

WORTH YOUR TRUST



The foundation for
Insta's values was
laid 60 years ago

Insta's success story is based on our committed employees and our ability to meet our customer promises without compromise | p. 6

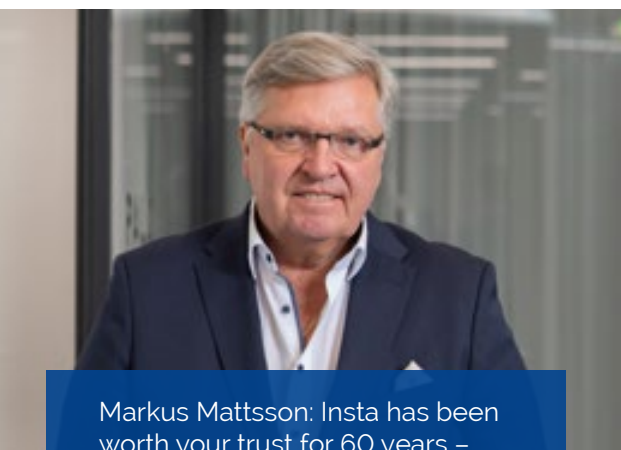


Artificial intelligence in industry
will enable new types of customer
benefits | pp. 8, 10, 12, 14

Our ground-breaking solutions
are created in cooperation
with our customers | p. 22



Henry Nieminen: A secure digitalization strategy enables a 60-year-old family business to grow further | p. 4



Markus Mattsson: Insta has been worth your trust for 60 years – and continues to be so | p. 6



Finland leads the way in building a safe society based on expertise in secure digitalization | p. 16

Annual review and future outlook 2019

Highlights of 2019	3
Editorial: A secure digitalization strategy enables a 60-year-old family business to grow further.....	4
Insta – worth your trust for 60 years.....	6

FUTURE AND TRENDS

Aiming for more efficient and responsible industry.....	8
---	---

INTELLIGENT INDUSTRY

Industry 4.0 – where and when to invest?.....	10
Unique benefits for industrial business operations through automation and digital expertise.....	12
Significant value for business through artificial intelligence in industry.....	14

SAFE SOCIETY

Building a safe society calls for cooperation.....	16
--	----

DEFENCE

The cornerstones of future national defence: data management and cyber security.....	18
--	----

CYBER SECURITY AND INFORMATION SECURITY

Insta as a cyber security and information security partner.....	20
---	----

PRODUCT DEVELOPMENT AND INTERNATIONALISATION

Customer-focused product portfolio development.....	22
---	----

PEOPLE AND EXPERTISE

People and communication will continue to be key success factors.....	24
---	----

RESPONSIBILITY

Responsibility plays a key role in our daily operations	26
High customer value for 60 years.....	28
Financials.....	30

Insta in 2019

HIGHLIGHTS

7.2%

INCREASE IN NET SALES

>1,000

EMPLOYEES

EUR 5.9

MILLION EBIT

EUR 131

MILLION NET SALES



DIGITAL TWINS IMPROVE
WATER SUPPLY
MANAGEMENT



INSTA'S STRATEGIC TARGET
MARKETS



INTERNATIONAL GROWTH WAS DRIVEN
BY DIGITAL CERTIFICATE SERVICES
IMPLEMENTED IN 5G-BASED NETWORK
SYSTEMS IN NORTH AMERICA



PEOPLE HAVE
ALWAYS BEEN AT THE
CORE OF INSTA



THE FIRST YEAR OF
PRODUCTION OF THE ERICA ERC
INFORMATION SYSTEM WAS
FREE FROM INTERRUPTIONS

“Responsibility
plays a key
role in our daily
operations.

HENRY NIEMINEN



RECOGNITION FOR INSTA FROM THE FINNISH DEFENCE FORCES

On 29 November 2019, Insta was awarded special recognition at the anniversary event of the System Centre of the Finnish Defence Forces: a Supply Cross of Merit by the Deputy Chief of Staff, Logistics and Armaments. Insta is the first company to receive such recognition.

