

Verksamhetsstyrning 2.0

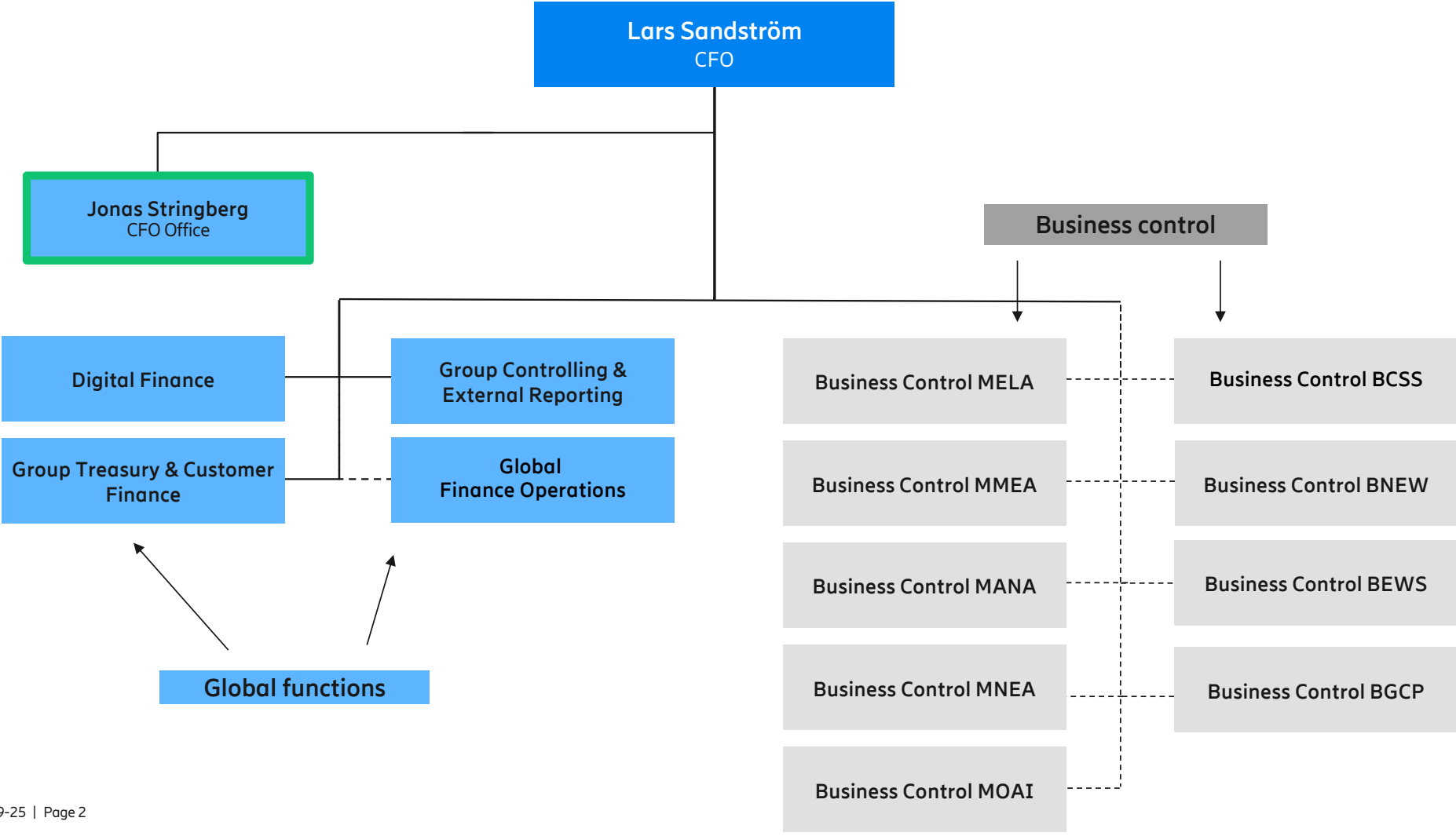
Transformation @ Ericsson



Jonas Stringberg
CFO Office, Ericsson
September 2024



Global Finance Leadership Team

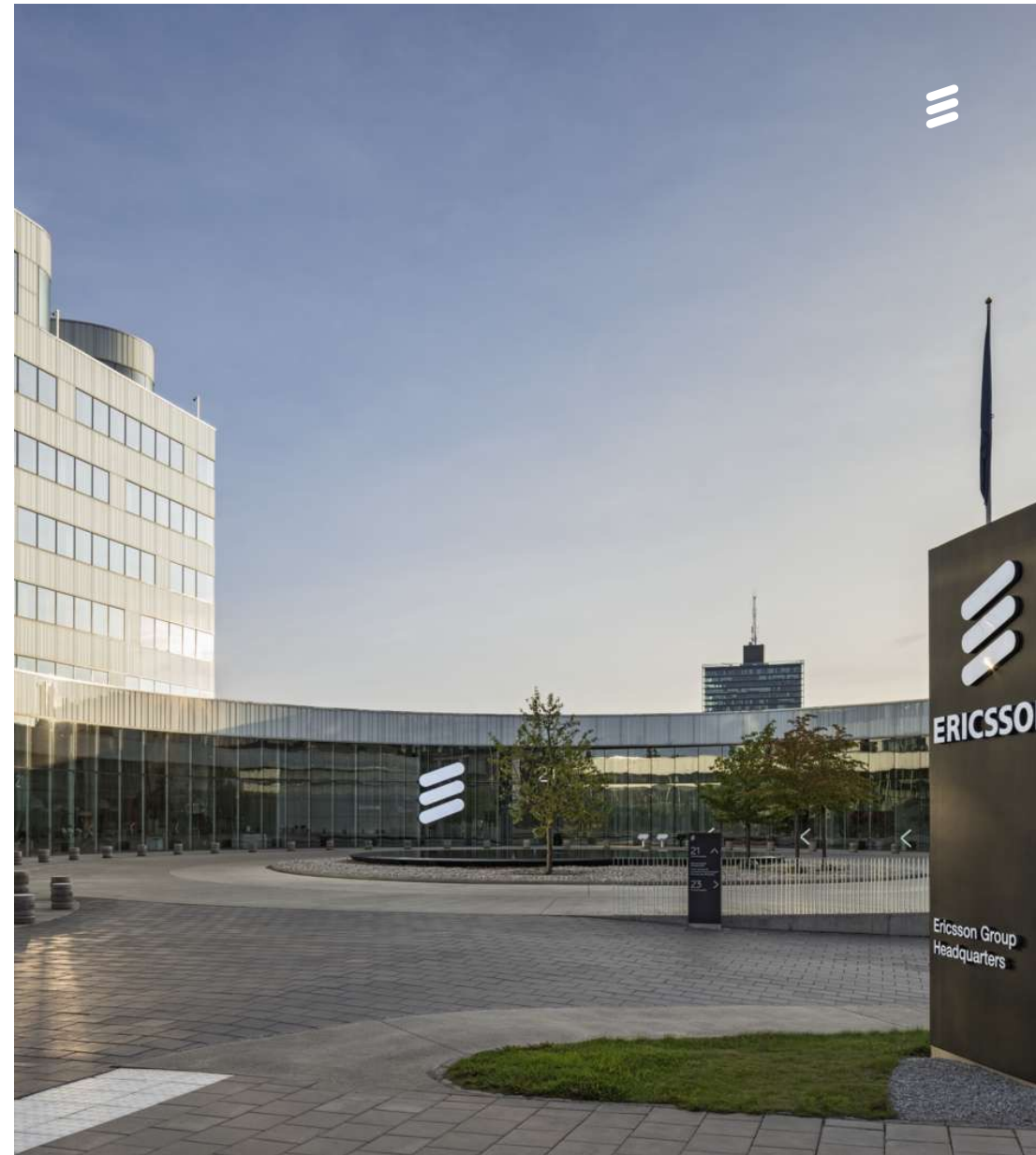


Agenda

Ericsson

Finance @ Ericsson

Transformation



Ericsson by the numbers



We enable communications service providers and enterprises to capture the full value of connectivity

100,000

employees worldwide

51

R&D budget
(SEK b)

60,000

granted patents

263

sales (SEK b)

180

countries

Note 1. Data as of December 31, 2023

Continuous evolution of mobile network innovation



Use cases



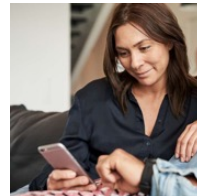
Voice



SMS



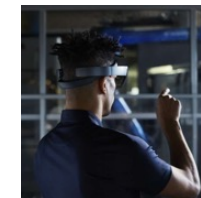
Mobile broadband.



App economy.



