





# CEO Message:

## On Track for the Future

Relacom's internal operations have long involved a strong focus on sustainability in all parts of our business. In concrete terms, this means that we have developed a holistic view that includes not only environmental and social responsibility, but also corporate governance, working conditions and ethics. Moreover, we also want to be transparent about the work we do by reporting on our efforts. With that in mind, this year's sustainability report is the seventh such report to be published by Relacom. We published our first report back in 2011.



One of our priority areas is health and safety. In fact, we have decided that health and safety should be a standing item on the agenda at all board and management meetings. It should also be one of the key metrics for monitoring our activities in all of the countries in which we operate. Our goal is to increase awareness of health and safety issues throughout the organization and to minimize both sick leave and the risk of occupational injuries.

Relacom also has a number of initiatives in place in connection with environmental sustainability. For example, we are currently renewing virtually our entire vehicle fleet in Sweden. This upgrade will be completed in the first half of 2018, making 95 per cent of our fleet compliant with the latest Euro 6 standard's emissions requirements. In addition, we only buy green electricity for use in our rented premises wherever possible.

Relacom is also working to certify its operations in line with ISO standards. In 2017 our Denmark division also achieved certification according to ISO 9001, ISO 14001 and OHSAS 18001. In both Denmark and Finland, Relacom also received EcoVadis' prestigious award for our CSR work.

Our 2016 sustainability report had the theme "We Aim for the Future". Naturally, the same is true of this year's report and I am both happy and proud to state that we are on track to meet that aim.

That said, we don't plan to rest on our laurels. There is always more work to be done!

*Veronica Ezeyza-Alvear*  
President & CEO

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# About Relacom

Relacom is a leading technology services provider offering strategic solutions to the telecommunications, power and IoT markets. Over the years, Relacom has become the preferred partner of leading global telecommunications and power companies as well as of national retail and logistics enterprises.

Within the telecom business area, Relacom's main objective in planning, building and maintaining wired and wireless networks and delivering state-of-the-art fibre rollouts is to provide high-quality and cost-efficient networks that operate with minimal interruption. Our customers can feel confident in their ability to meet their own customers' needs when they use Relacom's solutions. Relacom has considerable experience in providing end-customer interaction that increases customer satisfaction and strengthens loyalty to their operator. Our presence in four countries and strong relationships with leaders in the field make Relacom a key provider of network services for pan-Nordic customers.

The power business area's fast-growing market necessitates major investments in power and energy infrastructure. As an alternative to establishing in-house resources, several power companies and network owners utilize service providers to manage non-core business and processes. Thanks to Relacom's strong construction operations and renowned production management and efficiency models, power

companies can feel confident that our deliveries will strengthen their businesses.

The IoT market and related services are expected to expand considerably as a result of increasing digitalization. We define IoT as a network of physical objects and solutions with embedded technology for communicating and sensing, or interacting with, their internal states or the external environment. They offer smart and efficient solutions for consumers, businesses, society and Relacom alike.

Relacom can create value for system and application providers and users by providing the following services: professional rollout, installation, maintenance, break & fix, upgrade, operation, on-site support and end-of-life and recycling support. We also aim to develop business models based on managing data on IoT platforms.

Relacom's target customers in IoT are application vendors, operators, developers, importers and application users with a suitable size/volume. We also focus on cases where technology, application, business environment, or use-case knowledge and understanding comprise competitive advantages for Relacom. Our growing customer base is clear evidence of our ability to package our experience into competitive, transnational services that offer commercial value to our customers.



Company Name  
Relacom Group (Relacom Management AB)

Countries of Operation  
Sweden, Norway, Finland and Denmark

Number of employees  
~ 2,700

Location of Headquarters  
Solna, Sweden

Revenue  
~ 3.6 Billion SEK

For further financial information please see the  
annual  
report for Relacom Management AB.

## We support UN Global Compact

Did you know?

As of 2012, Relacom is a UNGC signatory. This commitment entails working in accordance with the UN's ten fundamental principles for responsible business. The Global Compact includes: Principles for human rights, labour conditions, environment and anti-corruption.

We also submit a report annually, entitled 'Communication on Progress', which summarises our commitment to the Global Compact's ten principles.

# About Relacom

## Organization

Company guidelines, targets and visions are decided jointly at the group level. The Group includes Relacom Sweden, Relacom Finland, Relacom Norway, Relacom Denmark and Orbion Consulting. Relacom Group's CEO is Veronica Ezeyza-Alvear.

Relacom is active in four business areas and supplies the following products and services:

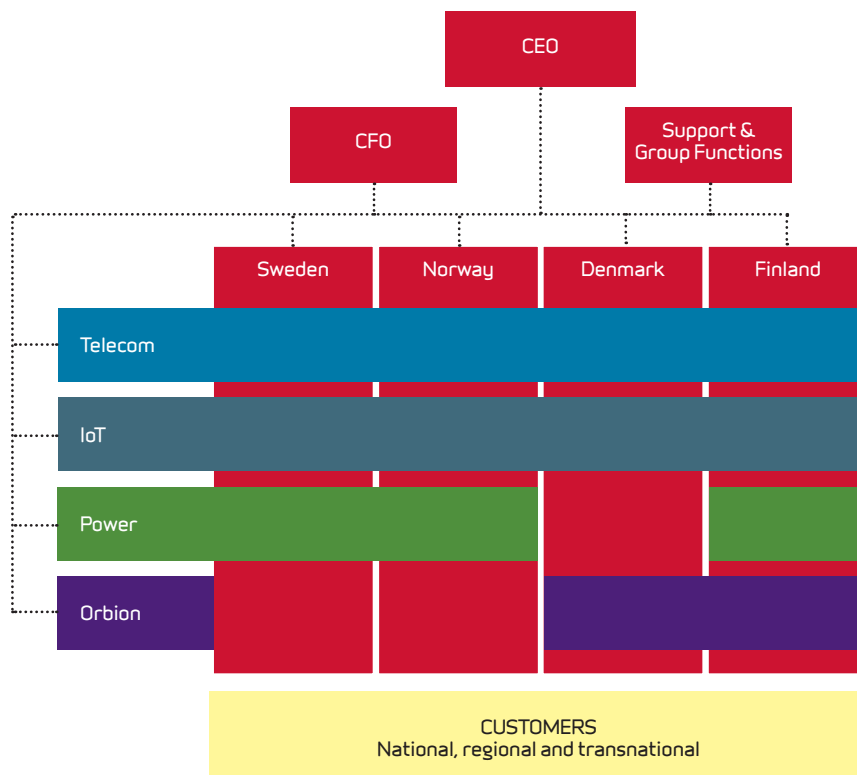
- **Telecom** – Working together with our customers, we ensure that the Nordic countries are connected to fibre and copper, 3G, 4G and the future 5G networks, both indoors and outdoors.
- **IoT** – We take part in network design, construction, maintenance and fault repair for both today's and tomorrow's needs. This includes smart metering, meter value management and smart grid solutions.
- **Power** – We are a part of today's and tomorrow's network design, construction, maintenance and fault repair. Smart metering, meter value management and smart grid solutions.

- **Technical Consultancy Services** – We offer specialized technical consulting for site acquisition, network planning, implementation, operation and integration, **as well as procurement process consulting.**

## Corporate Governance

Relacom Management AB is Relacom Group's parent company and is owned by Nordea Bank and DNB Bank. The company's shareholder meeting is the Group's primary legal decision-making body. Decisions made by the shareholders are converted into directions, frameworks and targets by the board of directors and communicated to the Group's management team.

The Group's management team is responsible for guiding the company to meet the targets set by the board of directors according to the directions given and within the set frameworks. Below this executive level, the Group is managed by management committees and along solid reporting lines. To ensure responsible decision-making, Relacom has developed what is known as our Group Authorization Matrix. This document defines levels of authority for key positions regarding the right of attestation and the right to make decisions on behalf of the company.





# Sustainability Management

Relacom has a group-level code of conduct and anti-corruption policy that applies in each country where we operate. In 2016, we integrated sustainability goals with our business goals. We follow up on and evaluate our progress in connection with these goals on a monthly basis. Where our goals have not been achieved, an action plan is presented to get us back on track.

These reviews aim to promote the joint development of our sustainability efforts for the countries involved. We have performed a SWOT analysis on our material issues and have identified which of these we need to follow up on and prioritize during 2018.

Relacom also requires that effective systems for managing quality, environmental issues and the working environment are in place in every country where we operate.

## **Sustainability Goals & indicators 2017:**

### **That our customers are satisfied**

- CES (Customer Effort Score)

### **That we develop the competence of our project leaders**

- Certified project leaders

### **That our employees are engaged and motivated**

- Shorter periods of sick leave

### **That we have a safe working environment**

- Accidents resulting in sick leave
- Accidents not resulting in sick leave
- Number of incidents

We are achieving our goals related to shorter periods of sick leave. 2017 has been a foundation year for developing relevant KPIs for accidents resulting in sick leave/not resulting in sick leave. We will continue to develop our customer satisfaction system during 2018 and also intend to carry out a customer survey during the year. In addition, each national company will undertake activities to improve incident-reporting.