The Cross of Merit was awarded to Insta for its work for the benefit of supply, military security of supply and the Finnish Defence Forces' logistics.



60th anniversary in 2020

A secure digitalization strategy enables a 60-year-old family business to grow further

*"Insta achieved its strategic targets in 2019 in terms of profitable growth, for example. Intopalo Digital has been integrated into Insta's strong traditional business operations, which has strengthened our position in all our target markets. Over the next few years, we will renew Insta gradually in a controlled manner on this strategic change journey that we started in 2019," says **Henry Nieminen**, President & CEO of Insta Group.*

2019 was Insta's 59th year of operation. Our net sales and profitability developed in line with our targets. Our other key indicators also developed favourably. Our number of experts continued to grow, and we had more than 1,000 employees at the end of the financial year.

Insta's future outlook is positive, although challenges are in sight in terms of the general market situation. We expect our net sales to increase and our profitability to remain at a good level in 2020. By implementing our strategy and taking care of our customers' futures, we ensure that our customers can always continue to rely on Insta.

During the first stage of our strategic change journey, we have identified three target markets for Insta: intelligent industry, safe society, and defence. We have also centralised customer relationship and sales management in a Group-level function, as well as created sales teams to be in charge of customer relationships and sales in each target market. At Group level, we have centralised innovation, product development,

marketing and communications, which are strategic functions necessary for our renewal.

Customer relationship and sales management, innovation and product development, and marketing and communications constitute a new synergic whole that will help us renew Insta systematically.

"For our customers, our renewal means that Insta will be able to offer a more extensive range of services in each target market. We believe that this will enable us to further deepen our partnerships with our customers," says Nieminen.

Our family business will turn 60 in the summer of 2020. We are proud of Insta's success story, which has always been and will always be based on our customers and employees. Their trust enables us to continue to build Insta's future – based on our mutual success.



Business area highlights 2019

EUR 131
MILLION NET SALES

EUR 5.9
MILLION EBIT

>1,000
EMPLOYEES

INDUSTRIAL AUTOMATION

Industrial automation continued to strengthen its strategic position as a leading Finnish supplier of comprehensive process electricity and automation solutions. Its net sales reached a new all-time high. Its profitability and result remained at a good level. Its key strategic strength is the management of the entire value chain of process electrification and automation through its expertise in engineering, turn-key deliveries, cabinet manufacturing, installation and maintenance. Maintenance-stage service business operations serve as a balancing element for project business operations, somewhat decreasing the business area's sensitivity to cycles. In line with the Group's strategy, Industrial automation achieved promising results in intra-group cooperation with companies in its adjacent fields, as well as in the development and sales of services arising from digitalization and their use to support core business operations. Major customers

in 2019 included Valmet (installation, design and cabinet delivery services), Boliden Harjavalta (e.g. AI-based pilot project for sulphuric acid plant optimisation), Valio (e.g. automation system for the Joensuu dairy) and BillerudKorsnäs (e.g. instrumentation installation for the paperboard machine at Gruvö in Sweden).

DEFENCE TECHNOLOGY, SECURITY AND DIGITALIZATION

The strategic position of the business area strengthened markedly. Its net sales grew by around 15%, and its result was positive. In line with its strategy, the share of products and productised services supporting international expansion grew significantly. Insta's strategic partnership with the Finnish Defence Forces developed favourably, and its order book grew. Equipment maintenance services for the aviation sector were also significant in terms of volume. For example, Insta made a strong contribution to the negotiation

process of the HX Fighter Program project in cooperation with international industrial operators. Cyber security and information security are part of Insta's offering in each of its target markets. Cooperation with numerous long-term customers expanded, and Insta also acquired new long-term customers. International growth was supported by the successful resale of information security products through partners, as well as by digital certificate services implemented in 5G-based network systems for significant new customers in North America. Insta provides the Erica ERC information system as a service for the Finnish Emergency Response Centre Agency. The first year of production was free from interruptions, and a new development version will be implemented in the summer of 2020. Digital business operations grew significantly into an organisation of more than 100 people. Data-driven optimisation and need-based maintenance solutions have attracted great interest in the markets.

