



2017

---

# SUSTAINABILITY REPORT

## Partnerships lay the foundation for sustainability

We have built smart, sustainable solutions from the start using innovative technology. Collaborating closely with our customers over a long period of time promotes a creative partnership, where we can work together to produce sustainable solutions that have a real competitive edge.

Softronic works actively with Agenda 2030 – the UN's 17 global development goals. Most of our customers also work with this agenda, so these challenges form a natural part of our business. Our solutions therefore contribute to a smarter and more sustainable world. This is something we are proud of!

### **Sustainable solutions for the needs of today – and the future**

Many of our solutions currently deal with greater efficiency and democratisation in member organisations, digitisation in schools and healthcare, more sustainable industrialisation, optimised travel and transport solutions, and greater accessibility in the work of public authorities and for new arrivals.

Our customer base has given us a high level of exposure over a long period of time to sustainable solutions that can meet challenges such as a population that is increasing and getting older, stricter environmental requirements for the transport and travel industry, urban growth, and the demographic challenges surrounding new arrivals.

### **New technology adapted in the right way is essential for success**

Just like many of our customers, we believe that we have only just started on our journey towards real digitisation. We have many ongoing dialogues about innovation with new and existing customers, including topics such as AI, Smarter Cities, the IoT in industry, greater digitisation for healthcare and authorities, and Foodtech.

### **Holistic responsibility lays the foundation for sustainable solutions over time**

We are experts in the management and operation of entire business systems, and we have realised that innovative, sustainable solutions normally have the greatest impact when many parties have to work together as part of a larger ecosystem.

As Softronic is in a position to take holistic responsibility, we can continually optimise our customers' solutions using a sustainability perspective between our own operations, outsourcing to Softronic within Sweden, in our hybrid clouds or in a pure cloud environment, taking the relevant rules and regulations into consideration.

**Anders Eriksson**  
**CEO and founder**

“We’ve been creating smart, sustainable solutions from the start by using innovative technology.”

”



# Working with our stakeholders enables us to create significant sustainability benefits

## Four stakeholder groups

We have identified customers/potential customers, employees/potential employees, suppliers/partners, and owners/company management as stakeholders.

## Six key sustainability aspects

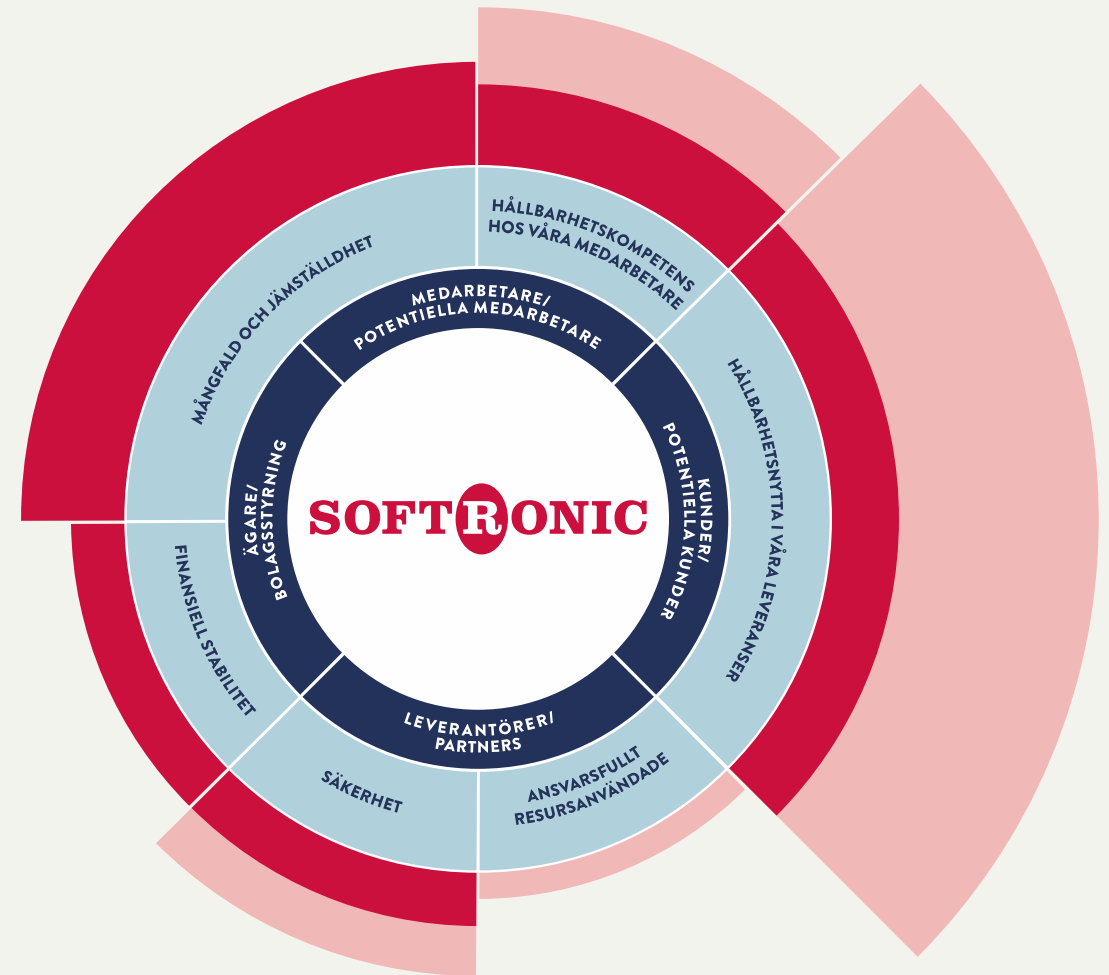
As part of our process for selecting relevant sustainability aspects, we have identified the following key sustainability aspects: Sustainability benefit for our deliveries, sustainability expertise among our employees, diversity and equality, financial stability, security and the responsible use of resources.