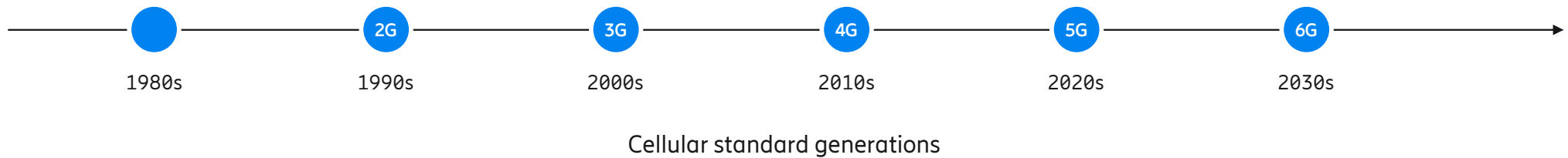
Mobile social networking with video.



Fixed Wireless Access.
Industries goes wireless.
Mobile gaming.



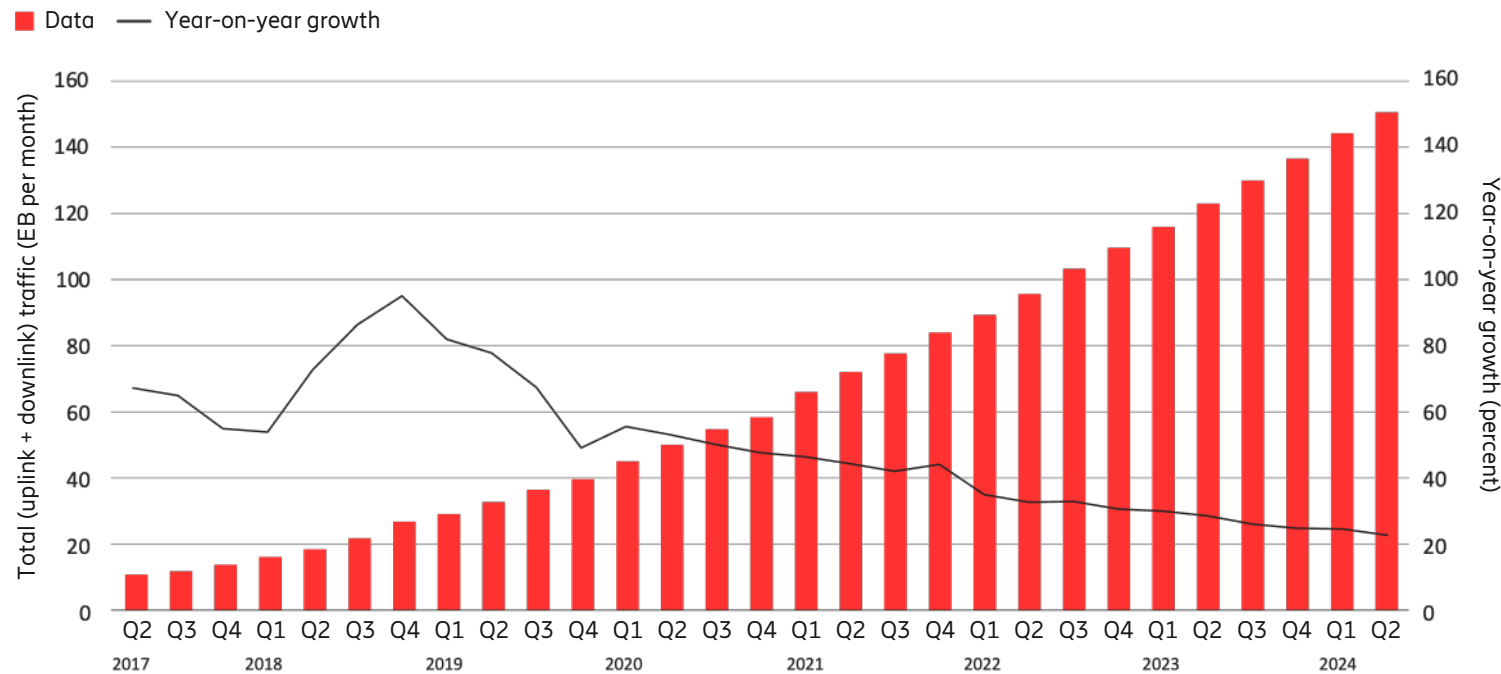
XR



Global mobile network data traffic



Global mobile network data traffic and year-on-year growth (EB per month)



Note: Mobile network data traffic also includes traffic generated by Fixed Wireless Access (FWA) services.