MARKUS MATTSSON,
Chair of the Board of Insta Group

Insta – worth your trust for 60 years

Much like many other success stories, the story of Insta began in a basement, in modest rental facilities. Over the past 60 years, the company has grown and developed from a three-man business into a front runner in secure digitalization, with globally recognised solutions.

EVERY MILLIMETRE COUNTS – THE FOUNDATION FOR INSTA'S VALUES

Insta's history dates back to 1960, when **Finn Mattsson**, 34, noticed that there were hardly any Finnish operators in the field of automation installation. This self-taught electrician decided to seize the opportunity. He was joined by **Esko Kakko** and **Niilo Valkama** in the rental facilities at Sammonkatu 25 in Tampere.

Led by Mattsson, the three men specialised in industrial instrument installations and began to conquer the market. Finn Mattsson and his partners were known for the uncompromised quality and precision of their work: every millimetre counts.

FROM AUTOMATION INSTALLATIONS TO A FRONT RUNNER IN SECURE DIGITALIZATION

Over the past 60 years, the company has experienced both highs and lows. Insta

has survived recessions and has fulfilled its customer promises, sometimes at the expense of profitability. However, customer loyalty has laid a solid foundation for long-term partnerships: Insta has cooperated with Neste since its early stages, and its 50-year cooperation with the Finnish Defence Forces has deepened into a strategic partnership.

Insta has grown by helping its customers succeed. Today, Insta leads the way in secure digitalization. The company has more than 1,000 employees in 14 locations, from Munich to Oulu.

Insta's operations in Finland have laid a strong foundation for its world-class products. Insta has customers on almost every continent in various fields, from fighter maintenance to defence system development, cyber security and automation.

COOPERATION TOWARDS A BETTER FUTURE

Insta's operations continue to be based on Finn Mattsson's uncompromising attitude. We keep our promises, get things right the first time, and succeed together. As our customers put it, Insta is worth your trust.

Insta's success story will continue in the 2020s. We have a long history of expertise in our customers' industries, and combining this expertise with our expertise in digitalization creates unique value for our customers. We can provide more and more innovative solutions and a wider selection of services, from turn-key deliveries to life-cycle maintenance.

We believe that people and intelligent technology play a key role in building a safe, responsible and digital society.



Niklas, Markus and Nora

Markus Mattsson – from the ice hockey rink to managing a family business

Born in Siuro in Nokia in 1957, **Markus Mattsson** is known not only as the Chair of the Board of Insta Group, but also as the first Finnish NHL goalkeeper. Before following in the footsteps of his father, Finn Mattsson, at Insta, Markus won two Finnish championships and was the one who stopped **Wayne Gretzky**'s 51-game point streak, the longest in NHL history.

Mattsson retired from professional sports in 1987 and became Insta's marketing director and board member. In 1993, he became the Chair of Insta's Board.

A FAMILY BUSINESS IN THE THIRD GENERATION

Mattsson builds on his successful ice-hockey career in the world of business:

"Teamwork and stress tolerance play a significant role in professional sports. Much like in sports, team success is important in business life, rather than trying to steal the limelight. This is the essence of teamwork", says Mattsson.

Mattsson believes that Insta's success arises from its reputation and reliability, as well as from the quality of its work, in line with its values.