## Expanding existing processes and the first sustainability report

Although Softronic has been working on sustainability over a long period of time, in particular for our ISO certification work, this is the first report that Softronic has produced.

We have decided to continue with and expand the current revised processes that form the basis for the ISO certifications in order to meet the requirements for sustainability reporting.

We have also decided to exclude comparison figures in many places. The report has not been audited by an independent party.



■ Direct impact  
■ Indirect impact



## 2017's sustainability work, organisation and goals

**Sustainability benefit of our deliveries** – Softronic's customer mix and deliveries have a *significant impact on sustainability* for individuals and sometimes for the overall sustainability goals for Sweden as well. This is why

Softronic is perfectly placed to have an effect on these sustainability aspects by maintaining a high level of quality in our customer deliveries. Softronic can see an *opportunity* to create a competitive edge by doing this. The work is carried out within the framework of our normal steering group work, and in our teams.

**Goal 2018:** To perform environmental benefit analyses for all customer assignments > 3 MSEK in sales

**Sustainability expertise among our employees** – Softronic's customer mix and deliveries have a *significant impact on sustainability* for individuals and sometimes for the overall sustainability goals for Sweden as well. This is why Softronic feels that it has even more responsibility for training our employees in sustainability and for giving advice to our customers about sustainability, where necessary. Softronic can see an *opportunity to reduce staff turnover* as we know that many employees feel positive about a sustainable employer, and an opportunity to be able to influence our customers' attitude to sustainability. This work is led by our environmental organisation.

**Goal 2018:** For 95% to have completed the e-learning course on sustainability

**Responsible use of resources / security** – We are certified in accordance with ISO 14001 and carry out active improvement work, even though we have a *limited opportunity* to influence our suppliers. We continue to make active choices and ensure that we have relevant policies in place that take sustainability into consideration. This work is led by our purchasing function and every supplier is evaluated annually.

**Goal 2018:** To reduce energy consumption at our units (at external data centres) by an average of 5% per virtual server in 2018

**Diversity and equality** – We promote diversity and equality, and work to achieve a more even gender distribution at the workplace. One extremely important part of this work is to develop a culture that supports the opportunities for women and men to combine their private lives with an interesting and challenging work life. The goal for Softronic's social composition is to reflect the diversity in society. This work is run by the Group management team along with our Talent Management function.

**Goal 2018:** For the new recruitment rate of women to be in line with the market (30%).

**Corporate governance / Owners** – It is the Board of Directors that is responsible for the sustainability work. It plays an active role in identifying stakeholders and ensuring that the relevant policies are in place and are observed. Softronic's CEO and the rest of the management team are responsible for implementing the activities decided by the Owners and the Board of Directors.