In summary, our code of conduct means that Relacom is committed to working in harmony with the UN's ten basic principles for responsible enterprise. Each year, we prepare a report entitled Communication on Progress that summarizes how Relacom is supporting and working in harmony with Global Compact and its principles.

## **A brief Summary of our Code of Conduct:**

Relacom strives to create sustainable advantages for its customers, employees, suppliers, the environment and the community.

Relacom most often represents its business-to-business customers when meeting end-customers. As such, our conduct is critical to our customers' success.

- *Relacom obeys the laws and regulations of each country in our business activities.*
- *Relacom respects human rights and our growth is based on a sustainable and responsible approach in which our employees play a key role. Relacom aims to be the benchmark in our industry and to offer an attractive working environment that draws new employees.*
- *Relacom strives to employ a long-term environmental strategy that minimizes our negative environmental impact and to follow the precautionary principle.*
- *Relacom strives to establish long-term relationships with suppliers and to achieve sustainable advantages through cooperation.*
- *We are committed to preventing corruption in all its forms and do not tolerate it in our own operations, nor in those with whom we do business.*

## **Compliance**

In 2017, no instances of non-compliance and no significant findings were noted regarding laws and regulations. Neither were any grievances reported regarding the environment, social matters, or our products and services.

## **Anti-corruption**

Relacom's management group has drawn up a policy that applies to all Group companies and employees. In turn, country representatives are responsible for informing organization staff about the content of the policy and for ensuring that it is followed. Country representatives inform and help employees understand how they are expected to act in all manner of situations when interacting with our customers. Whenever a new staff member

# Sustainability Management

is employed, they are informed about this policy and our whistle-blower function.

In 2017, several of our customers performed external CSR audits and evaluated our performance. No cases of non-compliance regarding anti-corruption were found and we will continue to educate and inform our employees about our code of conduct and whistle-blower function during 2018.

## Supply Chain

Relacom engages a number of suppliers. To ensure that each of them lives up to both our values and those of our customers, we have chosen to work with a handful of large distributors based in the Nordic region. We have consciously chosen companies that are based in the countries in which we operate.

Relacom's contractors are screened through a qualification process that imposes requirements on their environmental and health and safety work and on their business ethics. Our code of conduct is part of each country office's supplier policy.



Our Sustainability framework.





# Materiality Analysis

## Our Stakeholders

Holding an active dialogue with our stakeholders is an important part of our sustainability efforts and is necessary to understanding their needs and expectations. This approach supports development and forms the basis for this report. Since Relacom's operations affect, and are affected by, a large number of different stakeholders, good and open dialogue is important for developing and strengthening long-term relationships. Our employees meet stakeholders daily in various forums and the majority of our stakeholder relations are established through our meeting and communications channels. We meet with customers and contractors on a daily basis. Customer surveys, employee satisfaction surveys, annual general meetings, proxy meetings, supplier meetings, trade fairs, industry meetings and meetings with employer organizations are conducted throughout the year. Collaborative projects conducted with public employment services and upper secondary schools are further examples of instances when we meet and communicate with our stakeholders.



*Our business environment.*

## Materiality Analysis

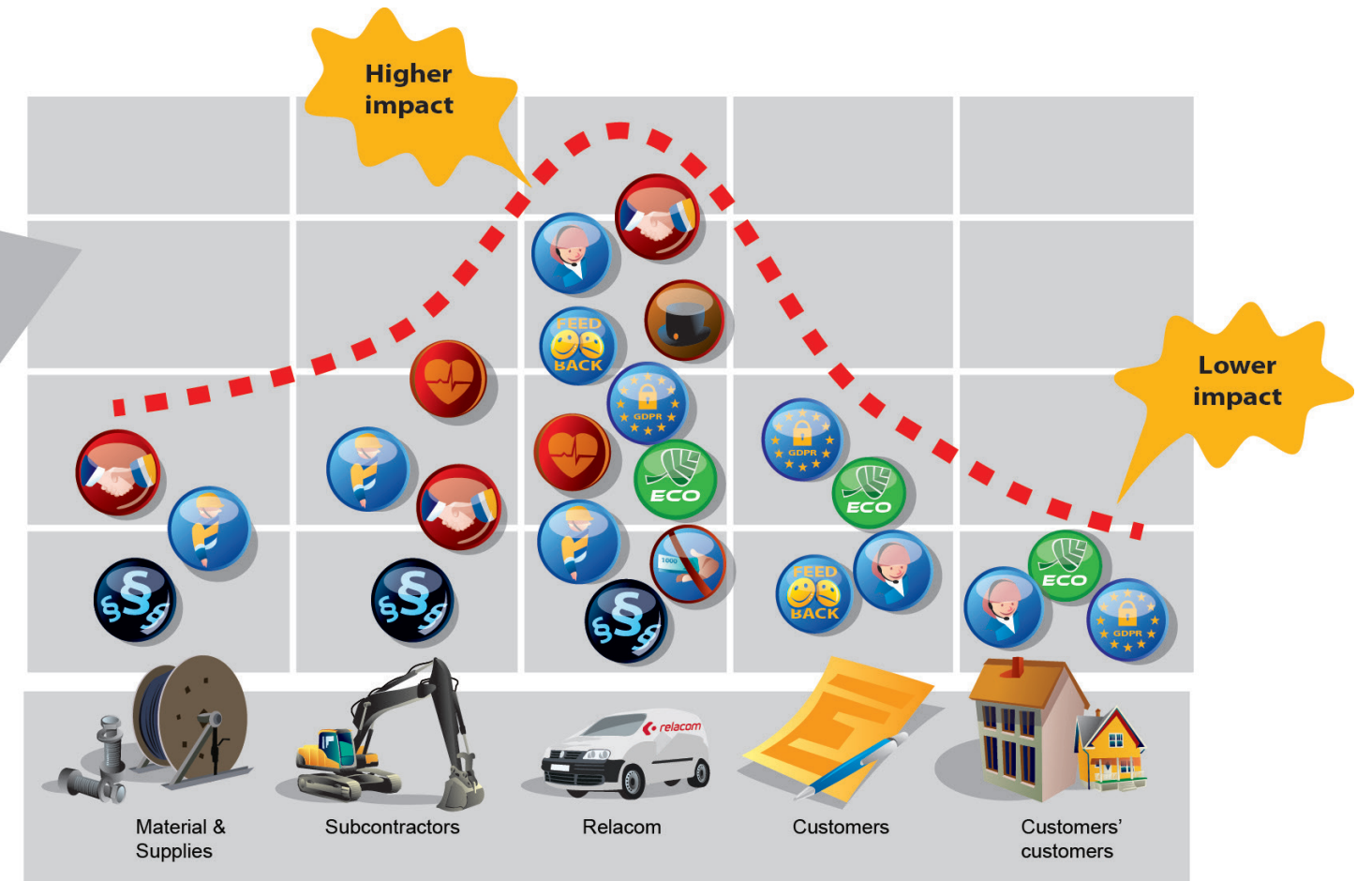
Relacom conducted a materiality analysis in 2017 in accordance with the guidelines found in GRI G4 to identify which issues our internal and external stakeholders consider important. Stakeholders such as customers and employees contributed to this analysis. Both stakeholders and Relacom management answered a survey regarding which issues they consider relevant


On the next page (left) is a summary of the result of the survey, summarising how important the stakeholders and the Relacom management believes that the different aspects are.

Also on next page (right) is a diagram showing how much Relacom can impact the various actors in the value chain regarding the most important aspects.



# Materiality Analysis



- 1 Control of the development of earnings, liquidity and balance sheet
- 2 Measures to minimize the risk of corruption.
- 3 Anti-cartel and other anti-competitive activities.
- 4 Knowledge of – and compliance with – current and future legislation related to the industry.
- 5 Sustainable choice and sustainable use of materials.
- 6 Sustainable choice and sustainable use of chemicals.
- 7 Energy efficiency and use of renewable energy in the activities of the services provided. 
- 8 Consideration of the habitat for animals and plants.

- 9 Employment conditions, such as salaries and other forms of remuneration and benefits. 
- 10 Promotion of physical and mental health at work and prevention of occupational injuries. 
- 11 Competence development and personal development at work. 
- 12 Work to promote diversity and equal treatment, and reduce discrimination.
- 13 Respect for freedom of association and collective negotiations.
- 14 Contractor / supplier control regarding environment, work environment and human rights. 
- 15 Process for dealing with suspected irregularities. 
- 16 Process for handling customer complaints and complaints. 
- 17 Follow-up and measures to increase customer satisfaction. 
- 18 Local community involvement – environmentally and socially.
- 19 Responsible and transparent political engagement and support.
- 20 Certification of services for communicating sustainability performance.
- 21 Correct, factual, relevant, impartial and comprehensible information about the activities.
- 22 Protection of personal data and integrity. 



# The Relacom Way



Everything we do starts with people, whether we consult, plan, build or maintain networks and equipment. The impression Relacom leaves on the community is influenced by how we run our operations. This includes how efficient our processes are and how we manage our production and create tools to meet our customers' and stakeholders' requirements and expectations.

Relacom's **vision** is to be the preferred service partner within technical infrastructure in the Nordic region.

Our **mission** is to offer flawless operation and commercial value in our customers' networks.

Realizing our vision and mission requires talented people who are service-minded and who have the

ability to work cross-border and with a flexible and non-bureaucratic mind-set.

## **Core Values – Reliable & Competent**

Relacom is a **reliable** partner. Every day, we must make sure that our customers experience high quality in the services we provide. Becoming and remaining reliable is an on-going process.

Relacom employs **competent** people. We have both technical expertise and years of experience working with a variety of systems. These qualities help us take a proactive approach and fulfill our commitments. We are present both on a personal level and in a geographical sense.

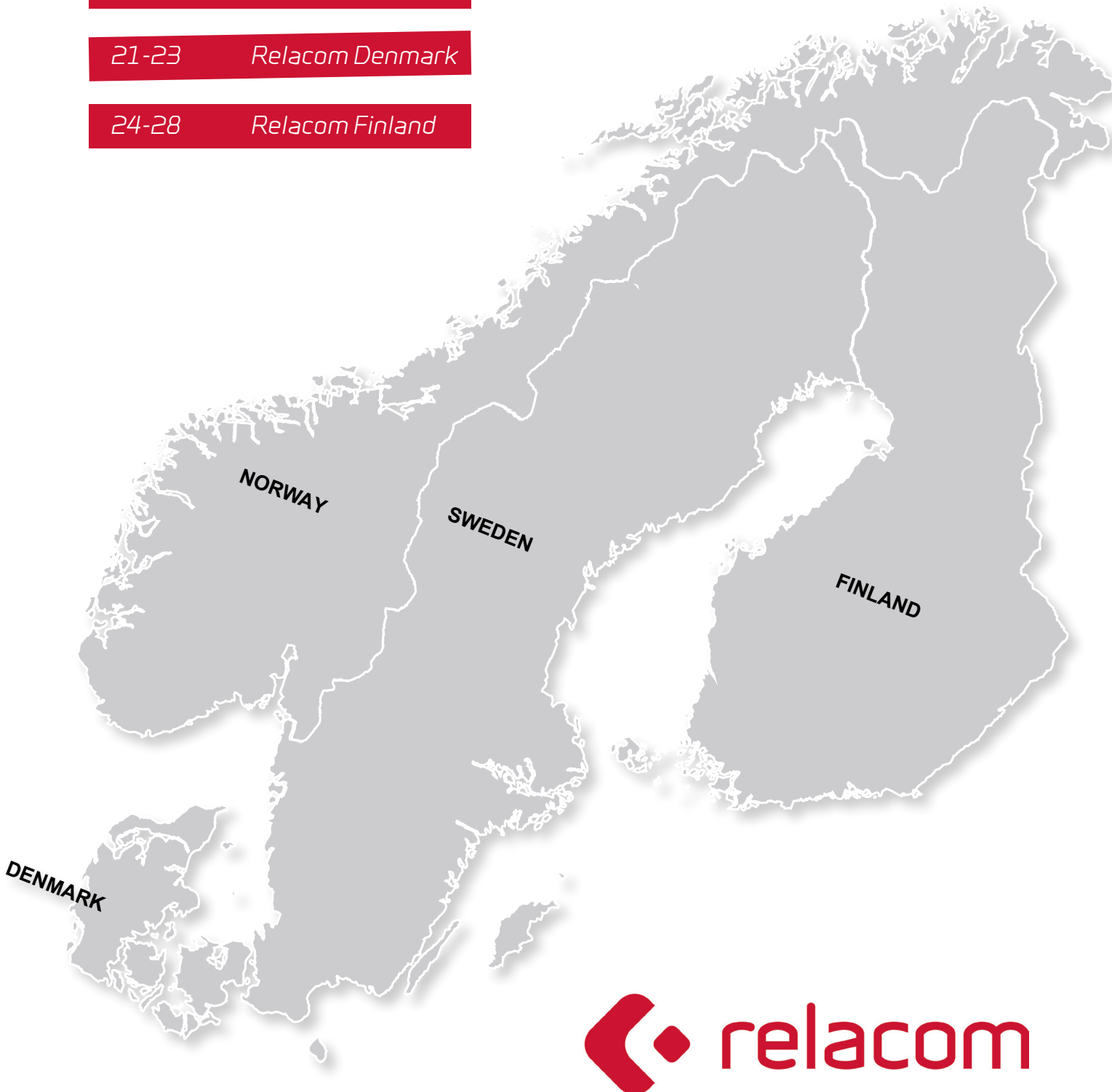
# Our Markets

12-16 *Relacom Sweden*

17-20 *Relacom Norway*

21-23 *Relacom Denmark*

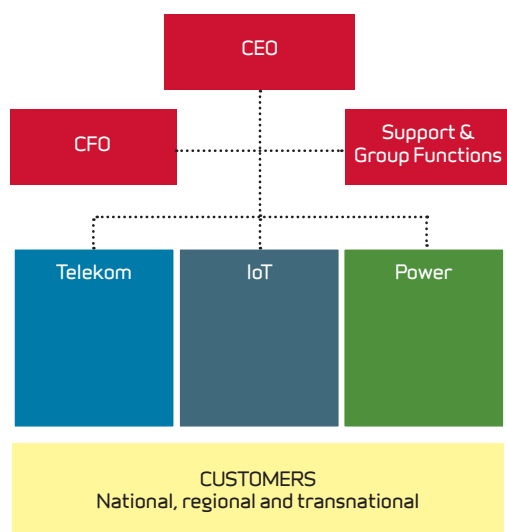
24-28 *Relacom Finland*





# Relacom Sweden

Relacom Sweden is a nationwide technology services provider. We provide services to Sweden's telecommunications (fibre and mobile solutions), power and IoT markets. The company employs around 430 technicians and project specialists throughout the country.



Relacom keeps pace with current legislation concerning the natural and work environments. Relacom employees can access copies of relevant documents via a web-based compliance tool provided by RSM&CO. We follow up our activities annually through written self-evaluations that compare our work with the register of laws in effect. Compliance is also monitored for recurring internal audits.

Relacom aims to maintain the highest standards of quality, honesty, transparency and accountability at all times. We therefore support and protect employees who report suspicions about wrongdoing. A whistle-blower function is available to all employees via Relacom's intranet.

An employee who suspects unlawful activity or bribery and who feels unable to talk to their manager about their suspicions, or feels unsure of whether a case is being handled properly, can use the whistle-blower function. The function provides a risk-free way for employees to report suspicions of irregularities, misconduct, or crime. Information provided by employees via the whistle-blower function will be treated as confidential. You do not need to identify yourself, although, obviously, it makes things easier for us if we can contact you to provide help and feedback.

## Work Environment

Relacom is a member of the employers' associations *Almega* and *Energiföretagens Arbetsgivarförörening*. Our terms of employment are governed primarily by the collec-

tive bargaining agreements Central Telecom Agreement for civil servants and the Power Contract for workers. Local agreements specific to Relacom AB are regulated through supplementary collective agreements.

TABLE 1. TOTAL NUMBER AND RATES OF NEW EMPLOYEES HIRES AND EMPLOYEE TURNOVER BY AGE AND GENDER

G4-LA1 a

2017	<30	31–50	>51	Total
Women	7	3	1	11
Men	39	25	11	75
<b>Total</b>	<b>46</b>	<b>28</b>	<b>12</b>	<b>86</b>

TABLE 2. STAFF MOBILITY [%]

G4-LA1 b

	2017	2016*	2015*
Total staff turnover	17,6	-34	-42

\* The organisational changes made involved redundancies.

Relacom has a standing agreement with a healthcare provider. Statistics on absence due to illness are monitored on a regular basis and compiled for review at a group meeting each month. The figures are discussed by Relacom's various management and collaboration groups, at the executive and management level and in the Central Protection Committee.

The aim of this monitoring is to reduce absences due to illness and to minimize employees' risk of suffering ill health or accidents. The Central Protection Committee follows up reported incidents in order to enact preventive measures. Protection rounds to monitor the physical and psychosocial work environments as well as the quality of personal protective equipment are also conducted on an on-going basis.

## Systematic Efforts to Improve Our Work Environment

A sound working environment aids business development, encourages physical and psychological well-being, helps motivate employees and encourages their personal development. Relacom systematically improves its work environment through regular surveys, improvement measures and by following up the status of our operations. This helps us prevent illness and accidents in the workplace and creates a better working environment for everyone.

Work environment considerations include the physical, technical and psychosocial conditions that are important for creating a sound working environment. Managers and

executives work with employees, safety officers, our occupational health strategist and others to achieve effective and satisfactory solutions. Not only are we required to comply with Swedish work environment legislation, but our customer agreements also contain clear health and safety rules for us to follow. We did not note any deviations from these commitments during 2017.

Relacom received two routine visits from the Swedish Work Environment Authority during 2017, which did not result in any injunctions regarding measures. In addition, one of our customers, Telia Company AB, conducted a CSR review this past autumn that found only four discrepancies in total in the areas of occupational health and safety, anti-corruption and supply chain compliance. We also began implementing the international standard OHSAS 18001 during the year. Its implementation will be completed in 2018.

### A Preventive Work Environment

Relacom aims to be top of its class when it comes to employee safety and commitment. A safe and pleasant work environment allows our employees to develop and to deliver high-quality service to our customers. Relacom always prioritizes our employees' and customers' health and safety. We strive to achieve our vision of zero accidents. The foundation for achieving this goal is following legislation and rules.

Health and safety considerations are included in all collective bargaining agreements and supplementary contracts are agreed upon with various labour organizations on an on-going basis. Relacom's Central Protection Committee meets to discuss work environment-related issues such as accidents, incidents and changes within the organization every three months. These meetings focus on measures for reducing sick leave and injuries based on the available statistics in three main reporting categories: accidents that result in sick leave, accidents that do not result in sick leave, and incidents (near misses). We compile these data in a database based on reports filed by managers.

TABLE 3. ACCIDENTS AND SICK LEAVE STATISTICS

G4-LA 6 a

	2017	2016	2015
Injuries*	6	4	7
Work-related accidents resulting in death	0	0	0
Days lost due to work-related accidents	10	11	339
Sick leave as a percentage of total work time**	2.7	3.2	3.9

\*Injuries include work-related accidents that led to sick leave

\*\*Average for the entire year

### Professional Development

We identify needs within the organization and create training opportunities that meet them. In part, the range of training offered is determined by Relacom's overarching strategies as stated in our business plan, requirements imposed by our

customers and input from managers based on professional development interviews held with staff. By taking this approach, we give our employees better opportunities to develop and also strengthen Relacom's collective expertise at the same time. While all personnel were offered the chance to sign up for an interview, only 57 per cent accepted.

The same opportunities for professional development must be available to all staff, regardless of whether they are technicians, managers, or administrative staff. Relacom also offers professional development programmes to our employees.

### Competence

The annual professional development interviews that managers hold with their employees are the primary tool in the company's competence development process. The overall purpose of the process is always to ensure employee development, high-quality service for our customers and Relacom's preparedness for future challenges. It is also important to give employees and managers an opportunity to review workplace well-being and to note whether anything needs to be changed or reinforced.

The professional development interview also serves an important function in connection with Relacom's efforts to maintain a healthy work environment. It allows managers to ensure that employees have the skills needed in the work environment on a running basis and that there are no problems in employees' day-to-day working life.





## Environmental Work

Our environmental work aims to find solutions that are both good for the environment and that benefit our customers and employees. Energy, climate, work in sensitive areas, chemicals and waste are focus areas within our environmental work. We haven't had any injunctions for fines or sanctions for environmental crimes in 2017.

## Climate

Our environmental work aims to find solutions that are both good for the environment and that benefit our customers and employees. Energy, climate, work in sensitive areas, chemicals and waste are all focus areas. Relacom did not receive any injunctions, fines, or sanction fees for environmental misdemeanours in 2017.

## Energy Efficient Services

Energy use in the form of electricity, heating and cooling is one of our most critical environmental issues. It is still difficult to pinpoint the exact amount of energy used at our smaller, rented offices, where electricity and heating are included in the leasing fee. Our real estate division is responsible for establishing procedures for reporting on and following up energy use together with our property owners.

Relacom is working to develop energy-efficient products and services. As a starting point, we have installed a number of systems with electric charging posts for vehicles. This is a business area that is set to grow significantly in 2018. We can also install solar panels and intelligent indoor solutions for connected devices that positively affect power consumption.

## Waste

Both waste minimization and responsible waste management are vital for reducing our environmental impact and ensuring sustainable development. Waste management procedures are an integrated part of our operations. Through our agreement with a waste contractor, we can both reuse and recycle waste generated by our operations. The same requirements and procedures for handling waste also apply to our subcontractors.

## Waste hierarchy within the organisation

**Reduce:** Lower amount of waste produced

**Reuse:** Use materials repeatedly

**Recycle:** Use materials to make new products

**Recover:** Recover energy from waste

**Landfill:** Safe disposal of waste

Our ambition is to ensure that all waste from our own operations is recycled as quickly as possible. All our places of business have collection stations for waste. We have also implemented procedures for proper waste handling and transportation for locations where we carry out assignments other than our offices.

## Waste Minimization Well-established in Our Company

Our IT help desk manages the company's hardware, telephone entry system, alarms and IT technology aids. Our goal is to minimize electronic waste by recycling everything that can be reused. For example, our technical department has a repair unit that fixes products and replaces parts so that devices can continue to be used. Our waste management programme follows the waste hierarchy, with a focus on minimizing waste to an increasing extent through purchasing controls and the reuse of purchased products.

## Cooperation with Suppliers

Carefully considered purchases allow Relacom both to reduce environmental impact and to lower actual purchase costs. Relations with our suppliers are characterized by high-level business ethics, objectivity and professionalism. Relacom's purchasing policy requires that all our suppliers comply with our code of conduct. We only work with suppliers who meet our stated requirements concerning quality, environmental impact and ethical guidelines.

## Switching to a Greener Car Fleet

Beginning in the spring of 2017, Relacom launched an extensive vehicle exchange programme affecting essentially its entire service fleet, or approximately 240 cars in total. By the time the upgrade is completed in the summer of 2018, 95 per cent of the fleet will meet the latest Euro 6 emissions standards.

The upgrade will not only give Relacom a top-modern fleet, but also the best environmental performance available. The company also has a strategy in place to further reduce environmental impact by optimizing its vehicle sizes. More than that, the new fleet will also provide a better working environment for our employees and reduce company costs.



Relacom's qualification process for contractors also includes accepting a code of conduct. The code is based on international agreements regarding human rights, employment relationships, corruption, the external environment and sustainable development. All Relacom suppliers must likewise comply with these same requirements, so that they are aware of our expectations.

### Customers Relations

To create and maintain a world-class business, a company must understand and satisfy its customers' needs and expectations. Relacom focuses on establishing a close dialogue with its customers and suppliers through recurring meetings in which needs and expectations are identified. Our customers expect Relacom to actively pursue quality assurance and sustainability, including reducing our environmental impact, ensuring a safe workplace and being socially responsible. Our customers also expect the same of our suppliers and contractors, and we monitor our collaborators' compliance with their requirements. Supplier follow-ups by our customers increased in 2017, both in the form of field visits to our project sites and document audits. We welcome this and appreciate that customers verify and confirm our sustainability efforts.

Relacom has not identified any instances of non-compliance with laws or regulations concerning the provision and use of our products and services.

Relacom is very well aware of the importance of our customers' secrecy. We have therefore implemented procedures to ensure that customer data is handled safely. Our efforts resulted in no reports of lost customer data in 2017.

### Process for Handling Customer Complaints

Customer complaints registered within a predefined period are analyzed and monitored in accordance with the agreements signed with our customers. Follow-up takes place at recurring progress meetings for each customer agreement. In addition to this, a few spontaneous complaints are handled by our Relacom Customer Center, with measures and

feedback being provided to the customer via area managers in our production unit.

### Follow-up & Measures for Increasing Customer Satisfaction

We believe that dialogue with our customers is the cornerstone for developing our business.

One example that supports our approach is a project in which we developed the concept of "robust fibre" together with operators, contractors and Sweden's National Post and Telecom Agency (PTS). The project included the following aims:

- Increase knowledge about fibre plants and how to build them.
- Describe and claim an acceptable level of space for a robust fibre plant.
- Ensure that industry stakeholders apply the results.
- Define industry-wide concepts and terminology.
- Lay the foundation for certification procedures where competence will be ensured by contractors and their staff.

Relacom holds the no. 4 business certification under the robust fibre initiative and is also certified in inspection, training and fibre technology.

Another successful example of leveraging dialogue is found in our cooperation with our largest customer, in which we use Net Promoter Score (NPS) as a tool to monitor how they rate their suppliers. Our customer provides feedback to our suppliers on how they networked and how the end-customers rated the collaboration regarding the construction and deployment of public mobile networks, indoor coverage and no-place communications platforms. Relacom AB holds a top ranking in all of these areas, providing proof that our processes work and that both our attitude and expertise meet their expectations. At our peak, we achieved a score of 71 on the NPS scale for one of the product segments.

### Safeguarding Personal Data & Integrity

Safe and reliable information is vital to Relacom's success in achieving its business goals. Our customers, suppliers and employees depend on receiving the right information at the right time. Information security refers to the protection of information and information systems. Efforts to ensure information security should be preventive and, as far as possible, lead to the elimination of shortcomings in privacy, accuracy, accessibility and traceability.



Did you know?

We are since 2016 certified by The Swedish Post and Telecom Authority (PTS) to build quality fiber networks (Robust Fiber certification).



**Robust  
fiber**



## Smart Charging Stations for Electric Cars



*The need for a well-functioning infrastructure for charging electric and plug-in hybrid cars is increasing as more and more electrified vehicles come into circulation. As part of the Swedish government's Climate Leap (Klimatklivet) programme, Relacom has implemented several projects concerning electric car chargers for tenant-owners' associations in the Stockholm area.*

*The charging stations installed are quite advanced, with features such as cloud-based debit systems and active distribution of the available power to individual charging boxes. Charging stations for electric cars is a good example of a project that brings Relacom's business areas together, combining the company's expertise in power, telecom and the Internet of Things.*

## Smarter Fibre Rollout Using Microtrenching

*Relacom has now begun using microtrenching instead of traditional digging with excavators to lay fibre in several fibre rollout projects.*

*Compared with other methods, microtrenching is a much faster and less disruptive way to install fibre in residential areas, for example. Instead of digging a shaft half a meter wide and deep, with the disruption to accessibility, environmental impact and time expenditure that this entails, microtrenching requires a groove only a few centimetres wide in which to lay fibre. Once the work is complete, the groove is easily re-filled with asphalt, with no risk of sinking.*

*Some major advantages for residents in affected areas are that driveways can be used immediately, there are no excavated materials to take up valuable space and the use of heavy vehicles for excavation and loading is kept to a minimum.*

*Microtrenching also makes installing fibre 2–3 times faster, reduces CO<sub>2</sub> emissions by 75 per cent and affects only one-tenth of the land area compared with traditional excavation.*



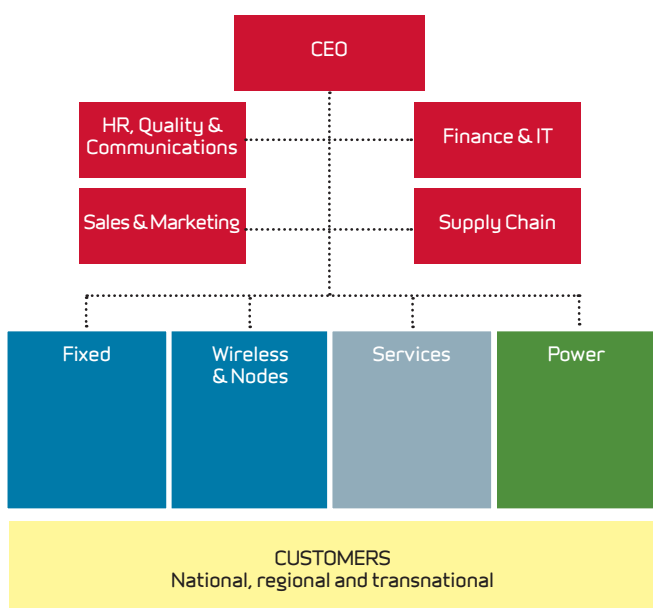




# Relacom Norway



Relacom Norway provides services in telecommunications, power and the Internet of Things (IoT) and has a nation-wide presence and coverage. The company is headed by General Manager Leif Salomonsen. Relacom Norway is ISO 9001:2015 and ISO14001:2015 certified.



## The Environment Matters

Customers, public authorities and the community can rest assured that we work consistently to ensure our operations have a minimal environmental impact. By adopting a long-term approach and showing respect for the environment, we both help create an attractive workplace and help our customers achieve their sustainability targets.

Relacom Norway did not note any instances of non-compliance in connection with our products or services, nor environmental protection or work-environment legislation.

## Our Employees

Relacom views its employees as both a resource and a competitive advantage. In September 2017 we carried out an employee satisfaction survey with the support of Great Place to Work, which revealed Relacom's strengths as an employer as well as areas for improvement.

The results of the survey showed that our employees believe Relacom's strengths to lie in creating a strong work environment characterized by inclusiveness, collaboration and a sense of community. The results also showed that our employees feel that management both trusts them and entrusts them with significant responsibility.



# Digitalization & Community Development in Oslo



Relacom is among the contractors assisting Telenor in rolling out high-speed fibre to large parts of the Norwegian capital, Oslo. The customer commissioning the project is the Municipality of Oslo, one of Norway's largest employers with approximately 50,000 staff.

By the spring of 2018, all public buildings in the project area will be connected to new and modern communications technology, ensuring more efficient information exchange

and greater interaction. This is an important digital boost for Oslo and involves an upgrade to both capacity and security. The facilities covered by the roll-out include schools, nursing homes, municipal institutions and district administration offices. In all, the project involves rolling out fibre to approximately 1,200 access points. Relacom is proud to assist with the development of around 550 of these points. The system we are connecting includes backup on 4G LTE mobile networks, which gives customers a high level of uptime.

Currently, digital communication infrastructure in the municipality varies in quality. Many locations are connected via old lines with only limited data capacity.

The development underway will enable both a higher level of effective embedded communication and an increase in the use of digital services. Fibre has a high capacity and once it is installed, local businesses and households will eventually be able to take advantage of the high-speed fibre already laid in the area.

## Sub-sea Fibre Cable to Hovedøya

As part of Oslo Municipality's digitalization project, a sub-sea fibre-optic cable has been laid across the Oslo Fjord from Vippe-tangen to Hovedøya.

The cable is part of a major upgrade and further ensures the efficient development of fibre and mobile networks around the islands in the inner Oslo Fjord.

Oslo Municipality runs several municipal services on Hovedøya, including Oslo Sjøskole (Oslo Maritime School) and Maritim Driftstjeneste (Maritime Operations).

The new cable came online on 30 January 2018. Tourists and visitors to the island will also benefit from the upgrade as the mobile network improves.



Cargo ferry ships crew and equipment over to Hovedøya.  
(Photo: Pål Hammersmark)

We are very proud that the results show that many of our employees feel that their work is special to them; that it is more than "just a job".

The areas for improvement identified in the survey were better internal communication and a continued focus on increasing and developing our leaders. These areas are now being addressed by both senior management and individual department managers.

TABLE 4. TOTAL NUMBER AND RATES OF NEW EMPLOYEES HIRES AND EMPLOYEE TURNOVER BY AGE AND GENDER

G4-LA1 a

2017	<30	31-50	>51	Total
Women	3	2	0	5
Men	45	13	6	64
<b>Total</b>	<b>48</b>	<b>15</b>	<b>6</b>	<b>69</b>

### Development of Skills and Competence

Our goal is for our organization and employees to be constantly developing. We develop competences through internal resources who provide on-the-job-training and internal training courses. We also undertake external training courses from time to time.

Relacom Norway is currently implementing a new competence mapping system aimed at enhancing our competence planning. The initiative will give each manager a solid tool for planning, monitoring and documenting development in his or her department.

### Health, Safety & Environment (HSE)

A vital feature of any great workplace is promoting a sound work environment and employee safety. Our overall objective is to avoid any workplace accidents at Relacom. All near misses must be reported and any improvement measures required must be implemented.

We also aim to reduce our aggregate number of sick leave cases to below five per cent. Achieving this goal places particularly stringent requirements on management and means that every single employee must contribute. During 2016, we developed an app to simplify the reporting of all near misses and work accidents by our employees. As a result, we successfully increased our reporting in 2017. We follow up the results of these reports by holding a quarterly HSE campaign for our employees that targets the most common accident type. We believe that this will help reduce near misses and work accidents in the future.

We also held HSE days during 2017 to train our employees in safety measures for height work, first aid and risk assessment. We also analyzed our company culture in relation to safety during the year to gain an overview of areas for improvement. A range of initiatives have since been started based on the findings of this analysis.

Achieving our goals in the fields of health, safety and the environment is of the utmost importance in making Relacom



a safe place to work and, as a result, also an attractive partner for customers, suppliers and public authorities.

TABLE 5. ACCIDENTS AND SICK LEAVE STATISTICS

G4-LA 6 a

	2017	2016	2015
Injuries*	35	29	16
Work-related accidents resulting in death	0	1	0
Days lost due to work-related accidents	550	547	428
Sick leave as a percentage of total work time**	5.56	5.22	5.85

\*Injuries include work-related accidents that led to sick leave

\*\*Average for the entire year

## Climate

To protect the environment from carbon-dioxide emissions and reduce our costs, we focus on achieving an annual average reduction in our vehicle fleet's fuel consumption of five per cent, adjusted for sales levels. Relacom has also focused heavily on reducing travel over the past year by increasing the number of digital meetings it holds. We also work with a travel agency to better track our travel patterns and more clearly identify areas for improvement.

## Environment

Relacom Norway provides products and services that meet the environmental requirements of our customers and society at large. These products and services are constantly being improved to reduce energy consumption and environmental impact. Our intention is to hold our suppliers to the same environmental standards as we impose on our own operations. Relacom is also working to develop energy-efficient products and services, but currently has no revenue to report in this area.

### Our environmental focus areas:

- Reducing the pollution caused by our vehicles.
- Managing our waste in accordance with local authorities' requirements.
- Given consideration to and showing respect for our surroundings when planning and implementing work assignments.
- Being conscious of the importance of the natural environment and historic sites and their surroundings and being vigilant in avoiding causing damage to them.
- Using electronic storage media instead of printing on paper.
- Holding digital rather than physical meetings when practical.
- Taking all environmental complaints seriously and doing our utmost to rectify any damage and ensure that such situations do not recur..

## Waste

Waste management considerations are an integrated part of our operations. Through our agreement with a waste contractor, we can both take advantage of and recycle waste generated by our activities. Our waste-related environmental goals mean that all facilities must have a

well-functioning system for collecting and delivering waste and returns. The same requirements and procedures for handling waste also apply to our subcontractors.

Relacom is a member of Grønt Punkt Norge – a company that works to reduce the environmental impact of packaging – and is thereby committed to upholding corporate social responsibility in this respect.

## Our Customers

Establishing and maintaining a solid business involves understanding and satisfying customers' requirements and expectations. Relacom does this by maintaining a running dialogue with our customers and actively responding to their needs. We perform CSI measurements monthly by sending text messages to our customers. Our overall result for 2017 was a score of 7.1 out of 10.

## Rapid Handling of Customer Complaints

To ensure deviations are handled systematically, Relacom Norway uses a deviation management system that ensures their registration and follow-up as well as a response and future preventive measures.

Confidentiality is very important to our customers. We understand this, and so have implemented strict procedures to ensure the safe handling of customer data. As a result, no instances of customer data misuse were recorded during 2017.

## Protection of Personal Data and Integrity

Relacom seeks to protect individuals' personal privacy and integrity. Relacom Norway is therefore currently adopting internal measures to ensure that we follow the EU's new General Data Protection Regulation (GDPR), which will introduce new privacy rules in Norway in 2018. Our efforts include reviewing internal routines and systems related to privacy and assessing risks and privacy implications. New measures and systems will be implemented in line with the new legislation beginning in May 2018.

## Collaboration with Suppliers

Our relations with suppliers are characterized by strict business ethics, objectivity and professionalism. Relacom's purchasing policy requires that all our suppliers comply with our code of conduct. We only collaborate with suppliers who meet the quality, environmental and ethical guidelines laid out in our policy documents. This means that all of Relacom's suppliers are evaluated before any collaboration begins. Supplier evaluations are based on references and customer satisfaction, their financial stability, business systems, delivery service and support.

At Relacom, we believe that close, long-term cooperation with our suppliers ensures better quality and profitability. Relacom regularly follows up our key suppliers' performance to identify where improvements can be made. In signing a cooperation agreement with Relacom Norway, all our suppliers commit to following our code of conduct and to complying with both Norwegian and international laws and regulations regarding human rights, HSE, child labour and more.



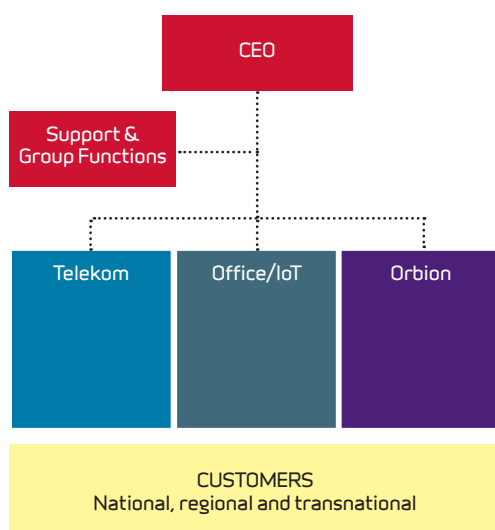


# Relacom Denmark



Relacom Denmark's operations are markedly smaller than those in the other Nordic countries and also differ in nature. This situation requires working together to drive our core business through a challenging development process in which growth is of prime importance.

We have not noted any instances of non-compliance regarding work-environment, environmental, or product and services legislation.



## Our Employees

Relacom is a service company, making our employees our most important asset. Our goal is to be an attractive employer who draws skilled personnel to itself and a

company where employees feel at home and want to develop together.

TABLE 6. TOTAL NUMBER AND RATES OF NEW EMPLOYEES HIRES AND EMPLOYEE TURNOVER BY AGE AND GENDER

G4-LA1 a

2017	<30	31–50	>51	Total
Women	0	0	0	0
Men	1	4	0	5
Total	1	4	0	5

TABLE 7. STAFF MOBILITY

G4-LA1 b

	2017	2016	2015
Total staff turnover	34.5	46.4	38.6

## Preventive Work Environment

Relacom aims to be an industry leader in employee safety, satisfaction and dedication. A safe and pleasant work environment lets our employees develop and deliver high-quality services to our customers. Relacom always prioritizes its employees' and customers' health and safety. We strive to achieve our goal of reducing workplace accidents, with even one accident being one too many. The foundation for achieving this goal is following legislation and rules. Relacom is also certified according to the OHSAS 18001 standard, which means that we have a constant and elevated focus on safety and the work environment and are obligated to continue improving in these areas.

TABLE 8. ACCIDENTS AND SICK LEAVE STATISTICS

G4-LA 6 a

	2017	2016	2015
Injuries*	3	6	2
Work-related accidents resulting in death	0	0	0
Days lost due to work-related accidents	29.5	13.4	4.5
Sick leave as a percentage of total work time**	2.9	3.2	3.0

\*Injuries include work-related accidents that led to sick leave

\*\*Average for the entire year

## Denmark's environmental and occupational safety and health objectives:

- Reduce absences due to sickness.
- Reduce serious accidents.
- Reduce overtime.
- Reduce power used  
(as measured in kWh consumption).
- Reduce fuel consumption  
(as measured in CO<sub>2</sub> consumption per kilometre).

## Systematic Efforts to Improve our Work Environment

A healthy working environment aids business development, promotes physical and psychological well-being, helps motivate employees and encourage their personal development, improves quality of life and contributes to greater work safety. Relacom systematically improves its work environment through regular surveys, implementing improvement measures and following up on the status of our operations. Doing so helps us prevent illness and accidents in the workplace and creates a better working environment for everyone.

Work environment considerations include the physical, technical and psychosocial conditions that are important for creating a good working environment. Managers and leaders work together with staff to achieve well-functioning and satisfying solutions.

Relacom Denmark is significantly smaller than Relacom's divisions in the other Nordic countries, which means there is also less distance between its management and employees. It is the managers in each department who handle development talks of their own employees. These same managers are also responsible for ensuring that training and safety courses are up to date.

## Systematic Environmental Work

Relacom Denmark's environmental work follows the requirements listed in the ISO 14001 standard and is integrated into its business management system. All work related to environmental issues in everyday operations is managed by Relacom's management team and supported centrally by Relacom's executive. Our executive makes sure that our environmental protection measures are being applied. Our environmental work not only influences our own operations, but extends to cover our subcontractors and suppliers, also.

## Climate

We made one major stride in preventing climate change in 2017 when we decided to move our offices from a large building with a high level of energy consumption in Taastrup to a smaller and more energy-efficient premises in Glostrup. It is expected that these new premises will have a positive effect on our energy consumption for heating purposes. Additionally, they are also being fitted with LED lighting systems that will further reduce power consumption in the building.

We have also taken important steps to reduce travel related to meetings, including installing solutions for online meetings with external parties, such as customers and suppliers. For daily internal work meetings, we use the online tool Microsoft Lync (video, instant messaging, telephony). These measures help significantly reduce the number of trips we take and reduce our environmental impact.

The goal of reducing the environmental impact of our products and services affects our entire operation. We aim to find solutions that are both good for the environment and that benefit our customers and employees. Health and safety, energy and chemicals, and waste are focus areas and are continuously being improved and followed up on using specific KPIs. By showcasing Relacom's efforts to promote sustainability, we believe that we are sending an important signal to the market, our customers, our suppliers and contractors and, not least of all, to our employees.

## Waste

Both waste minimization and responsible waste management are vital for reducing our environmental impact and ensuring sustainable development. Waste management procedures are an integrated part of our operations. Through our agreement with a waste contractor, we can both reuse and recycle waste generated by our operations. The same requirements and procedures for handling waste also apply to our subcontractors. Our ambition is to ensure that all waste from our own operations is recycled at as high a rate as possible. All our places of business have recycling stations for waste.

## Contractor / supplier control

We evaluate all suppliers considered critical to our business at least once a year. The evaluation is based on recorded events and deviations as well as any certifications they may hold.

## Customer Relations

Customer satisfaction is assessed continuously throughout the year based on the audits we are subject to and on complaints and expressions of appreciation we receive from our customers. The process we use to manage customer satisfaction is built into our management evaluation process and is reviewed four times a year.

Achieving and maintaining world-class operations requires both understanding and satisfying customers' needs and expectations. Relacom focuses on maintaining a close



dialogue with its customers and suppliers through regular meetings where needs and expectations are identified.

Relacom is also aware of the importance our customers place on privacy. To this end, we have implemented procedures to ensure that customer data is handled in a safe manner.

Our customers are very satisfied with our efforts, as evidenced by the fact that Relacom Denmark A/S received Huawei's CIAG Hero Award in 2017 and several times received an A-grade in external customer audits. Besides this recognition from Huawei, EcoVadis also assessed Relacom Denmark's CSR work and, for the second year in a row, awarded us gold-level recognition, putting us among the top five per cent of businesses evaluated.

## The Danish Childhood Cancer Organization

*Relacom Denmark A/S continues to support the Danish Childhood Cancer Organization, as it has done since 2014.*

*The organization supports the families of children with cancer as well as research into the disease. It also works to improve people's knowledge about cancer and the consequences for families when a child contracts the disease.*

*More details are available here:  
[www.boernecancerfonden.dk/](http://www.boernecancerfonden.dk/)*

## EcoVadis Award

*In 2017, EcoVadis presented Relacom Denmark A/S with an award for the best CSR performance in the Construction category. The organization gave awards to companies that achieved the highest score in their geographic region (Europe, Americas, AMEA) or industry category in 2016.*

*This was the second year running that EcoVadis gave Relacom Denmark A/S gold-standard recognition for its CSR efforts.*



## CIAG Hero 2017

*Relacom Denmark A/S was awarded the CIAG Hero Award by our customer Huawei in 2017. CIAG stands for Consistency of Inventory, Accounts and Goods, and was given as a symbol of Huawei's great appreciation for our accuracy in delivery and logistics.*

*Huawei audited Relacom Denmark six times in 2017 in the areas New Build and RAN Build, awarding the company an A-grade five times and a B-grade once.*

# Relacom Finland



Every day, Relacom Finland works to ensure that both national and business-critical infrastructure and systems function reliably. Our diverse expertise covers telecommunications and energy networks, IT onsite services and device lifecycle solutions. As part of the international Relacom Group, the company's accumulated experience and technical expertise are unique and have become significant competitive advantages compared to other service providers.

Relacom Finland Oy is a technology services company that operates nationwide in over 50 locations. We help our customers to benefit more fully from their investments in networks, systems and devices. We are one of Finland's leading industry players in building, installing and maintaining ICT networks and systems. Relacom provides a natural link between technology and its users.

## Safety & Well-being at Work

All of Relacom's operations in Finland are carried out in accordance with the international occupational health and safety management standard OHSAS 18001.

We have adopted a holistic approach to occupational well-being that includes competence, structure, conditions and the workplace community. A good working environment aids business development, promotes physical and psychological well-being, motivates employees and supports their personal development, contributes to greater work and traffic safety and improves overall quality of life.

We continued to promote occupational well-being in 2017 by organizing online sessions related to well-being that were open for all employees. For managers, we also offered

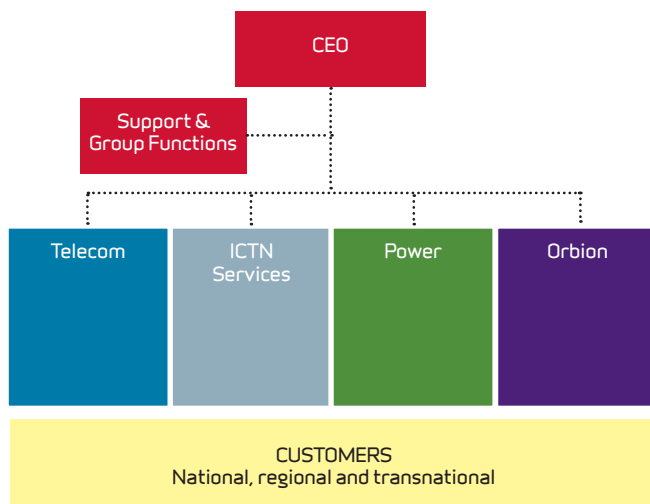




TABLE 9. TOTAL NUMBER AND RATES OF NEW EMPLOYEES HIRES AND EMPLOYEE TURNOVER BY AGE AND GENDER

G4-LA1 a

2017	<30	31–50	>51	Total
Women	3	8	4	15
Men	51	54	47	152
<b>Total</b>	<b>54</b>	<b>62</b>	<b>51</b>	<b>167</b>

TABLE 10. STAFF MOBILITY

G4-LA 1b

	2017	2016	2015*
Total staff turnover	1.5	1.9	1.0

\* The organisational changes made involved redundancies.

an additional resource discussion model with a company healthcare provider. This gave our managers an opportunity to confidentially discuss any concerns about their team members' well-being at work with healthcare specialists with a view to preventing ill health.

We have also agreed on a number of well-being policies and practices in cooperation with our workplace representatives. For example, the Relacom Way prevents inappropriate behaviour and unequal treatment. Together with a local whistle-blower function, it ensures that all our employees can draw attention to any kind of grievance or failure they might notice.

Our regular employee surveys help us focus on the most important developmental issues concerning our personnel, since we strongly believe that each and every employee has a valuable role to play in fostering well-being in the workplace. We did not identify any cases of non-compliance with laws or regulations regarding the work environment in 2017.

### Preventive Work

Relacom Finland employs a far-sighted occupational health and safety model; we view safe work practices as the only way to work effectively and to deliver high-quality service to our customers. We draft a comprehensive action plan for occupational safety each year and are committed to following it systematically. Relacom always prioritizes its employees' and customers' health and safety. The company's occupational health and safety organization includes eight employees.

Our Occupational Health and Safety Committee met four times during 2017. The Occupational Health and Safety Group also met ten times and actively monitored trends in absences due to illness and the frequency of accidents. The Group also held six occupational health and safety briefings for managers. These briefings aim to highlight important areas related to occupational health and safety that managers need to take into consideration with respect to their own staff group. They always address general reports on sick leave and work-related accidents, occupational safety instructions and topical issues related to occupational health services.

In 2017, we introduced an online HSEQ application that enables employees to effortlessly and immediately record safety observations on site using a mobile phone or computer. Each accident and safety observation is processed and used for educational purposes. We also trained our employees to appreciate the importance of safety observations and encouraged them to communicate about safety at work. Our efforts paid off, since employees reported more than twice as many safety observations in 2017 as compared to the previous year. We also observed a noticeable decrease in accidents at work, with the number of accidents in 2017 falling by almost half compared to 2016.

TABLE 11. SAFETY DETECTION

Safety detection	2017	2016	2015*
Total	194	87	50

We use Lost Time Injury Frequency (LTIF) as a measure of work-related injuries, which is the standard method used in Europe. The measurement period is a rolling 12 months, in which the number of accidents leading to three or more days of sick leave are considered. In 2017, we managed to lower our LTIF rate to eight. Our ultimate goal is to have zero accidents for every million hours of work. The rate of absence at the close of 2017 was 3.5 per cent.

TABLE 12. ACCIDENTS AND SICK LEAVE STATISTICS

G4-LA 6 a

	2017	2016	2015
Injuries*	13	22	31
Work-related accidents resulting in death	0	0	0
Days lost due to work-related accidents	358	108	230
Sick leave as a percentage of total work time**	3.5	3.6	3.7

\*Injuries include work-related accidents that led to sick leave

\*\*Average for the entire year

## Number of Safety Observations Doubled

In 2017, Relacom Finland introduced a HSEQ application that enables employees to effortlessly and immediately record safety observations on site using a mobile phone or computer. We also trained employees in the importance of safety observations and encouraged them to communicate about safety at work. Our efforts paid off, since Relacom employees more than doubled the number of safety observations they recorded in 2017 as compared with the previous year. We also observed a noticeable decrease in accidents at work. The total number of accidents in 2017 fell by almost half compared to 2016.

## Reliable and Competent Partner

Our stakeholders are entitled to trust that we perform our services with the highest level of competence, safety and ethics. We meet their expectations by employing people with diverse backgrounds and cutting-edge expertise and are committed to ensuring that our employees work for customers in the agreed manner, since they promote the corporate image of our customers when carrying out assignments at end-customers' business premises or homes.

Everything we do starts with people. Since skills requirements in our industry are continuously changing, we need to update our employees' know-how on a regular basis. At the same time as we adapt to meet these changes, we also need to ensure the continued sound management of earlier technologies.

In addition to external training, our experts and specialists also train our employees and managers internally in different processes, work methods, systems, instructions and guidelines. Managers and others are also kept informed through short briefing sessions related to employment matters, safety and well-being at work. We organized a total of 1,767 training days during 2017.

To ensure we meet our customers' competence requirements, our managers conduct annual performance and career reviews with their staff. Each employee's personal development targets should be closely linked to the company's annual plan and be based on the modified balance score card for each employee. The performance and career review rating for 2017 was 74 per cent overall.

Relacom Finland also received a corporate social responsibility (CSR) award in 2017. EcoVadis, which specializes in classifications and tools for measuring corporate responsibility in supply chains, judged Relacom Finland to be the best example of CSR in its industry category.

## Environmentally friendly vehicles

*Relacom implemented a vehicle upgrade project in 2017, replacing almost two hundred vehicles (70 per cent of our production fleet) with safer, greener and more cost-efficient models.*

*It is expected that our upgraded fleet will reduce fuel and maintenance costs over the next five years compared with projections for the old fleet's consumption and in relation to the number of cars in use today.*

*For example, the average total carbon dioxide (CO<sub>2</sub>) emission produced by a car in our fleet in 2016 was 6,868 kilograms, whereas the corresponding figure for 2017 was only 6,028 kilograms.*

## Reducing Our Environmental Impact

Our ISO 14001 and ISO 9001 certifications meet the latest requirements. We also regularly conduct quality, security and code-of-conduct audits with external partners that include environmental aspects. In 2017, we also performed internal environmental audits in four locations. The proposed changes that resulted were discussed with our property and line managers. The audit results were also reported on our intranet.

We are constantly considering new ways to reduce the carbon dioxide emissions caused by our operations. In 2017, we implemented a large production-vehicle upgrade project, which replaced nearly two hundred cars, or 70 per cent of the entire fleet, with safer, more environmentally-friendly and cost-effective vehicles. While the average emissions for one fleet car in 2016 totalled 6,868 kilograms, the figure for 2017 was reduced to no more than 6,028 kilograms. In addition to this project, we also encouraged our staff to use video conferencing services and online tools for meetings and promoted opportunities to work remotely.

Waste management procedures are an integrated part of our operations. Thanks to our agreement with a waste contractor, we can both reuse and recycle waste generated by our operations. We have continued to successfully reduce our unsorted waste volumes by providing clearer recycling instructions, through training and by auditing our offices, for example. In 2017, we reduced unsorted waste from 23 per cent to 21 per cent of our total waste.

We also continued our efforts to reduce the amount of paper purchased throughout the organization. We instructed our personnel to avoid unnecessary printing and encouraged them to favour two-sided printing by highlighting environmental aspects and impacts. To date, we have managed to cut our paper consumption from 8.6 tonnes to 2.4 tonnes since 2011.

We did not identify any cases of non-compliance with environmental laws and regulations in 2017.

Relacom is working to develop energy-efficient products and services, but for the moment we have no revenue to report.

## Customer Relations

We believe that Relacom's approach of combining reliability and competency provides unique advantages for our customers. When it comes to resourcing and providing managed services with different skills requirements, our goal is to find the optimal solution for our customers and to commit to developing the solution continuously. We are also known for our flexibility and fast response times. We can provide managed services with four-hour service level agreements nationwide, or alternatively, on-site resources for our clients to manage.

We measure customer satisfaction specific to each agreement and on two levels, including end-customer satisfaction and contracting party satisfaction. The methods we use for customer satisfaction surveys differ according to the customer's agreement.



Nevertheless, the same basic elements of identifying the level of customer satisfaction and, even more importantly, monitoring trends in its development, are key to successful customer relationship management.

Based on several multi-industry customer and end-customer agreements, Relacom Finland has found that both parties' needs for analytical customer-satisfaction data are best met by co-developing the satisfaction survey in close co-operation with the customer to suit their strategy.

In 2017, Relacom Finland's end-customer satisfaction score was 9.1/10 for installation and 4.4/5 for maintenance.

## Relacom Finland Recognized for Its Corporate Social Responsibility Work

*EcoVadis, which specializes in classifications and tools for measuring supply-chain responsibility, presented Relacom Finland with an award as the most socially-responsible company in its industry category.*

*EcoVadis analyzes a company's performance on the basis of 21 corporate social responsibility (CSR) criteria divided into four themes: the environment, fair labour practices, ethical conduct and fair business practices, and supply-chain quality. Its assessments are based on international CSR standards, such as the Global Reporting Initiative (GRI) guidelines, the UN Global Compact initiative and the ISO 26000 standard. EcoVadis ranked Relacom Finland as a gold-level company, an achievement matched by only five per cent of all companies.*



Partner satisfaction for the same period was 3.9/5. We follow up on these results on a monthly basis as part of our ISO 9001-certified management system and as described in our management system documentation.

Customer and end-customer information security is a top priority. Although we have not identified any non-compliance with laws or regulations concerning the provision and use of products and services, we will start the certification process of our information security management systems according to ISO 27001 in 2018.

### The Relacom Way Ensures the Quality of Our Services

Our role as a critical service provider is closely linked to sustainability. We ensure that all the services we provide and the materials we deliver comply with the specifications agreed upon with our customer. Likewise, we are constantly developing our operations and products to meet our customers' future expectations and requirements. This also involves the systematic development of our quality system – the Relacom Way – in cooperation with our personnel.

Relacom did not identify any instances of non-compliance with laws or regulations concerning the provision and use of our products and services in 2017.

We are working closely with employee representatives as part of the on-going development of our policies.

All our major suppliers are screened by means of our procurement policy.

### EFQM Model Delivers Great Results

Relacom Finland continued to use the EFQM Excellence Model to define our current level of excellence, involve our employees in developing our operations on a broad scale across the organization, and to identify where we need to improve our efforts.

All our business units regularly organize EFQM workshops for our managers, specialists and technicians to identify and prioritize development areas, but also to highlight areas that

are working well. In 2017, we organized eight EFQM workshops across the organization. The result was 137 development measures for implementation related to our business units. In total, 77 per cent of the identified measures were successfully implemented in 2017.

ICT and Network Services was audited in 2017 and received a four-star excellence rating. The evaluation was carried out by seven external evaluators assigned by the Finnish Quality Center during the period June to August. ICT and Network Services' results were clearly above average, especially regarding customer outcomes and processes, products and services. In fact, we ranked among the top ten companies in Finland overall. In all, more than 40 employees from ICT and Network Services business units participated in the evaluation process.

EFQM has strengthened cooperation within the company. It has enabled our employees both to understand our business better and to develop our operations in a more holistic way.

## Feeling Good Through Helping Others

*Feeling that your efforts have been an important help to others is guaranteed to put you in a good mood! In 2017, Relacom offered its employees in Finland the opportunity to give their own "good mood" present during the summer by using part of their workday to help a charity of their choice. Relacom employees contributed to a great community atmosphere and helped their neighbours by donating blood, supporting the youth department at the local fire brigade, assisting wheelchair user and helping elderly people with house cleaning.*

## Food for Low-Income Families

*Relacom donated the funds reserved for its corporate Christmas greetings to the "Hyvä Joulumieli" Christmas Spirit fundraising campaign, which provides food vouchers for families in need. Organized by the Mannerheim League for Child Welfare and the Finnish Red Cross, the campaign aims to increase public awareness about poverty among families with children, since one in ten Finnish children live in families with low incomes. This year, the fundraising campaign provided food vouchers for 30,000 families in need.*

## Opportunity for Children to Explore Our Workplaces

*Relacom Finland took part in the Take Your Children to Work Day event last November. The purpose was to involve our children and give them a voice while benefitting from their innovative ideas. During the day, the children of Relacom employees had the opportunity to get to know their parents' workplace and colleagues. The children could also enjoy fun activities, such as drawing. The event was a very positive experience for our children and employees alike and we plan to hold it again in the future.*



# About This Report

This sustainability report encompasses all companies and markets within the Relacom Group. The report aims to provide a transparent account of our sustainability work during 2017.

Organizationally, the Relacom Group is to a certain extent decentralized, which means that its various companies operate according to national and local circumstances and with some measures of independence. Some of our core areas are managed centrally (Relacom Group). As a result, this report is organized into the following chapters: Relacom Group, Relacom Sweden, Relacom Norway, Relacom Finland and Relacom Denmark.

The report is based on the guidelines for sustainability reporting issued by the Global Reporting Initiative (GRI).

This is the Relacom Group's sixth report issued in accordance with the framework of GRI's guidelines.

Our first report was published in 2012 and followed the GRI G3 guidelines. Our previous report according to GRI G4 was published in November 2016.

### Explanations and limitations:

**Work environment:** Includes health and safety.

**ICT:** Information and Communication Technology

**IoT:** The Internet of Things is the inter-networking of physical devices, vehicles, buildings and other items

**OHSAS:** Occupational Health and Safety

**ISO 9001:** International Standard Organization for Quality Management

**ISO 14001:** International Standard Organization for Environmental Management

**G4-10:** Reports according to our annual report. All employees who work more than 60% count as full-time employees. Relacom has no employees working less than 60%.

**G4-EC1a:** For the economic value distributed, see our annual report.

**G4-LA1b:** We only report employee turnover in percentage and not by gender and age, we report in accordance with internal procedures.

**G4-LA6a:** We do not publish statistics on the gender distribution due to high male representation in the workforce.

**G4-33:** We do not seek external assurance for this report.

### Contact information

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<b>Category/Aspect</b>	<b>Indicators</b>	<b>Page</b>				
<b>Economic</b>						
Economic Performance	EC1 Direct Economic Value Generated and Distributed	3	n/a	n/a	n/a	n/a
<b>Environmental</b>						
Compliance	EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	5	n/a	n/a	n/a	n/a
Grievance	"Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms"	5	n/a	n/a	n/a	n/a
	Revenue of Energy Efficient Services	n/a	14	20	22	26
<b>Social</b>						
Employment	LA1 Total number and rates of new employee hires and employee turnover by age group and gender	n/a	12	19	21	25
Occupational Health and Safety	LA6 Type and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities	n/a	13	20	22	25
Training and Education	LA11 Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	n/a	13	19	22	26
Compliance	"SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations"	5	15	17	25	26
<b>Overall</b>						
Product Responsibility	PR5 Result of Survey measuring Customer Satisfaction	n/a	15	20	22	26
Customer privacy	PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	n/a	15	20	22	26
Compliance	PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	5	n/a	n/a	n/a	n/a



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