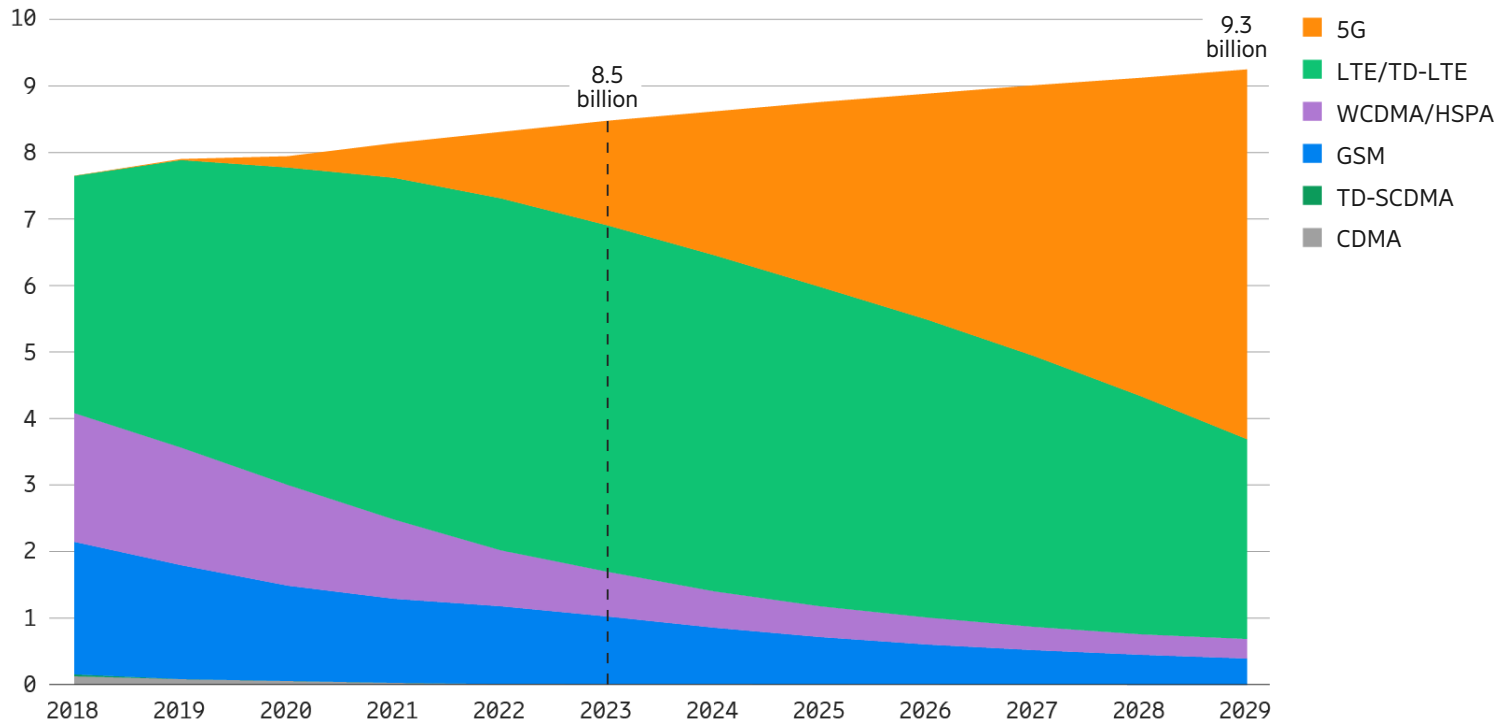
23%
Mobile network data traffic grew 23 percent between Q2 2023 and Q2 2024

151EB
Total monthly mobile network data traffic reached 151 EB in Q2 2024 (EB = 1M TB)

5G mobile subscriptions to reach close to 5.6 billion in 2029



Mobile subscriptions by technology (billion)



- 160 million 5G subscriptions added in Q1 2024 to a total of 1.7 billion
- Adjusted forecast due to more positive outlook for Africa
- 2G and 3G network sunsetting continues around the world

Agenda

Who we are

Finance @ Ericsson

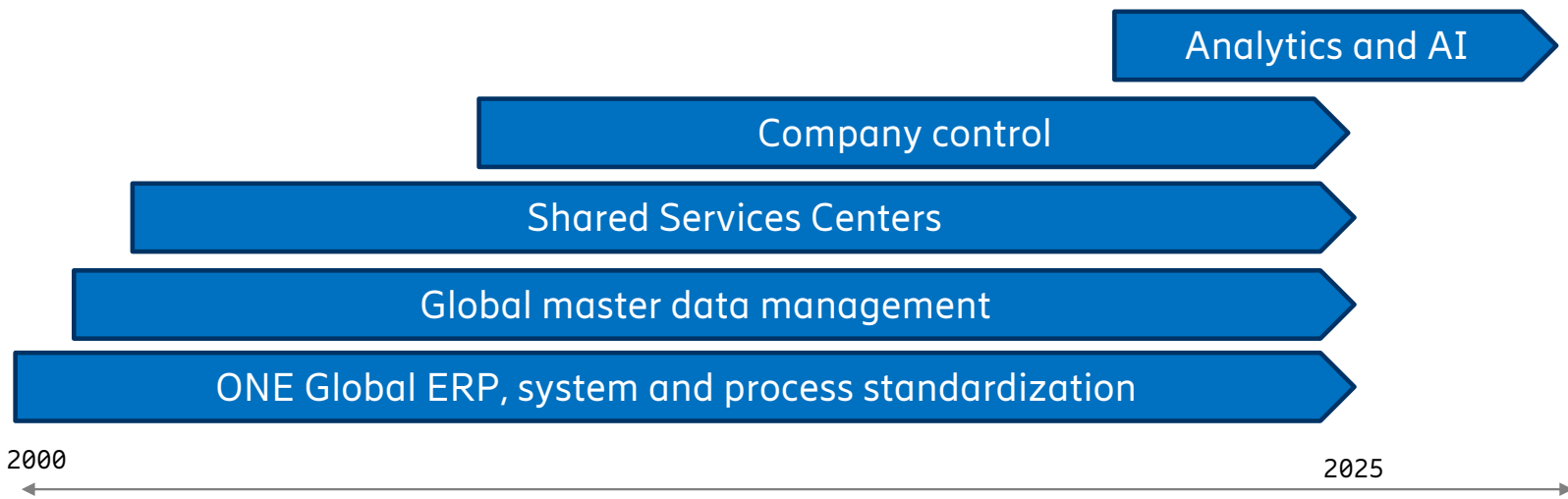
Transformation



Finance transformation over time



- Data as an asset
 - End to end flows
 - Core systems first
-



Testing technologies...



IT & Network Automation



- IT & Network automation
- System integration
- SAP development
- Scripting, macros

Robotic Process Automation



- Robots
- BluePrism, UiPath

Cognitive Agents



- Automation of human interaction-Chatbots
- Avaamo

Machine Intelligence



- Utilizing data, machine learning, deep learning-prediction support
- Decision-tree analysis
- Shiny tool

Reporting & Analytics



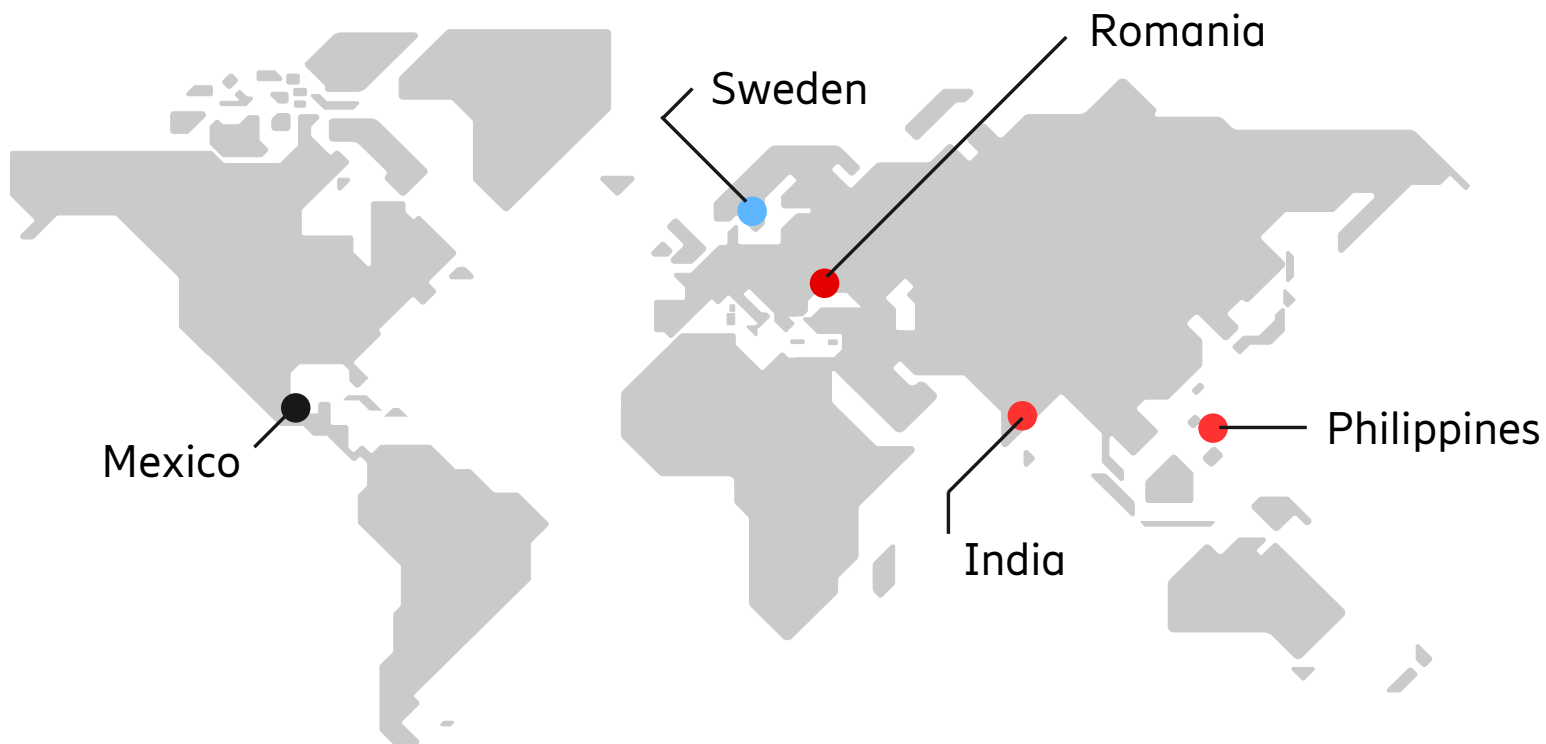
- Information objects
- Tableau
- BO templates
- BOAT
- Custom Tool
- Winshuttle
- Portal

Blockchain



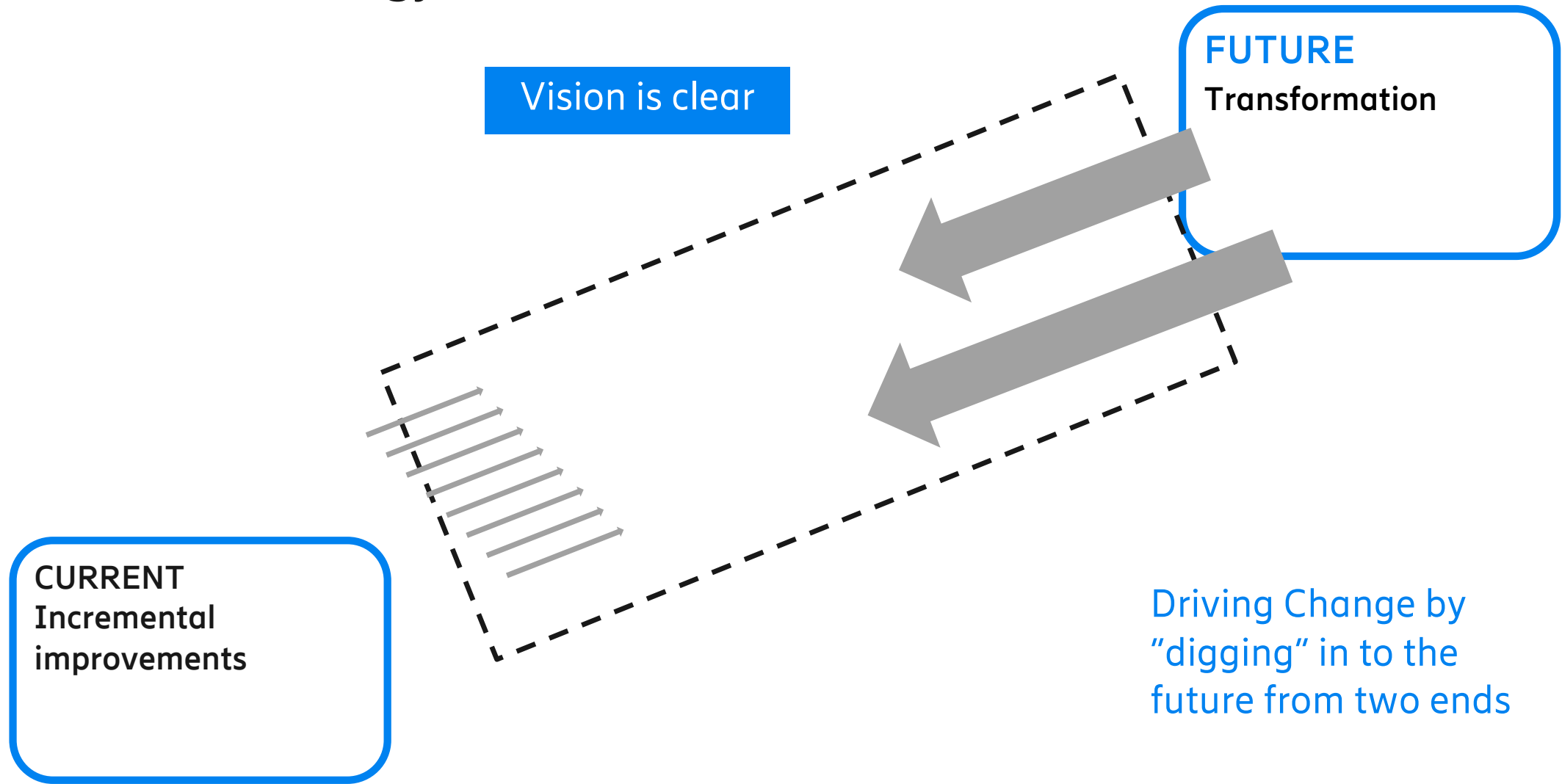
- Distributed digital ledger, storing peer to peer transactions
- Smart contracts
- Hyperledger

Main Finance hubs for global finance operations



- 300+ Legal entities
- 4 Business Areas
- 5 Market Areas
- 4.000.000 Invoices /year
- 100 BSEK+ Internal invoicing
- 700.000 Travel & Expense claims /year
- Group consolidated and closed in 5 days

"Tunnel" strategy – to connect current and future



Agenda

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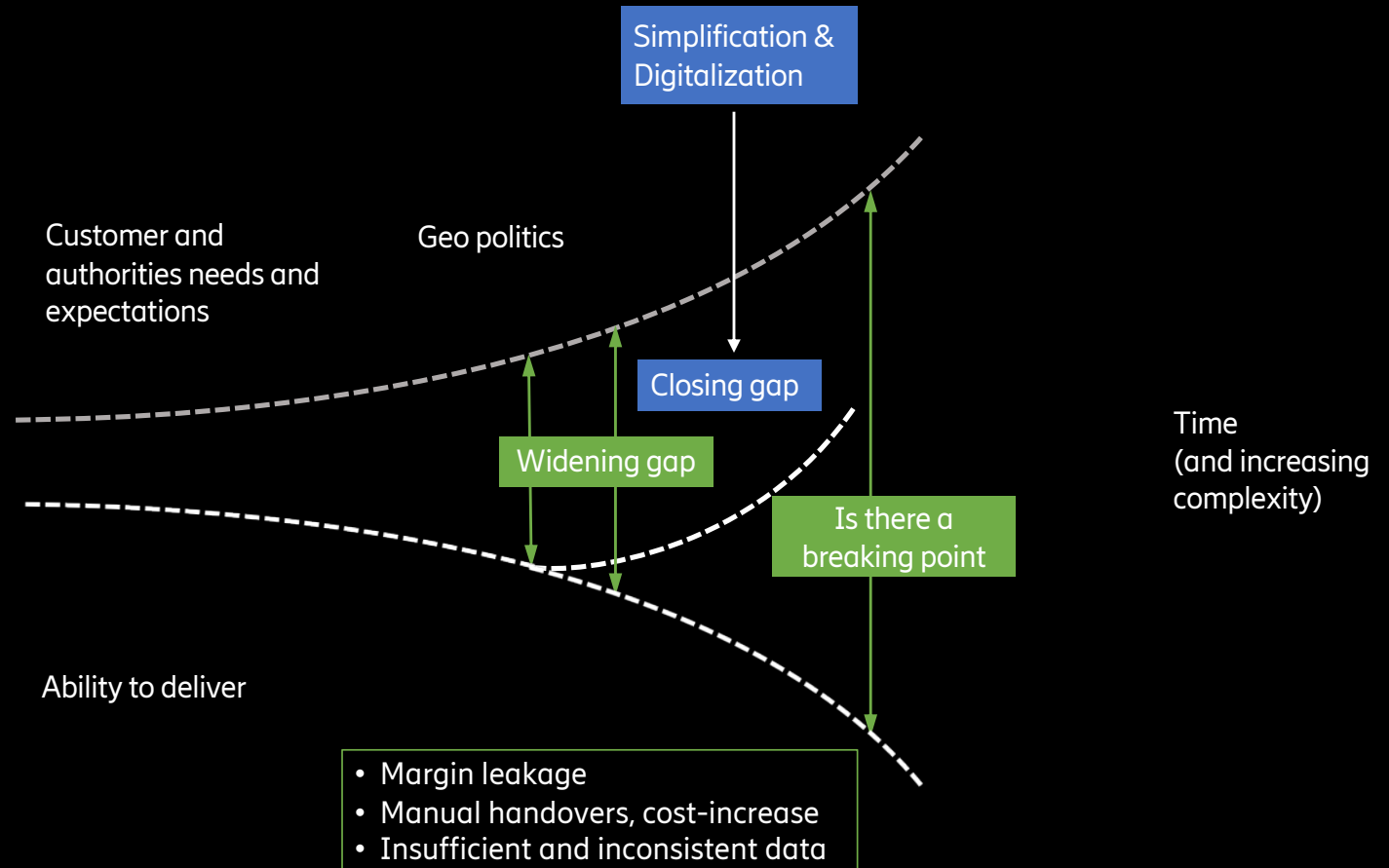
Transformation



Why is transformation critical?



Business development



What do we want?



Shift value to SW

- Technology shifts in the market
- SW led growth

Drive operational excellence

- Market outlook
- Macro and Geo-political challenges

Leverage ERP-system upgrade

- Processes that are not creating customer value should be standard

Improve customer experience

- Combination of enterprise and customer data

Revenue
Reduced Cost
Shorter lead-time
Customer experience
Enterprise insight

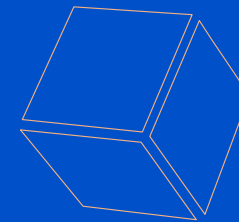
Building blocks of transformation



Sales and
commercial
harmonization

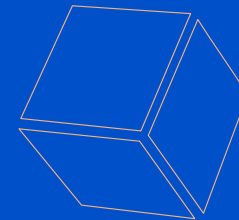


DATA



Standard
and
core systems

End to end
perspective



Business flow
transformation

Principles for Flow Transformation



Shift to ~10 standardized flows tailored for similar customer offerings

Drive adherence to standard tools and processes

Digitalize 100% of portfolio-to-cash

Define and maximize use of core-systems

Design end to end

Define a common and global data model

Challenge the current foundation (system, financial model etc)

Key takeaways, so far



What we have learned

- Ensure management buy in
- Continuous communication
- Organize, standardize, digitalize
- There is a clear link between effort and payback time
- People need to be onboard
- Leaders are critical in transformation

What we need to do more of

- Mgmt buy in, means engagement as well
- Data is “the” asset
- Even more end-to-end perspective
- Let technology do much more
- Continuously develop our people
- Manage expectations
- Company wide orchestration

Summary



To consider....

End to end perspective

- Functional transformation is not enough anymore
- Avoid pixel management
- Link all relevant parties together
- Build the vision, with agile execution

Data is an asset

- Getting control over company essential data
- Customer and enterprise data
- Building insights via AI

Orchestration is key

- Customer interface
- Financial model
- Enterprise architecture
- Cloud based systems and processes
- Tax
- ...

Business is in the lead

- The business accountable takes the lead
- The strategic financial plan is setting the scene
- Customer value



Thank you!

Our purpose

To create connections that make the unimaginable possible

Our vision

A world where limitless connectivity improves lives,
redefines business and pioneers a sustainable future

Our values

Professionalism. Respect. Perseverance. Integrity.