The way that Softronic works with the mandatory areas of human rights, the environment, staff, social factors and the prevention of corruption are primarily regulated by Softronic's Code of Conduct, the Management System for Information Security and the Environmental Management System, which are revised annually. The Code of Conduct, which is mostly qualitative, combined with the explicit goals that have been set in the key sustainability aspects that have been selected create the conditions for structured sustainability work.

**Goal 2018:** Profitable growth and a target margin that is higher than 10% with today's mix of customers and business.

# Softronic's Code of Conduct – a summary

**Softronic's Code of Conduct** forms the basis for our company's commercial behaviour and our responsibility towards colleagues, customers, suppliers, shareholders and authorities. We can only live up to our responsibility as a company if we comply with our ethical rules and detailed guidelines.

**The Code of Conduct** has a clear focus on sustainability. It stipulates, for example, that Softronic will contribute to positive social development by taking social, environmental and financial responsibility. This means that all our purchases must be made based on sound ethical principles with a high level of integrity. This is also why we are committed to diversity and equality, and the UN Global Compact programme, following its principles on human rights, employment law, environmental issues and anti-corruption.

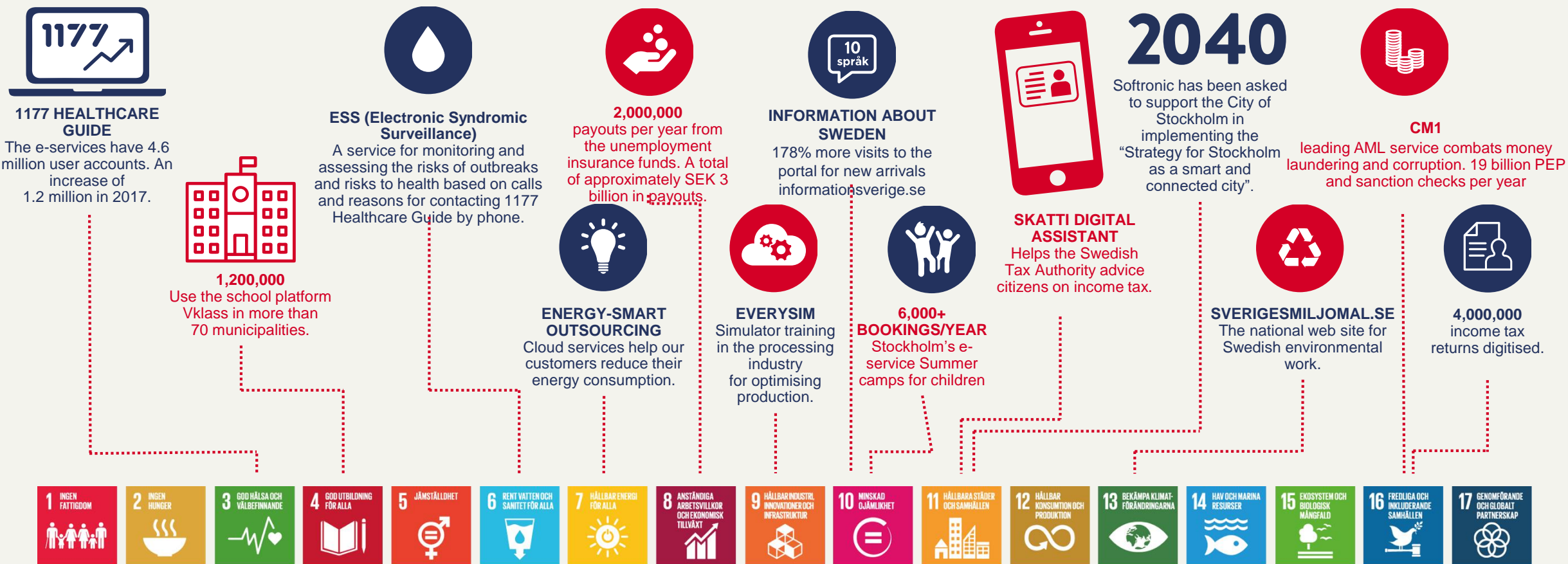
**Our active work** to reduce Softronic's environmental footprint mostly involves setting requirements for suppliers and also making conscious choices internally at the company. It also means that we highlight the entire environmental perspective in our customer assignments. This is particularly the case for our deliveries of IT services, which improve our customers' working methods and business. The technology that we deliver boasts good environmental performance, using a high proportion of cloud services and other solutions for a greener IT. This enables us to help our customers comply with the stricter requirements for sustainability in their business.