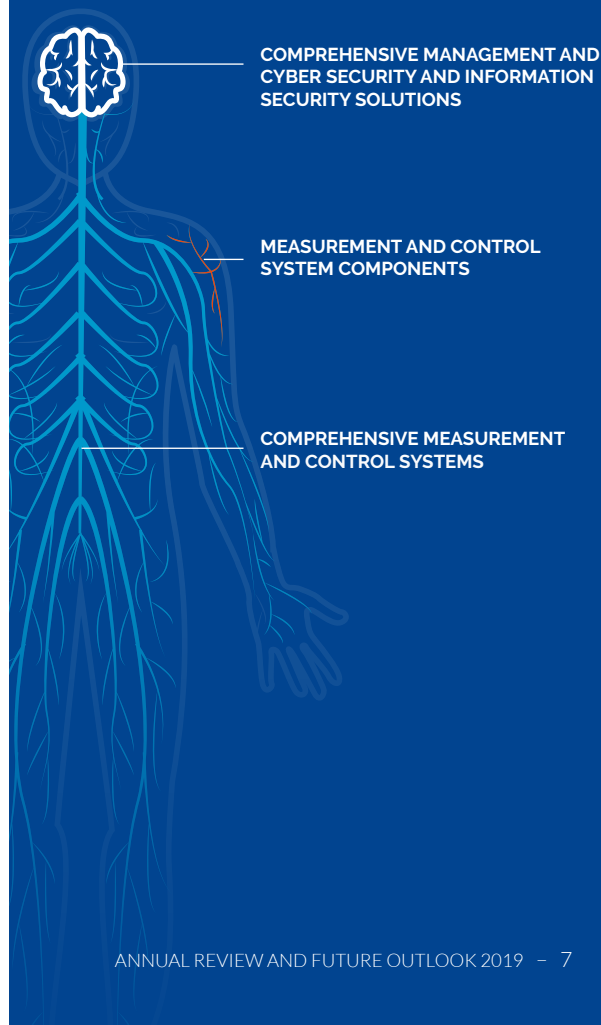
"Insta is a well-managed modern growth company with highly competent employees. Insta has a good strategy and a clear vision of customer relationships and their development. Increasing cooperation and expanding its offering into all target markets enable Insta to tap into its hidden potential in a new way," says Mattsson.

Mattsson believes that the strengths of a family business include long-term customer relationships and a long-term focus instead of instant rewards. The company's value base was created 60 years ago, and has not changed significantly since then.

"My father taught me to listen to, respect and pay attention to people. A sense of humour is also important. I would like to pass these values on to the third generation of the family business, my children Niklas and Nora, who are co-owners and board members of Insta.

From a supplier of industrial plant's nervous systems to a supplier of their brains

An industrial plant is like a human being: while each part is important, a functional whole is key. Insta began its operations by installing nervous systems – that is, measurement and control system components – in industrial plants' bodies – pipes and tanks. Later, we began to deliver entire nervous systems with maintenance. Today, we are responsible for the whole system and its management: we provide industrial plants with more and more complex brains – that is, computers with cyber security solutions. Only a few companies are capable of such comprehensive deliveries.



How to conquer your fear of machine learning and artificial intelligence

Aiming for more efficient and responsible industry

Artificial intelligence analytics can be used in the process industry to improve safety, reduce waste and increase productivity. Machine learning enables operations to be simulated before making changes to production.

JUHA LATVALA,
Chief Digital Officer

Artificial intelligence is a major driver of change in industry, but it continues to be an underused resource. Although the process industry is a front runner in automated production, most companies have yet to take the next development step.

INSTA MAKES DATA-DRIVEN PLANT AND PRODUCTION OPTIMISATION EASY

Many companies are aware of the opportunities provided by data-based management, but lack the capabilities and abilities to use data. Companies may also see change as a massive process that is difficult to understand, in which case the threats outweigh the opportunities.

Here we can help our customers. Insta has the ability to model industrial processes based on values and connect them to data in the automation system. We can help our customers increase the profitability of their product portfolios, optimise their

process lead times and improve the control of individual processes or pieces of equipment. This leads to significant improvements for the company as a whole.

VALUE-BASED ANALYSIS REVEALS WEAK SPOTS IN DAY-TO-DAY WORK AND IN THE BIG PICTURE

Companies often fail to recognise the potential hidden in process efficiency. If a process works, companies do not see a need to improve the process – even though it could work much better.

On the other hand, when a process stops working properly, only the most significant weak spots are usually identified. However, there may be hidden problems behind the weak spots.

Recognising hidden problems has been challenging, because digitalization drowns even the smallest industrial plants in enormous masses of data. When the amount

of data increases, people's ability to process the data decreases. Value-based modelling reveals the true state of the measured processes and makes it easier to manage by information. At the executive level, this means that decisions affecting a company's business operations as a whole can be made based on verifiable facts. This also makes product portfolio management easier, as data reveals the actual profitability of the products. In day-to-day work, value-based modelling helps companies identify changes in the performance and reliability of individual machines and respond accordingly.

However, industrial artificial intelligence is not only a tool for improving production efficiency. It also enables companies to respond to continuously increasing requirements for better raw material and energy efficiency. For example, the Insta Effect service enabled Boliden's Harjavalta plant to reduce its sulphur dioxide emissions



by up to 10% through the remodelling of the controller and its management.

Insta's work to promote digitalization is reflected in our customers' smaller carbon footprints. As well as improving competitiveness, optimised industrial processes ensure responsible operations.

THE APPLICABILITY OF ARTIFICIAL INTELLIGENCE MUST BE CONSIDERED CAREFULLY

Industrial artificial intelligence is provoking a great deal of discussion and evoking interest. However, the application of artificial intelligence to a company's business operations must be planned carefully before making major investment decisions. Value-based analysis is a good tool for this.

Industrial transformation requires expertise. With a good partner, companies can ensure that their solutions are justified and create actual added value.

JARI MIELONEN,
Executive Vice President

The future is made today – prediction creates a competitive edge!

*"Preparing for the future is essential to the competitiveness of companies. Rapidly developing technologies, globalisation, climate change, transforming business models and other megatrends increasingly call for prediction," says **Jari Mielonen**, Executive Vice President at Insta.*

WHY

According to innovation studies, around half of the S&P 500 companies will be replaced over the next ten years. Companies currently stay on the S&P 500 list for 24 years on average, but this time will be reduced by half by 2025.

Companies must adapt, take action or even change completely to stay vital. Companies that have prepared for the future have been found to be more profitable than companies in general. They also grow much more rapidly.

HOW

Changes in a company's external environment may rapidly lead to unprecedented circumstances and end points. The transformation of business models and technologies causes discontinuity, while also creating new opportunities for companies that can predict changes and turn them into new business. To create a competitive edge, a company must frequently analyse its future based on prediction and seize opportunities quickly.

This process leads to new insights that help the company determine its strategic direction and lay a foundation for competitiveness, continuity and value creation.

WHAT

Technology is developing rapidly and changing production methods, business models and sources of competitiveness in various sectors. The automation of

production can be decentralised, and interaction within a process can take place remotely or in a virtual environment. Today, technology is also required to be ecological. Responsible corporate customers' requirements for the subcontracting chain are increasing.

The use of digitalization technologies is the new standard. Emerging technologies include virtual and augmented reality, the Internet of Things, 5G, autonomous mobile equipment and the related AI applications, digital twins, cybersecure cloud services, services built on block chains, and quantum computers. Devices are becoming smaller, because they have digital identities and create networks.

There is an increasing need to ensure self-sufficiency in cyber security, particularly in security of supply. With intelligence and espionage increasing, companies run the risk of being included in broken value chains. Information about the reliability of protection is important in our world. Well-designed data protection and a well-planned cyber strategy prevent the most severe attacks and help the company manage business risks in unexpected circumstances.

The future can be planned by using predictive scenarios and choosing the scenarios that best support the company's core expertise. Future business operations can be built based on these. This is sometimes called 'two-handed management'. Let's bring in good results today and ensure tomorrow's success!



HENRY NIEMINEN,
President & CEO of Insta Group

Industry 4.0

– where and when to invest?

Investment in new technologies is on the rise: for example, investment in IoT solutions is expected to increase by 15.4% year-on-year.

Artificial intelligence, IoT and similar technologies provide companies with excellent opportunities to optimise their consumption of raw materials and other materials, as well as their production efficiency and prices of products. The latest technologies also create entirely new types of business opportunities.

THE COMPETITIVE ADVANTAGE OFFERED BY NEW TECHNOLOGIES VARIES

How can companies benefit from Industry 4.0? Transformation projects must not be started head-first. Companies must first consider how investments in technology promote their strategic goals: how the company aims to develop and what kind of market position it wants to achieve.

The critical assessment of new technologies is also important. The competitive advantage offered by new

technologies varies greatly between companies. What works in one company may not necessarily create added value for another.

FINDING THE RIGHT TIMING IS CRITICAL

Predicting the future accurately is difficult when it comes to technological transformation and new developments. Despite the uncertainty, companies must be able to make timely investments in new technologies – at the point when there is a balance between the productivity and maturity of the technology and market requirements.

Comparing the company's situation only with that of its current competitors is dangerous when determining the right timing. As new technologies offer entirely new opportunities, new operators may appear that use technology in a way that is unconventional in their sector.

It is usually easy to notice new competitors if a company actively monitors technological development and its industry. The focus is

more on whether the company takes the signals seriously and how the signals are processed.

OPPORTUNITIES MUST NOT BE WASTED

Digitalization may be the only way to improve competitiveness, particularly for companies with small home markets. When there are no other options, companies should not wait until most businesses have adopted the new technologies. Artificial intelligence and digitalization have a great deal of unused potential, so now is the perfect time to examine things from a new perspective and challenge competitors through innovation.

The most successful companies will be those with the ability to monitor technological development and the means to make timely decisions.



Towards the intelligent factory of the future – how to get going

- Create a situational picture.
- Determine the elements that will provide more efficiency or commercial benefits.
- Ensure the right timing.



Insta and Valmet developed a safe, certified product development method

Valmet has systematically improved the cyber security of its Valmet DNA automation systems over several decades. As modern automation systems use software and new technologies to a great extent, Valmet wanted to ensure that its product development method was safe and met the requirements of major industrial standards.

The new, ISASecure® SDLA certified product development method was created by Valmet's cyber security experts in cooperation with Insta's cyber security experts specialising in intelligent industry. Insta's experts also participated in applying information security methods to Valmet's products.

The product development method includes training modules, method descriptions, templates and new tools. This modern method is based on DevOps thinking, extensive use of effective tools, and online training. For example, a web-based system is used instead of documents. In the system, the necessary documents can be created in the right location with the push of a button. At the same time, the product development management is provided with a view of secure development method metrics.

The product development method was developed and certified based on the IEC 62443-4-1 standard, which plays a key role in automation and industry, to ensure that its scope can be proven in an internationally reliable way.

“The product development method that we developed in cooperation with Insta is highly successful and was completed way ahead of schedule.

JUUSO KANNER,
Director, Automation Platform R&D, Valmet



Unique benefits for industrial business operations through automation and digital expertise

We help customers achieve their production, performance, productivity and safety targets by combining our in-depth professional expertise and our knowledge of customers' production processes with the latest expertise in digitalization projects, analytics and machine learning.

Most of our customers are either subject to global competition or under continuous pressure to improve profitability because of public funding. Insta Automation's core task is to help them achieve their production, performance, productivity and safety targets. We promote employment in Finland by helping our customers succeed. In so doing, we operate in line with our mission of building and maintaining a safe and competitive society.

Our core expertise includes the automation and electrification of production processes. We work to be our customers' trusted partner in all stages of the life cycle of electrical automation. To serve this purpose, we have been developing our next-generation Industry

4.0 service offering, which is based on our solid core expertise. Our intelligent monitoring and reporting solutions support the monitoring and maintenance of a factory's productivity and other key factors. Our solutions help customers collect, combine and analyse data, which enables them to predict production, in addition to making cost optimisation easier and improving operational efficiency.

AN EFFECTIVE FOUNDATION ENABLES THE INTELLIGENT USE OF DATA

Insta Group's strength lies in its ability to uniquely combine our in-depth professional expertise in electrical automation and our knowledge of our

customers' production processes with the latest expertise in digitalization projects, analytics and machine learning.

During our discussions with our customers, it has become evident that the quality of the available data is a hindrance in digitalization projects that aim to improve productivity. It is essential to ensure that automation field equipment is appropriately installed and tuned, that the functionality of controllers has been checked, and that any new sensors or actuators are suitable for the conditions and can be integrated properly into the system.

Customers can avoid the pitfalls of separate ICT projects by choosing an automation and electrification professional as their digitalization partner.





Securing critical infrastructure close to the customer

Last spring, Insta supplied the **modernisation of the automation systems of the Itkonniemi waterworks as a turn-key delivery to Kuopion Vesi**, one of its long-term water supply partners. In addition to implementing this demanding modernisation, Insta has participated in laying a foundation for the remote use of all potable water sites in Kuopio. To ensure continuous service capabilities, Insta decided to establish an office in Kuopio.

The purpose of the modernisation of the Itkonniemi waterworks was to ensure uninterrupted operation long into the future. The Itkonniemi waterworks needed to stay operative throughout the project, because it is the only plant producing domestic water in the Kuopio urban area. Special attention was paid to risk identification to secure water production at all stages. Availability and reliability played a key role in the selection of the technical solutions.

Kuopion Vesi and Insta have continued to develop water supply automation in the Northern Savonia region by integrating plants into an extensive automation and remote monitoring system. This enables real-time situation awareness across Kuopion Vesi's area of operation.



SECURING THE CONTINUITY OF HYDROPOWER PRODUCTION

Hydropower is Finland's most important form of renewable energy production, and it helps us mitigate climate change. Hydropower production does not generate emissions or waste. In the Finnish electricity system, hydropower is used to produce base-load energy and load-following power. Hydropower plays an important role in balancing electricity production and consumption because of its load-following properties.

The useful life of a hydropower plant spans decades or even centuries. Because of their long useful lives, hydropower plants are modernised at regular intervals to ensure continued production. Modernisation increases the useful lives of hydropower plants, improves their production reliability and enables their remote use.

Insta has supplied several electrical and automation system modernisations for hydropower plants as turn-key deliveries. These deliveries typically cover the automation systems of the plants, magnetisation and protection systems for generators, medium-voltage and low-voltage systems, direct current systems, backup power systems and network calculations.

RESPONSIBLE AND CRITICAL INSTALLATION PROJECTS FOR ENERGY PRODUCTION

Responsible and safe energy solutions have a critical impact on the future development of well-being in our society, and responsibility is a significant value for many of our customers. Through its operations, Insta supports its customers' systematic work to minimise their environmental impacts. Solutions and services in environmental technology already represent more than one-third of Insta Automation's net sales.

Last year, Insta delivered **instrumentation to Lahti Energia's Kymijärvi III biopower plant**, in addition to supplying power supply and field cases for the instrumentation of the boiler plant. The project was strongly guided by environmental considerations, and the plant will be the cleanest of its kind in Finland. After the project has been completed, the share of renewable and recycled fuels in Lahti Energia's energy production will be more than 85%.

Insta also continued its long-term cooperation with **Fortum**, Finland's leading energy company, by participating in the annual maintenance shutdown of its Loviisa power plant. The work was carried out by 40 employees and included scheduled equipment maintenance, automation system improvements and field equipment upgrades. The reliability of the fitters and the whole company play a key role when working in a critical environment.

Significant value for business through artificial intelligence in industry

Artificial intelligence analytics can be used in the process industry to improve safety, reduce waste and increase productivity. