution ratio between men and women was 80/20.

Cybercom is fully aware that equal gender distribution does not guarantee equal opportunity. Precisely for that reason, it is vital to continuously develop Cybercom's culture and work environment, where every individual's perspective and skills come to the fore and are utilised. Starting in 2019, Cybercom will use a diversity and inclusion index to keep track of the company's progress. Read more about Cybercom employees on pages 30–31.

Emilio Cuberos
FULL-STACK SYSTEM DEVELOPER, ÖSTERSUND

■

I am working on an assignment for a state agency. It is an honour, since I am helping provide services for all citizens. Although there are a lot of rules and restrictions, I try to contribute with new ideas and help the client move forward. They seem to land well, because I am seeing more and more of my ideas being implemented.

Thom Persson
SOFTWARE DEVELOPER, LINKÖPING

■

For me, being a Maker is about creating something that produces tremendous value for others, under safe prerequisites. Like when I improved the flow in medical image processing. The service makes it easy for hospitals to access the images without needing a huge installed application – an ordinary tablet works.

Malin Browall
INTERACTION DESIGNER, MALMÖ

■

Working at Cybercom has taught me a lot. Learning through experience when being allowed to fail, and trying new things without pressure, is very rewarding. Sometimes great things come from failure – or at least new ideas!

Lef Filippakis
FULL-STACK DATA SCIENTIST, GOTHENBURG

■

I have a strong passion for music. Oftentimes complete songs form in my head, as if a band was playing there. But when I record them to my computer, they never sound as I imagined them. My dream project would be an AI that is able to decipher the music played in a person's imagination and transmit it in digital form for everyone to hear.

Michał Dwornicki
EXPERT SOFTWARE ENGINEER, ŁÓDZ

■

The recipe for a Maker is (in theory) simple: add hunger for knowledge, mix with openness to new crazy solutions and finish off with a pinch of luck! I have truly been fortunate in finding people like me who want to support sustainable business development. My colleagues make my work meaningful and help me develop every day!

Rolf "Rolle" Koski

CHIEF TECHNICAL OFFICER, TAMPERE

A Maker enables others, shares knowledge and helps people grow. It is also about acting as an advisor and helping others, clients for example, invent their own answers. And all the while, being open to the fact that the same advice may not be the best answer for everyone.

Antti Hahto

HEAD OF DATA SCIENCE, HELSINKI

My job has given me a front row seat in Finland's transformation to the post-information age. It is eye-opening to see that government officials are genuinely interested in making society and people's lives better. I am happy that Cybercom and I can help make that happen.

Heleen de Goey

SERVICE DESIGNER, GOTHENBURG

My passion is creating solutions that help improve human well-being and that respect the natural limits of our planet. In addition to using service design as a tool to develop sustainable solutions, I love to inspire others about the UN's Sustainable Development Goals through lectures and workshops.

M A K I N G

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1 **P R O** 1 0

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What gets measured gets done, as the saying goes. And that is how we work at Cybercom. We have goals and targets for both financial performance and sustainability that keep us on the right track. The thing is, our clients, owners and employees do not care only what Cybercom does, but also how we do it.

We deliver the right results, the right way.

Cybercom's material sustainability aspects

Materiality analysis

The materiality analysis begun in late 2017 was completed during the year. The study was performed in two stages:
- Identification of aspects that experts and employees who are particularly involved in or affected by Cybercom's sustainability work perceive as having low to high external impact.
- Identification of aspects that other stakeholders (employees and clients) perceive as having low to high impact on their assessments and decisions related to Cybercom's operations.

Results
The new materiality analysis essentially confirmed earlier assessments as regards Cybercom's most important sustainability aspects. The analysis clearly shows that delivery of sustainable products and services is the single-most important sustainability aspect for Cybercom. It is also one of the sustainability aspects that was given higher priority in this materiality analysis than in previous analyses. It is through delivering sustainable solutions to its clients that Cybercom makes a substantive contribution to more sustainable development of business and society. The right to equal treatment is another aspect that stakeholders (employees in particular) considered more important in this year's materiality analysis than in the past.

The materiality analysis strengthens the understanding that aspects related to the offering, clients and employees are Cybercom's top priorities. As regards employees, the study illustrates the importance of culture, leadership and behaviour. The most highly prioritised aspects in this dimension are equal rights, equal treatment and equal opportunity, along with skills development.

In addition to aforementioned aspects, Cybercom needs to address a number of aspects related to responsibility and compliance. A summary of Cybercom's assessment of material sustainability aspects and how the company is managing them follows. A detailed list of Cybercom's reported material sustainability aspects is provided in the GR index on pages 38–39.

Results of the materiality analysis
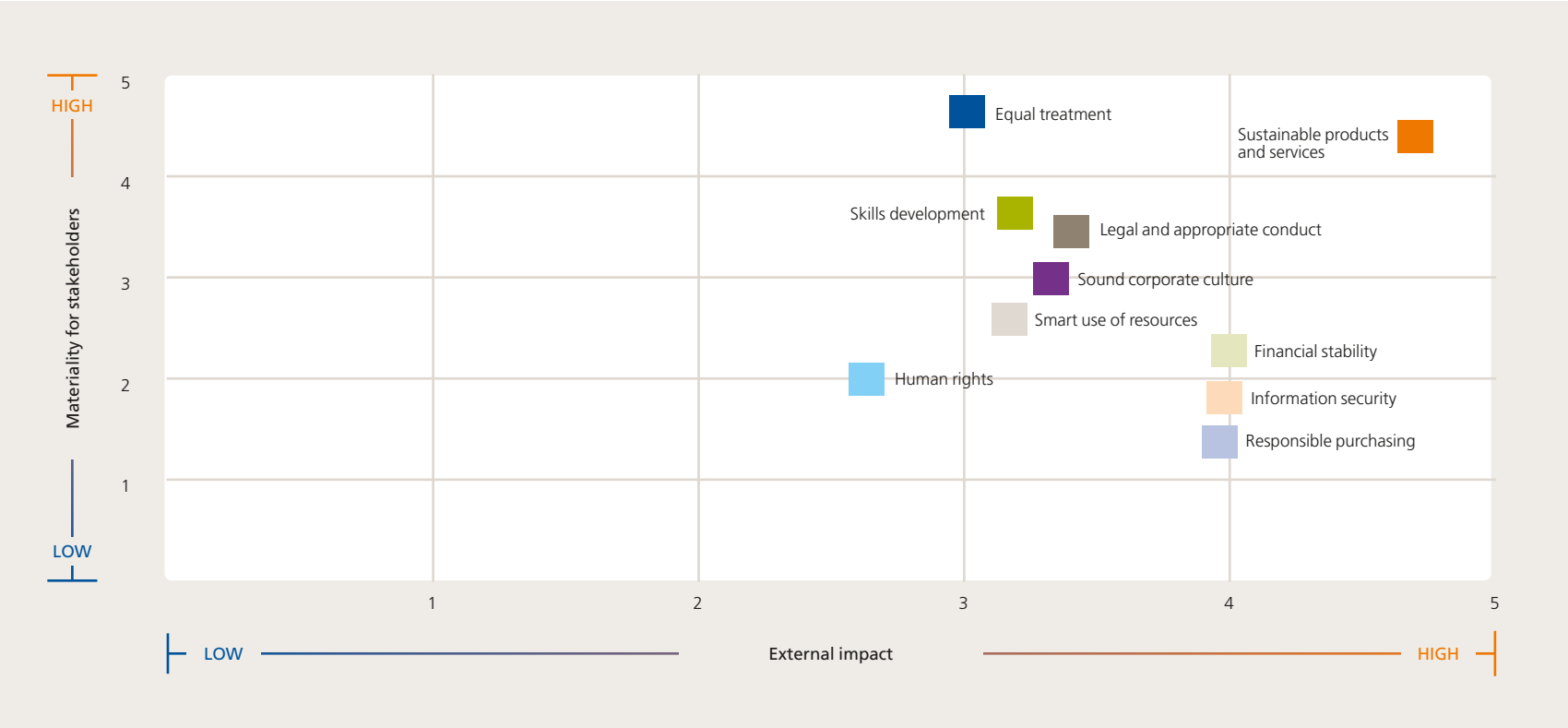
Stakeholders and engagement

Cybercom's key stakeholders are employees (and the union organisations that represent them), clients, owners and suppliers.

The table below presents the issues that are usually the subject of Cybercom's dialogue with each group of stakeholders, communication and dialogue methods used and how the dialogue affects Cybercom's operations.

Stakeholder group	Topics		Communication & engagement	Outcome
Clients	• Offering • Quality • Delivery performance • Privacy and security	• Business ethics • Working conditions • Climate performance • Procurement procedures	• Ongoing engagement via Cybercom's key account managers and other sales representatives and consultants • Client surveys • Interviews	• Development of offerings and solutions • Sales training • Quality, environment and information security management systems
Employees	• Skills development • Work environment • Corporate culture • Diversity and equal opportunity		• Employee surveys • Interviews	• Training • Leadership conferences • Employee events and vision and values meetings
Investors/share-holders	• Profitability and growth • Responsible business • Business ethics		• Annual general meeting • Board work • Investor meetings • Interviews	• Code of Business Ethics and Conduct, sustainability report
Suppliers	• Suppliers' environmental work		• Suppliers' Code of Conduct • Procurement • Negotiations	• Suppliers' Code of Conduct

Governance

Cybercom's Sustainability Ambassadors: John Wibrand, Darren Williams, Otto Kauhanen, Coleb Mujurizi, Kristina Cato, Christian Brandon, Jessi Salenius, Anders Ohlsson and Tomasz Wester.

Corporate governance

The general meeting is the company's supreme governing body. It is at the general meeting that shareholders are able to exert their influence. The board is responsible for the Group's organisation and governance under the Swedish Companies Act. Established procedure dictates divisions of responsibility between the board and CEO.

Board of directors

The board addressed matters during the year such as strategy, the business plan and budget, the company's financing and industry trends. The board of directors monitors the work of management through monthly reports on matters including financial performance, key data and progress in prioritised activities. This also includes following up sustainability work.

Sustainability organisation

The executive leadership team is responsible for strategic and operational control of the company's sustainability work and for monitoring the results. The work is led and coordinated by the company's Head of Sustainability and Communications. Cybercom has a flexible sustainability organisation in which representatives of operations and the business are included. From the operational side, the CFO and representatives of the Legal, Environmental, Quality and HR departments. From the business side, the organisation includes Cybercom's executive management and representatives of advisory services and sales organisations and the Innovation Zone. Cybercom's marketing forum and the company's recruiters also contribute to Cybercom's sustainability initiatives. Finally, Sustainability Ambassadors from various parts of the organisation support the work of the Head of Sustainability and Communications. During 2018, new Sustainability Ambassadors were selected, who continued the work with sustainable leadership, sustainable business, training and communications.

Code of Conduct

The company's Code of Conduct constitutes Cybercom's main sustainability policy. The Code of Conduct is based on the UN Global Compact and its principles on human rights, labour rights, the environment and anti-corruption. It was written in 2004 and was most recently updated in 2016. The Code of Conduct applies to all employees and sets standards for employee professionalism and integrity to ensure that each and every one of us acts legally and appropriately in relation to the company's stakeholders.

Cybercom also has a Suppliers' Code of Conduct. The Suppliers' Code of Conduct covers the same areas as Cybercom's internal Code of Conduct, except for financial reporting and other external communication. Cybercom's internal Code of Conduct and the Suppliers' Code of Conduct are available on cybercom.com.

The Code of Conduct covers the following areas, in brief:

Legal and regulatory compliance All Cybercom employees are responsible for acting in compliance with laws and regulations applicable to Cybercom's operations and deliveries. When necessary, legal advice should be sought. Cybercom applies the Swedish Code of Corporate Governance. Cybercom reports and presents corporate information in compliance with applicable laws and regulations.

Human rights Cybercom respects human rights as laid down in the UN Universal General Declaration of Human Rights. Everyone must show respect for individuals and their privacy and dignity. Cybercom will not in any way contribute to violations of human rights.

Labour rights and working conditions. Cybercom supports freedom of association and the right to collective bargaining. Cybercom does not permit child labour.

Cybercom does not tolerate any form of discrimination. All employees have equal rights and must never be subjected to unjust treatment due to gender, sexual orientation, ethnic origin, religion, beliefs, political affiliation or disability. All employees must show respect for each other and for Cybercom's business partners and take personal responsibility for combating discrimination.

Cybercom offers pay that complies with national minimum wage legislation. All employment contracts must be correctly drawn up. Cybercom also ensures that working hours are compliant with local legislation.

All employees must have time for rest and relaxation. Cybercom shall not in any way utilise forced labour and will always ensure that the working relationship between Cybercom and the employee is at the employee's own free will.

Health and safety Cybercom shall provide a healthy and safe workplace in compliance with internationally acknowledged standards. Cybercom works proactively to prevent accidents and work-related illnesses. All employees are offered health and safety training as required.

Environment Cybercom shall minimise the company's negative environmental impact. Cybercom respects the precautionary principle and seeks to actively contribute to reducing negative environmental impact through respon-

sible measures and technological advancement. Cybercom acts in compliance with laws and internationally recognised directives.

Corruption and other prohibited business practices Cybercom complies with the Swedish Anti-Corruption Institute's Code of Gifts, Rewards and other Benefits in Business, and works actively to combat corruption and unethical practices. Employees must not give or receive gifts, benefits or bribes that constitute a breach of this code. Cybercom is opposed to any form of money laundering and has taken the relevant measures to prevent financial transactions that are of criminal intent. Cybercom is politically independent and does not sponsor political organisations.

Financial information and other external communication Cybercom shall be transparent and provide relevant information when so required. This means that the company shall always provide fair and accurate information. Cybercom's goal is for communication to contribute to a stronger brand.

The company's assets and confidential information. All business decisions shall be made with the good of the company in mind. Employees must be professional in their relationship with Cybercom and must not pursue competitive activities. Client trust is of vital importance to Cybercom. All employees will treat client information with complete confidentiality. Information about Cybercom's clients may only be used in the implementation of the project in question. This duty of confidentiality remains in force even after the project has been completed. There is a clear policy for handling confidential information.

Client's and business partner's information According to Cybercom's security policy, all employees must sign a non-disclosure agreement. There are clear rules for the handling of, and access to, material belonging to Cybercom.

Professionalism. Freedom with accountability and focus on the individual are important contributory factors in Cybercom being able to attract highly skilled staff. Cybercom seeks to offer all employees the opportunity for personal and professional development. A workplace that is open, creative and flexible sets the course for being able to offer clients professional and attractive products and services. To sum up, Cybercom shall always conduct itself ethically in its dealings with all its stakeholders. Cybercom shall be characterised by professionalism and integrity.

Employees

Andreas Carlberg, who is on parental leave, with his son.

LEADERSHIP INDEX

86%

EMPLOYEES ARE SATISFIED/VERY
SATISFIED WITH THEIR
IMMEDIATE MANAGERS

■

DIVERSITY AND INCLUSION

90%

EMPLOYEES ARE SATISFIED/VERY
SATISFIED WITH CYBERCOM'S EFFORTS

■

COMMITMENT

81%

EMPLOYEES ARE SATISFIED/VERY
SATISFIED WITH THEIR JOBS

Policies and management

Management of employee-related matters at Cybercom is based on several policies and procedures. The most important of these include our Code of Conduct, the health and safety policy and procedures, the diversity policy, the equal opportunity plan and a procedure for dealing with incidences of discrimination.

The purpose and objectives of HR work are the same in all material respects throughout Cybercom, although approaches may differ. Cybercom is using company-wide system support and other means to plan for increased collaboration and efficiency within the Group.

Cybercom's new strategy and plan for colleagues and culture includes data-driven HR initiatives as a focus area. In brief, this involves acquiring new tools and working in a data-driven approach to streamline parts of HR work and achieve better results. Above all, Cybercom wants to further develop the search and recruitment processes and employee measurements in order to attract and retain the right skills.

Employee rights

Cybercom respects human rights. Respect for individuals and their privacy and dignity is fundamental to all relationships, both within Cybercom and with clients, partners and other external stakeholders. Naturally, Cybercom has particular responsibility for its own employees. All of Cybercom's sustainability-related policies and positions are stated in the company's Code of Conduct.

Monitoring of employee rights was strengthened during the year by including diversity and inclusion in Cybercom's new employee surveys and pulse measurements. The new tools make it possible to track a diversity and inclusion index in real-time.

The plan is also to implement a new whistle-blower channel for anonymous reporting of violations of the Cybercom Code of Conduct. Reports will be dealt with by an external party, and implementation will take place in early 2019.

Terms of employment and benefits

Aimed at attracting the right employees, Cybercom is increasingly focusing on flexible and individualised terms of employment and benefits. Employees of Cybercom are offered competitive compensation and generous, relevant benefits, which are adjusted according to employee feedback.

The compensation package includes insurance benefits. All employees are covered by insurance policies, the precise arrangements of which vary among the different markets. Employees in Sweden and Finland are covered by collective agreements that include benefits related to pensions and parental leave supplement, for example.

Cybercom offers attractive and centrally located offices, which encourages the use of public transport. Cybercom's offices must be inviting meeting places for creativity and innovation. Our large cafés at all Cybercom offices, featuring table tennis or other team activities, is a small but meaningful example.

Employee reviews of Cybercom

Cybercom will be trying out "pulse measurements" as a way of getting ongoing feedback from employees, understanding how they see their situations at Cybercom and being able to quickly act on the results. Cybercom's agile approach and related tools give employees and managers access to their own team's performance in real-time. The idea is to

create transparency, build commitment and give everyone the right conditions to improve the work environment.

An initial, widespread measurement was taken in late 2018 to obtain reference values to be used in future pulse measurements. The measurements are intended to replace People's Voice, the major employee survey conducted in the past.

The employees also participated in the survey that was the basis for the 2018 materiality analysis. Read more on page 28.

Health and safety

Cybercom is acting to achieve a good work environment and employee health and well-being by means including matching the right person to the right assignment, providing opportunities for variation and development on the job and allocating tasks to minimise stress. Cybercom also strives to accommodate preferences for flexible working hours. In general, it is becoming more important for Cybercom to individualise the support offered to employees, especially as we, in today's society in general, are becoming overloaded with more and more information and impressions. The aim is to make life easier on the job and encourage a good life/work balance.

Employees work in an office setting of our own or on client premises. Cybercom's premises offer various types of workstations for flexibility and comfort, and we encourage employees to get moving – by playing table tennis at the office, for instance. Cybercom's greatest health and safety risks are repetitive strain injuries and stress-related disorders.

The absenteeism rate at Cybercom was 3.0 (2.8) percent during the year. There were no reported workplace accidents.

399
NEW HIRES
IN 2018

20%
PERCENTAGE WOMEN

50%
PERCENTAGE OF
WOMEN DIRECTORS

"The challenges of tomorrow demand new solutions. That is why willingness and capacity to keep learning anew are key skills for a Maker. Cybercom is continuing to develop tools, academies and our innovation concept to ensure that our employees are given optimal opportunities to make the development journey that both we and they expect during their time with us."
Linda Westlund, Head of HR

Age and gender distribution	2018 Number	2018 Female, %	2017 Number	2017 Female, %	2016 Number	2016 Female, %
Board of directors	8	50	9	33	9	33
<30	0	0	0	0	0	0
30–50	5	40	6	17	7	29
>50	3	67	3	67	2	50
Managers	121	30	121	26	115	26
<30	6	17	3	33	3	33
30–50	96	26	91	19	89	22
>50	19	47	27	52	23	39
Other employees	1,169	19	1,141	19	1,088	17
<30	374	20	338	22	309	18
30–50	657	19	664	19	642	16
>50	138	21	139	21	137	20

Employed by Cybercom	2018 Number	2018 Female, %	2017 Number	2017 Female, %	2016 Number	2016 Female, %
Under indefinite contract	1,285	20	1,251	20	1,185	17
Of which full-time	*1,249*	*20*	*1,231*	*20*	*1,154*	*17*
Of which part-time	*36*	*25*	*20*	*40*	*31*	*29*
Number of temporary employees	5	20	11	73	18	33
Total	**1,290**	**20**	**1,262**	**19**	**1,203**	**18**

Employees by country	2018 Number	2018 Female, %	2017 Number	2017 Female, %	2016 Number	2016 Female, %
Sweden	785	22	775	22	748	20
Finland	179	15	171	12	164	12
Poland	289	21	277	21	253	18
India	24	17	21	14	23	13
Singapore	–	–	–	–	2	50
Denmark	13	15	18	39	13	8
Total	**1,290**	**20**	**1,262**	**19**	**1,203**	**18**

Absenteeism, %	2018	2017	2016
Sweden	2.9	2.9	3.4
Finland	3.0	2.4	3.0
Poland	3.1	2.5	2.0
India	3.3	–	0
Singapore	–	–	0.4
Denmark	1.5	3.2	1.9
Average	**3.0**	**2.8**	**3.0**

Change in workforce	2018 Women	2018 Men	2018 Total	2017 Women	2017 Men	2017 Total	2016 Women	2016 Men	2016 Total
New hires			399			425			280
<30	34	140	174	44	141	185	34	119	153
30–50	51	155	206	45	177	222	24	95	119
>50	5	14	19	7	11	18	1	7	8
Percentage of new hires among all employees			*31%*			*35%*			*23%*
Employees who have left Cybercom			364			372			294
<30	25	77	102	25	85	110	12	50	62
30–50	45	187	232	28	204	232	27	166	193
>50	9	21	30	8	22	30	8	31	39
Percentage of employees who have left among all employees			*29%*			*30%*			*24%*

Training hours per employee	2018	2017	2016
Women	32	18	13
Men	38	19	14
All employees	**37**	**19**	**14**

Development reviews	2018	2017	2016
(Employees given development reviews, %)			
Women	95	94	89
Men	94	90	84
All employees	**95**	**91**	**85**

Collective bargaining agreements	2018	2017	2016
(Total employees covered by collective bargaining agreements, %)	74	76	77

Clients

Legal and appropriate conduct

High ethics must characterise every aspect of Cybercom's business and operations. Cybercom's Code of Conduct governs how employees should act, and business ethics are a standing item on the executive team's agenda.

All employees complete web-based training sessions aimed at preventing corruption. The training is based on our Code of Conduct and contains various possible dilemmas on which employees must take a position.

Cybercom also instituted a new whistle-blowing system to ensure high ethical standards in our work with clients. The system is expected to be deployed group-wide in early 2019.

No cases of corrupt conduct or discrimination were reported in 2018.

Quality

For Cybercom, quality is a matter of client perception. Accordingly, our task is to consistently meet the client's needs and meet or exceed expectations. We succeed at this by working closely with clients, monitoring technological progress and continuously developing employee skills.

Cybercom's quality management system is certified under ISO 9001 and Cybercom's policy and quality targets help to steer efforts in the right direction. In order to assure quality, the majority of our work is process-oriented. The enterprise management system contains necessary documentation in the form of process and role descriptions, as well as instructions and templates. Training is a key component of quality management.

We set targets and monitor a number of quality indicators – client satisfaction first and foremost among them. Our overall objective has been to continuously increase the CSI (Client Satisfaction Index) and to always outperform the industry average. Client satisfaction has been included as a strategic target area in the strategy for 2019–2021. A precise target will be formulated in 2019. There is a separate policy, strategy and process run by sales managers for quality and client satisfaction. Read more about Cybercom's targets on page 14.

Information security and data protection

Work related to information security and data protection at Cybercom involves ensuring the confidentiality, accuracy and accessibility of all information assets. Information management must always be carried out with respect for and protection of personal privacy.

Cybercom works systematically with information security based on the company's information security and data protection policy. The work is aimed at protecting the company against intentional and unintentional threats and complying with applicable laws, regulations and the requirements and expectations of employees and clients. This work is conducted both internally and on assignment for clients.

Risk analysis is a vital aspect of the work and is performed on an ongoing basis. Defining the right level of security involves establishing acceptable risk exposure, performing an analysis and describing on that basis the organisational and technical security measures required.

Initiatives during the year

Due to the implementation of GDPR, Cybercom had a strong focus on information security and, above all, data protection. Cybercom took several different measures. One of the focus areas was to make all employees aware of the new statutes and what they involve, along with integrating security measures directly in the company's operational processes.

A new security organisation was established that focused on organisational measures such as updating policies and instructions, as well as assuring Cybercom's capacity to act swiftly if an incident were to occur. We also took several technical measures to raise the level of protection, such as new and modern firewalls and a new system for user and access management.

Cybercom had no incidents of loss of client data in 2018.

Internal environmental work

Policy and management

Environmental aspects are included in Cybercom's Code of Conduct. Cybercom's negative environmental impact must be reduced, the operations should act according to the precautionary principle and contribute through technological progress. As a complement to the Code of Conduct, Cybercom has an environmental policy oriented towards long-term sustainable business.

Cybercom has an environmental management system. The Swedish part of the system is certified under ISO 14001. The company's environmental policy, environmental targets and action plans manage and track the environmental efforts.

Each office adjusts the general environmental targets and action plans to their specific circumstances.

Internally, Cybercom has made good progress in the environmental area. Externally Cybercom helps clients to implement solutions to reduce negative environmental impact and increase positive impact. Read about Cybercom's work within the framework of Fossil Free Sweden on page 18.

Activities

As a service company, Cybercom is primarily committed to reducing the environmental impact of business travel and commuting to and from work. The various IT solutions that employees extensively use for communication with clients and internally help with these initiatives. This has not only reduced travel, it has helped streamline collaboration.

Employees and clients are informed about how Cybercom's offices can be reached by public transport. All offices have showers and dressing rooms to make it easier to run or cycle to work.

Targets and outcomes

Cybercom is careful with purchasing, and demands good waste management from landlords. Negative impact must be reduced, and Cybercom has identified business travel as the most important key figure that the company can most influence. Travel is measured, managed and monitored.

Cybercom has made progress in the environmental area over time, particularly as regards travel. Business travel has been reduced and more journeys are made by train, as opposed to flying. Cybercom has almost no company cars.

Cybercom encountered problems measuring and following up business travel in 2018 when the travel provider switched reservations systems. As a result, Cybercom had to fill in the gap with manual follow-up of expense reports and is now carrying out a procurement to contract a new travel provider and gain better opportunities for measurement and monitoring.

Emissions are still lower than when measurements began and, overall, Cybercom believes the environmental performance of the business is at an acceptable level.

Electricity consumption	2018	2017	2016
Electricity consumption (MWh)[1]	2,195	2,037	2,356
Electricity consumption in relation to sales (MWh/SEKm)	1.3	1.4	1.7

[1] Refers to Cybercom's offices and own data centres.

Carbon emissions[1]	2018	2017	2016	2015	2014
Carbon emissions (metric tons)	204	277	182	343	640
Carbon emissions in relation to sales (metric tons/SEKm)	0.12	0.19	0.13	0.27	0.51

[1] Refers to Cybercom's business travel by air. The data were provided by the travel agents Cybercom uses in each country.

Risks and risk management

Cybercom is exposed to a number of risks that could affect the Group's business, earnings and financial position. Cybercom regularly performs risk assessments that include identification of the risks that affect the Group and takes action to manage these risks.

Market and operational risks	Description	Action
Skills provision	Cybercom's business is dependent upon its capacity to attract and recruit skilled employees and upon its employees maintaining their skills, continuing to develop and staying motivated. Shortages of labour occur from time to time and the company may have difficulty recruiting employees. High employee turnover or loss of key people could therefore have negative impact on the company.	Cybercom works continuously with environmental and working conditions, leadership and skills development to ensure that the company is an attractive employer. Innovation Zones are found at all of the company's offices to provide for skills transfer and to explore new technology. Cybercom works with brand-building activities and recruitment through, for example, participating in conferences, seminars and courses. The company invites university students to write degree papers within Cybercom's operations. Skills provision to the Nordic markets is augmented with capacity from the centres of excellence in Cybercom's Polish and Indian operations. The company recruits globally.
Economic conditions	The Nordic market for IT and consultant services is affected by the general economy. Deterioration of the general business climate could therefore affect demand for the company's services.	Cybercom's core business is in communications services and digitalisation, which have affect in both economic upturns and downturns through efficiency improvements or competitive advantages. The company has developed areas of expertise where market demand is expected to remain strong for decades. In addition, the company further develops skills in new areas on an ongoing basis and monitors national and global market trends.
Client concentration	Cybercom's ten largest clients account for 45 percent of the company's sales and the largest client accounts for 19 percent of sales. Cybercom aims to establish long-term relationships with its clients, several of which have been clients for many years.	Cybercom often has many different, mutually independent projects in progress for its larger clients. The company strives to maintain a good balance among clients from different industries and geographies to mitigate risk exposure. Cybercom's target is for the ten largest clients to account for 50 percent of sales while no individual client accounts for more than 15 percent of the company's revenues.
Capacity utilisation risk	Cybercom's revenues are highly dependent upon the number of consultant hours sold. Reduced demand for consultant hours affects capacity utilisation and may be caused by any number of factors, including economic downturns and/or lacking the right consultant skills. Moreover, there is risk that clients may in some cases discontinue projects at short notice, which in turn could prevent Cybercom from immediately occupying the consultants involved in other assignments.	Cybercom is developing its business and deepening expertise in areas where demand is growing and is expected to continue growing for many years ahead. The company's services cover the entire project life cycle and consultants are equipped to successfully take on various roles. Employees are continuously further developed. The office-based Innovation Zones are helping ensure that the company has knowledge and expertise in the latest technologies. The company also works with a large number of sub-consultants to ensure flexible capacity in response to economic fluctuations and client-specific variations.
Price level and client commitments	The level of prices charged to clients are a key component of the company's earnings. When prices is negotiated with the client on an ongoing basis, earnings are affected immediately if market prices fall. For that portion of sales generated by clients with which the company has made general agreements, Cybercom is not affected by changes in the price level unless the general agreement is renegotiated. Fixed price assignments and other commitments to clients, where Cybercom promises to provide a solution or service at a price agreed in advance constitute another type of price risk. The company thus bears the risk that the cost of delivering the assignment might have been incorrectly estimated.	Cybercom's strategy calls for the company to sell proactively and offer more advisory services by engaging in dialogue with multiple stakeholders on the client side (operations, purchasing and IT) and moving higher up the value chain. The company continuously further develops its procedures for assessing and controlling risks in client assignments.
Ethical risks	Examples of ethical risks include employee failure to comply with national regulations, Cybercom's Code of Conduct or ethical guidelines, or employee involvement in corruption, bribery or other irregularities. Such actions could damage the brand or lead to legal sanctions and fines.	All Cybercom employees are required to sign the company's Code of Conduct and Business Ethics immediately upon employment. This is also mandatory for the company's sub-consultants. Preventive actions are taken at all levels of the company by means of communication, training and dilemma exercises.
Health and safety risks	Cybercom's greatest health and safety risks are repetitive strain injuries and stress-related disorders.	The company's premises are designed to encourage physical movement and variation in working posture. Aimed at minimising stress, Cybercom strives to maintain an open, communicative, reassuring and transparent culture. The company's employees are provided occupational health services according to their individual needs, as well as tools and equipment to prevent repetitive strain injuries, for example.
Human rights	Cybercom operates in certain countries where there is greater risk connected to discrimination based on gender, social or religious identity, age or sexual orientation.	Cybercom's management works continuously to ensure that all operations comply with the company's Code of Conduct and Business Ethics. Everyone must show respect for the privacy and dignity of the individual.
Bank and client agreements	There are clauses in the company's loan agreements as well as certain client agreements that give the other party the option to terminate the agreement if major changes to the ownership structure occur. If an agreement is terminated, it could have negative impact on the company.	Cybercom's financial structure is good and the company strives to maintain a stable financial base that provides favourable conditions for dialogue with banks. The company has many different client agreements, assignments and numerous large clients.
Financial risks	Cybercom is exposed to several financial risks, such as liquidity risks, interest rate risks, currency risks and credit risks.	These risks are described in Cybercom's annual report for 2018.

Economic performance

Generated economic value

The table shows Cybercom's generated direct economic value and how this is distributed to various stakeholder groups.

SEKk	2018	2017	2016	2015	2014
Generated direct economic value					
Revenues	1,678,203	1,463,498	1,353,925	1,259,598	1,262,887
Distributed economic value					
Employee benefits	−851,299	−785,184	−766,570	−782,933	−824,303
Other external expenses	−645,037	−522,884	−480,000	−408,590	−345,921
Charitable donations[1]	−663	−989	−549	−575	−521
EBITDA	**181,204**	**154,440**	**106,806**	**67,500**	**92,142**
Investment activities	−19,197	−24,580	−23,363	−23,873	−26,373
Net finance income/expense	−3,291	−2,592	−5,588	−2,621	−2,490
Dividends	0	0	0	0	−9,022
Corporation tax paid by country[2]					
Denmark	−1,970	−1,062	0	0	0
Finland	−8,965	−7,368	−3,503	−925	−3,567
India	−1,058	−2,138	−754	−573	−1,637
Italy	0	0	0	−1	0
Korea	−1,265	−1,316	−1,163	−809	−123
Poland	−1,322	−1,314	−2,730	−1,755	−472
Rwanda	0	0	−187	0	−1,350
Senegal	0	0	0	0	−4,775
Singapore	0	0	−466	185	24
Sweden	−15,616	−13,008	−4,215	−1	−319
Taiwan	−87	−114	−126	−121	−94
Tanzania	0	−404	−431	−802	−582
Chad	0	0	−583	−546	−383
Germany	0	0	−10	0	0
Retained economic value	**128,435**	**100,545**	**63,687**	**35,658**	**40,979**

[1] As of 2017, the value of pro bono work has been included in the "Charity" item. Cybercom performed pro bono work in 2018 worth SEK 530 thousand for Hello World!.

[2] In some cases where the company delivers products or services to another country, withholding tax is deducted from the payment to Cybercom. In countries where the company has paid withholding tax during the year, the amounts were included in total tax paid.

Consolidated income statement

SEKk	2018	2017
Net sales	1,663,761	1,455,144
Other operating income	14,318	7,889
Employee benefits	−878,475	−800,365
Other external expenses	−618,399	−508,227
Depreciation and amortisation	−38,878	−37,708
Capital loss upon sale of subsidiary	0	−4,270
Operating profit	**142,326**	**112,462**
Financial income	1,262	2,580
Financial expense	−4,552	−5,172
Profit before tax	**139,036**	**109,871**
Taxes	−32,574	−28,010
Profit for the year	**106,462**	**81,860**

Consolidated statement of comprehensive income

SEKk	2018	2017
Profit for the year	106,462	81,860
Other comprehensive income		
Items that have or may be transferred to profit and loss for the period		
Translation differences arising from translation of foreign operations	5,909	7,732
Translation differences transferred to profit for the year		−1,039
Other comprehensive income for the year	**5,909**	**6,693**
Comprehensive income for the year	**112,371**	**88,553**
Attributable to:		
Owners of the parent	112,371	88,553

Consolidated balance sheet

SEKk	31 Dec 2018	31 Dec 2017
Assets		
Noncurrent assets		
Goodwill	335,040	332,589
Other intangible assets	45,994	69,099
Property, plant and equipment	33,557	30,973
Financial assets	856	1,232
Deferred tax assets	4,811	4,579
Total noncurrent assets	**420,258**	**438,473**
Current assets		
Trade receivables	481,310	437,287
Tax assets	221	551
Other receivables	25,973	26,012
Prepaid expenses	18,731	14,720
Cash and cash equivalents	156,444	61,319
Total current assets	**682,679**	**539,889**
Total assets	**1,102,936**	**978,361**
Equity and liabilities		
Equity		
Share capital	50	50
Other contributed capital	391,558	391,558
Provisions	19,256	13,347
Retained earnings including profit for the year	223,292	116,830
Equity attributable to owners of the parent	**634,157**	**521,786**
Total equity	**634,157**	**521,786**
Noncurrent liabilities		
Deferred tax liability	21,178	18,687
Liabilities to credit institutions	193	80,518
Other noncurrent liabilities	1,230	1,265
Total noncurrent liabilities	**22,600**	**100,470**
Current liabilities		
Advances from clients	27,205	34,336
Provisions for restructuring measures	842	1,227
Trade payables	169,446	130,374
Tax liabilities	13,404	15,930
Liabilities to credit institutions	82,611	21,677
Other current liabilities	34,314	38,374
Accrued expenses and prepaid income	118,357	114,187
Total current liabilities	**446,179**	**356,105**
Total equity and liabilities	**1,102,936**	**978,361**

Consolidated statement of cash flow

SEKk	2018	2017
Operating activities		
Profit before tax	139,036	109,871
Adjustment for non-cash items	27,922	34,936
Cash flow from operations	**166,958**	**144,807**
Income tax paid	−32,681	−13,989
Cash flow from operating activities before changes in working capital	**134,276**	**130,818**
Change in trade receivables	−39,938	−97,424
Change in other current receivables	−18,905	1,934
Change in trade payables	37,602	18,369
Change in other current liabilities	5,685	−8,495
Cash flow from operating activities	**118,720**	**45,202**
Investing activities		
Investments in intangible assets	−78	−1,860
Investments in property, plant and equipment	−17,576	−12,792
Sale of financial assets	429	–
Sale/acquisition of subsidiaries, net effect on cash and cash equivalents	10,157	−2,075
Cash flow from investing activities	**−7,068**	**−16,727**
Financing activities		
Financial liability/leasing	353	6
Repayment of debt	−20,000	−32,000
Cash flow from financing activities	**−19,647**	**−31,994**
Cash flow for the year	**92,005**	**−3,519**
Cash and cash equivalents at the beginning of the year	61,319	62,023
Exchange rate differences in cash and cash equivalents	3,119	2,814
Cash and cash equivalents at the end of the year	**156,443**	**61,319**

Executive leadership team

Niklas Flyborg
President and CEO, Cybercom Group
Born 1962
Degree in Economics and Business Administration, Stockholm School of Economics
With Cybercom since: 2012
Previous: Mandator, Cell Network, Observer/Cision, Capgemini

Camilla Öberg
CFO Cybercom Group
Born 1964
Degree in Economics and Business Administration, Stockholm School of Economics
With Cybercom since: 2012
Previous: Logica, WM-data, SEB, Lexicon and Swegro group

Annika Nordlander
Head of Cybercom Sweden.
Born 1959
Systems Engineering, Mid Sweden University
With Cybercom since: 2014
Previous: Ericsson, Fujitsu, Merkantildata, DFind IT, Proffice

Tapio Koivisto
Head of Cybercom Finland
Born 1980
B.Sc. Media Technology, Metropolia Helsinki
With Cybercom since: 2004
Previous: Alma Media, Andritz

Jan Matulewicz
Acting Head of Cybercom Poland
Born: 1978
MBA, University of Łódz
With Cybercom since: 2016
Previous: Ericpol

Ebbe Bo Hansen
Head of Cybercom Denmark
Born 1957
M.Sc. Computer Science, Diploma Programmes Single Courses, Copenhagen Business School
With Cybercom since: 2004
Previous: Regnecentralen, Cap Gemini, International Datasupport, Logica, Ciber

Tony Hendrell
Head of Cybercom AWS Business Group
Born 1978
B.Sc. Software Engineering, Stadia Helsinki
With Cybercom since: 2010
Previous: Atea, Alma Media, MTV

Göran Dahlberg
Head of Secure Cybercom Group
Born 1973
Huthwaite International, ETS Assessment and Development, Technical Preparatory Year (KTH)
With Cybercom since: 2013
Previous: Postnord, Observer/Cision, Romeike, Imedia

Bo Strömqvist
Head of Sales Cybercom Group
Born 1964
B.Sc. in Systems Analysis, Linköping University, Washington State University
With Cybercom since: 2012
Previous: Rational Software, IBM, TDC, Cision, Enea

Linda Westlund
Head of HR Cybercom Group
Born 1978
B.Sc. in Sociology/Human Resources Management, Mid Sweden University
With Cybercom since: 2014
Previous: Uniflex Bemanning, Mistat AB

Dennis Lundqvist
CIO Cybercom Group
Born 1976
M.Sc. Electrical and Electronics Engineering, KTH
With Cybercom since: 2016
Previous: ÅF AB, Epsilon AB

Richard Brolin
General Counsel Cybercom Group
Born 1973
LL.M. Stockholm University
With Cybercom since: 2018
Previous: Law firm of Sandart & Partners, Kamera Interactive, af Petersens Law Firm, SunGard Data Systems Inc., Openlink Financial LLC

Kristina Cato
Head of Sustainability and Communications
Cybercom Group AB
Born 1968
M.A, Uppsala University
With Cybercom since: 1999
Previous: Linköping University Hospital

Auditor's opinion regarding the statutory sustainability report

To the general meeting of shareholders in Cybercom Holding AB, reg. no. 559025-7001

Engagement and responsibility
The board of directors is responsible for the statutory sustainability report for the year 2018 and for that it has been prepared in accordance with the Annual Accounts Act.

Scope and orientation of the examination
Our examination has been conducted in accordance with FAR's auditing standard *RevR 12 The auditor's opinion regarding the statutory sustainability report.* This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion
A statutory sustainability report has been prepared.

Stockholm, 28 March 2019
KPMG AB

Helena Arvidsson Älgne
Authorised Public Accountant

Directors' signatures

Stockholm, 27 March 2019

Board of Directors

Index for Global Reporting Initiative
and the UN Global Compact

Page references are given below that show where GRI disclosures and references to the principles of the UN Global Compact, UNGC (www.unglobalcompact.org) can be found in the sustainability report.

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Anti-corruption				
205-1	Operations assessed for risks related to corruption	34		Principle 10
205-2	Communication and training about anti-corruption policies and procedures	14		Principle 10
205-3	Confirmed incidents of corruption and actions taken	32		Principle 10
GRI 300: ENVIRONMENTAL 2016				
Energy				
302-1	Energy consumption within the organisation	33		Principles 7, 8
302-3	Energy intensity	33		Principle 8
Emissions				
305-2	Energy indirect (Scope 2) GHG emissions	33		Principles 7, 8
305-3	Other indirect (Scope 3) GHG emissions	33		Principles 7, 8
305-4	GHG emissions intensity	33		Principle 8
GRI 400: SOCIAL 2016				
Employment				
401-1	New employee hires and employee turnover	30–31		Principle 6
Occupational health and safety				
403-2	Types of injury and rates of injury, occupational diseases, lost days, absenteeism and number of work-related fatalities.	31	In view of the nature of the business, Cybercom has elected to report only absenteeism.	
Training and education				
404-1	Average hours of training per year per employee	31		Principle 6
404-3	Percentage of employees receiving regular performance and career development reviews	31		Principle 6
Diversity and equal opportunity				
405-1	Diversity of governance bodies and employees	31		Principle 6
Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken	32		Principle 6
Freedom of association and collective bargaining				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.		Cybercom reports the percentage of employees covered by collective bargaining agreements. Other employees have been assessed as not working in operations where freedom of association is at risk.	Principles 1, 2, 3, 4, 5, 6
Customer privacy				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	32		

For more information about Cybercom's sustainability work, please contact:

Niklas Flyborg
President and CEO

niklas.flyborg@cybercom.com
+46 70 594 96 78

Kristina Cato
Head of Sustainability and Communications

kristina.cato@cybercom.com
+46 70 864 47 02

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Cybercom is using the tools of ICT to make a sustainable tomorrow. In this publication, we tell you how that is being accomplished. Would you like to know more about how we can help your company capture the potential of digitalisation?

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