Read the Code of Conduct in full here:  
<http://www.softronic.se/om-oss/etik/>



# Our customers are challenging us to work with them to create sustainable solutions



## If we can be good at sustainability, so can our customers

**We have a clear responsibility** to train our employees in sustainability – and also to help our customers be more sustainable. This is why this area plays such an important role in Softronic's business. There is a person at each business area who is in charge of the environment and who supports their colleagues in issues relating to the environment. Of course Softronic is certified for the environment in accordance with ISO 14001.

**All of Softronic's employees** must comply with the guidelines and ethical rules that we have drawn up to support our values. To make it easier to keep these values at the forefront of our employees' minds in an informal way, we have decided to work with 'gamification'.

**To streamline** our sustainability work, we also train our employees using a kind of e-learning that we have produced ourselves. As well as this e-learning, we run courses to help achieve our sustainability goals. At the moment we are working a lot on training in one of our focus areas: environmental benefit analyses in Softronic's deliveries.

**Softronic is also** certified for information security in accordance with ISO 27001. We use e-learning in this field as well to help our employees handle information in the correct way in various situations.

**Having well-trained employees** enables us to create a clear sustainability benefit for our customers. One of the most important things that we do for the environment is to help them digitise. We have an ongoing dialogue with our customers about how we can work together to create benefits in every delivery.





## We take a long-term approach to our employees' expertise

**Many of our** assignments involve developing major services that are beneficial to society.

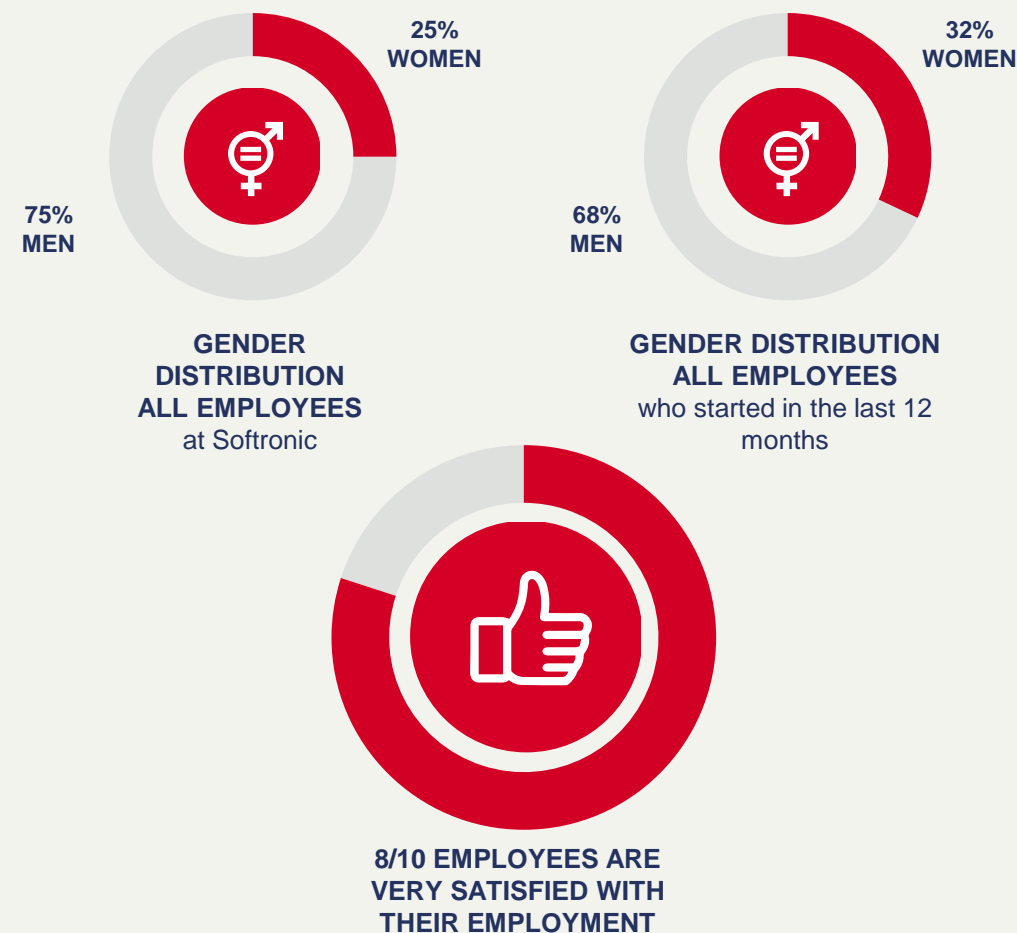
These customer collaborations often involve working closely with the customers over a long period of time, so it is particularly important to develop the expertise of our employees.

**Employees who start** their career with us go on a half-year trainee programme, which involves four days of work and one day of training per week. New employees who already have previous experience are given personal coaching, as well as a central introduction and training in sustainability and the environment.

**As well as external consultancy training** Softronic prioritises specific courses that it runs itself in values, leadership and consultancy skills. Some employees are also selected to go on a valued leadership programme. In 2017 Softronic invested approximately MSEK 4.5 in these programmes.

**The fact that our experts** coach people who want to learn promotes a creative environment. However, employees are in turn expected to take responsibility for their own development and are given individual coaching from their manager.

**Many people enjoy working for us** and our employee survey shows that 8 out of 10 of our employees are very satisfied with their work. Just as many say that they feel good when coming to work and would recommend others to start working for Softronic. Our sick leave is only around 3%.





## A sustainability profile that is just as strong as our own

**When we select suppliers** and partners, we try to integrate human and social aspects into the supply chain. We do this to protect people from products and processes that can have a negative impact on health, diversity and working conditions, and to promote a responsible use of resources.

**We have decided to** prioritise suppliers that can have a major impact on sustainability. The main areas that we can influence are the choice of premises, company cars, electricity consumption and training. In recent years, we carried out an evaluation and decided to replace six of our ten main suppliers with those who reflect our policies and guidelines.

**The single most important change of supplier** in terms of sustainability was when we changed our landlord. Moving our office to Hammarby Sjöstad reduced, for example, the amount of energy used at our offices by more than a half. We have also reviewed our electricity agreements and changed supplier in order to increase the amount of green electricity.

**Softronic's ten largest** suppliers within the identified sustainability areas account for approximately MSEK 27 of the total costs of approximately MSEK 580. All of them are major, well-renowned companies that have their own sustainability requirements and certifications.



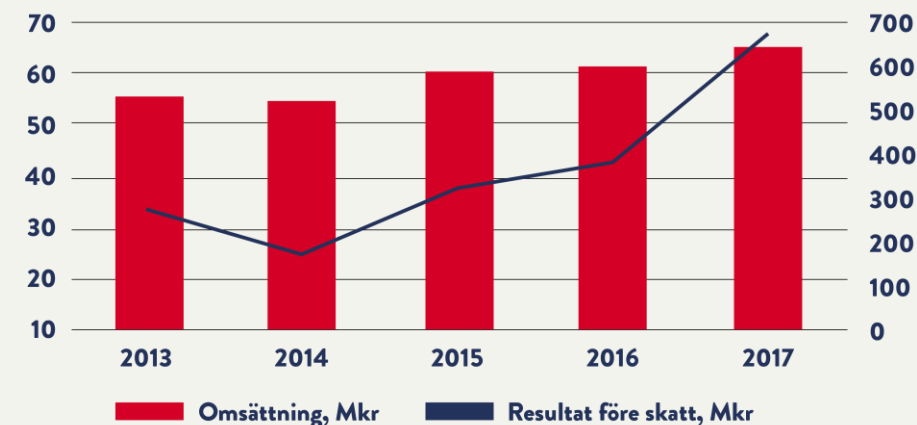
## We contribute to society by reporting a stable profit that generates tax revenue

**At Softronic, social responsibility** is not only about sustainability. We also work for a better society and a better environment by aiming to grow financially based on ethical principles.

**Our financial goals** include being one of the top listed consultancy firms in terms of both growth and profitability. The long-term goal is to achieve a 5–7% increase in employees and sales growth of a minimum of 10%, of which at least half should be organic.

**Softronic's growth** should always be profitable. We are almost meeting our growth targets, although this growth has been organic. The long-term target for the profit margin in the core business areas of outsourcing assignments and cloud services is higher than 15%, while the target for the margin in other business, such as resources consultancy sales and re-selling, is higher than 5%. This means that the target margin as a whole is higher than 10% with today's mix of customers and business. In 2017 this target was met.

**The Board of Directors and the Group management team** lay the foundation for the sustainability work by, for example, identifying stakeholders and monitoring the sustainability process.



	2013	2014	2015	2016	2017
Omsättning, Mkr	551,9	539,4	601,9	614,7	657,0
EBITDA, Mkr	42,2	31,9	46,5	50,0	75,5
Resultat före skatt, Mkr	34,2	25,4	38,6	42,2	67,0
Vinstmarginal, %	6,2	4,7	6,4	6,9	10,2
Genomsnittligt antal anställda	476	482	476	458	448
Antal medarbetare vid årets slut	463	467	469	432	459

## The smart cloud

**A typical morning** You turn on a few lights. Turn your smartphone on, which has been charging overnight. Have a shower. Make a coffee. Put on the radio or TV to check the news. Your entire morning routine is powered by electricity. But when you leave home, you turn the lights off, and turn off both the coffee machine and the TV. This is for environmental reasons, but also because you do not want to pay for these conveniences when you are not using them.

**This should be the same** for data storage as well. And for the same reasons: the environment and money. This is where Azure Stack comes in. Azure Stack is the local cloud platform from Microsoft, where you only pay for the functions you use, *when* you use them. If you are not using the capacity, you do not pay anything for it, and you do not contribute to any energy consumption. This is the sharing economy at its best.

**Azure Stack is based** on the same technology as the public cloud. The difference is that everything is stored locally in Sweden. Ideally at locations that do not have national data centres. Or for companies, organisations and authorities who do not want their data to end up abroad.

**As a certified partner** of Microsoft, we are now offering all our customers the use of Azure Stack and to be involved in taking an important step toward not only reducing data management costs, but also toward becoming more energy-efficient.

”

“It is incredible to follow developments in technology and see how modern and scalable technology contributes to solutions that are secure and energy-efficient. Microsoft has more than 30 years’ experience of managing, protecting and optimising infrastructure and data, both locally and in cloud services like Azure.”

Mathias Ekman, Director Industry Solutions at Microsoft Western Europe





# With our help, Sweden will become sustainable

**The Swedish Environmental Protection Agency's assignment** includes driving and coordinating work on environmental issues, and helping the government to implement environmental policy. Its responsibilities include everything from waste management to environmental research, from air quality to biodiversity. Billions of Swedish krona are channelled via authorities to environment-related projects every year to achieve its mission. The Swedish Environmental Protection Agency also works to ensure that the Swedish environmental goals support the UN's global sustainable development goals.

**Softronic has many** long-term assignments that it is carrying out at the same time for the Swedish Environmental Protection Agency. Most are them are linked to Sweden's 16 environmental goals, and in turn to EU requirements and UN goals. This includes, for example, the design of Sweden's new traceability system for hazardous waste. And the work on [sverigesmiljomal.se](https://sverigesmiljomal.se) – the national website that has been set up to encourage municipalities, trade and industry to push ahead with their environmental work. The company is also developing environmental indicators, where you can follow up different measures and see their status in relation to the various goals. In this way, our assignments have a clear strategic focus on sustainability. To put it simply, we are helping the Swedish Environmental Protection Agency to transform Sweden into a sustainable country.

**We have many** employees who are deeply involved in this collaboration, spending a lot of time with this customer. The commitment shown by the employees of the Swedish Environmental Protection Agency is contagious, making these assignments even more interesting. It makes us feel part of the customer itself.



“Many of our assignments for the Swedish Environmental Protection Agency have a bearing on Sweden's 16 environmental goals, which in turn support the UN's global sustainable development goals.”

Joachim Lundberg, Chief of Staff at Softronic



## A lifeline for new arrivals

**When the Swedish Integration Board was closed** in 2007, Sweden's county administrative boards took over a lot of the responsibility for the reception of refugees. Talieh Ashjari, Diversity Director at the County Administrative Board of Västra Götaland, immediately realised how important accessibility to vital information was for new employees in order for them to find their feet in Sweden.

**Talieh Ashjari and** her colleagues decided to create a digital tool – a source of information in the form of a website. Their aim was to make it easier for new arrivals to receive the correct information about, for example, accommodation, work, education and care – and to collect all this information in one single location.

**Following the procurement by the County Administrative Board,** Softronic was awarded the job of building this website and developing its functions. In 2009 informationsverige.se was launched in ten languages. The accessibility was ensured from the very beginning by new arrivals being systematically referred to this new website by the Swedish Public Employment Service and the Swedish Migration Agency and then later by

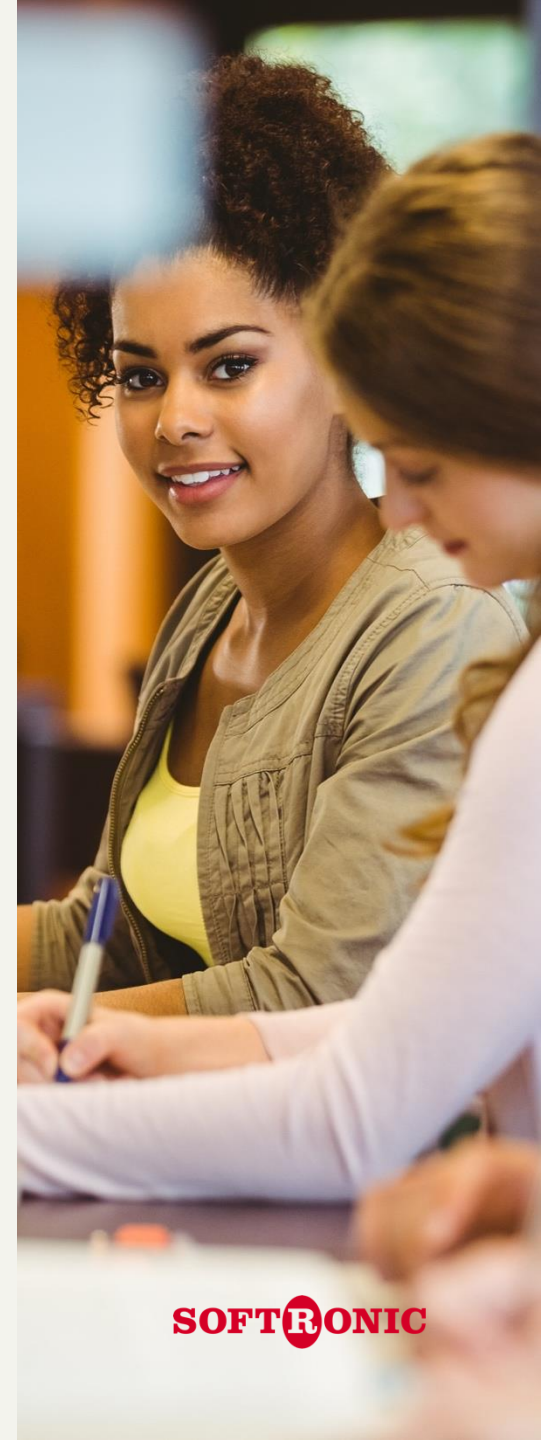
other authorities and municipalities.

**Talieh Ashjari explains** that the website has been used by the vast majority of new arrivals, with a peak reported during the high influx of refugees in 2015. She describes the website as a lifeline, giving people the opportunity to find their way among the abundance of information that surrounds us all.

**In 2014 the government tasked county administrative boards** to develop the information they provide to new arrivals, further strengthening the position of informationsverige.se.

**The development of Information about** Sweden is a typical example of Softronic's long-term vision in its customer relationships, where we have been involved right from the start and have also won procurements to extend the assignment.

“The website informationsverige.se has helped many new arrivals since it was launched in 2009. The page is also used regularly by people who have been in Sweden for a while to find information about a variety of relevant issues and to learn Swedish, for example.”



## Digital care services free up time for physical appointments

**1177 Healthcare Guide** has developed in recent years into a portal for e-services that makes communication easier between patients and healthcare providers. From 2018 every healthcare provider in Sweden must offer services through this website. One of the reasons for this is to increase the accessibility of physical care for people who really need it.

**The site where patients** and healthcare providers meet is called 1177.se. This site brings together personal e-services and is a place where everyone can contact healthcare in a simple way and get an overview of their own health and healthcare. For example, to renew prescriptions. To book an appointment. To get results. To look at their records. And many other services.

**As the use of** e-services at 1177.se increases, it is becoming even clearer that it is a win-win situation. The patient avoids waiting in a telephone queue and in many cases also avoids having to go to a health centre or hospital. It reduces the costs for the county councils as a case that can be resolved online costs much less than advice by phone and physical appointments. And just as important is the fact that it reduces the amount of travelling, which is good for the environment.

**Softronic's assignment** involves managing and developing the website's e-services to ensure that the architecture and technical solutions comply with national directives for e-health as well as other laws and regulations. We also ensure that 1177 Healthcare Guide is integrated with the National Service Platform – a technical platform that optimises the exchange of information between various IT systems in healthcare.

”

“We’ve been working with Softronic for many years to digitise Sweden in e-health. The services have gradually grown to become one of the most used e-services in Sweden, without compromising accessibility and stability. We are very happy.”

Carl-Gunnar Höglund, Head of Management and Support 1177 Healthcare





CONTENT	STANDARD DISCLOSURES	PAGE/NOTE
102-1	Name of the organisation	Softronic AB
102- 2	Activities, brands, products, and services	Annual Report, note 20
102-3	Location of head office	Stockholm
102-4	Location of operations	Softronic is primarily active in Sweden
102-5	Ownership and legal form	OMX Nasdaq Stockholm since 1998
102-6	Markets served	Softronic has offices in Stockholm, Gothenburg, Malmö, Sundsvall and Arjeplog. The customers are predominantly in Sweden.
102-8	Information on employees and other workers	page 8 and Annual Report page 4
102-9	Supply chain	page 9
102-13	Membership of associations	Softronic is a member of: Almega IT&Telekomföretagen
102-14	Statement from the CEO	page 2
102-15	Key impacts, risks and opportunities	page 4
102-16	The organisations values and codes of conduct	Softronic has a Code of Conduct that is approved by the Board of Directors and is revised annually. Every employee completes an e-course on this, as well as on information security and the environment. For more information, see page 5.
404-1	Number of hours of training per year per employee	page 3
102-17	Mechanism for ethics, values and complaints	page 5 and page 10
102-19	Delegation	page 10

CONTENTS	STANDARD DISCLOSURES	PAGE/NOTE
102-40	List of stakeholder groups	page 3 and page 4
102-42	Identifying and selecting stakeholders	page 3 and page 4
102-43	Approach to stakeholder engagement	page 3 and page 4
102-44	Key topics and concerns raised	page 3 and page 4
102-45	Entities included in the report 9	All companies are included in the sustainability reporting, Annual Report note 9
102-47	List of material topics	page 3 and page 4
102-48	Restatements of information 10	This is the first sustainability report.
102-50	Reporting period	The sustainability report is for the 2017 calendar year
102-51	Date of most recent report	This is the first sustainability report
102-52	Reporting cycle	Annually at the same time as the Annual Report
102-53	Contact point for questions regarding the report	Joachim Lundberg, Chief of Staff or sustainability@softronic.se
102-54	Claims of reporting in accordance with the GRI Standards	This sustainability report has been produced in accordance with the GRI Standards: Core option
102-55	GRI index	page 15 and page 16
102-56	External assurance	The report has not been reviewed by an external party
103-1	Explanation of the material topic and its boundary	page 3 and page 4
205-3	Confirmed incidents of corruption and actions taken	0 incidents of corruption



## Revisorns yttrande avseende den lagstadgade hållbarhetsrapporten

Till bolagsstämman i Softronic AB (publ), org.nr 556249-0192

---

### *Uppdrag och ansvarsfördelning*

Det är styrelsen som har ansvaret för hållbarhetsrapporten för år 2017 och för att den är upprättad i enlighet med årsredovisningslagen.

### *Granskningens inriktning och omfattning*

Vår granskning har skett enligt FARs rekommendation RevR 12 *Revisorns yttrande om den lagstadgade hållbarhetsrapporten*. Detta innebär att min (vår) granskning av hållbarhetsrapporten har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för vårt uttalande.

### *Uttalande*

En hållbarhetsrapport har upprättats.

Stockholm den 4 april 2018  
PricewaterhouseCoopers AB

Nicklas Kullberg  
Auktoriserad revisor



A person wearing a beanie and a backpack is seen from behind, holding a smartphone to take a photo of a calm lake surrounded by a dense forest of evergreen trees. The scene is captured in a dark, blue-toned aesthetic.

**SOFTRONIC**

[www.softronic.se](http://www.softronic.se)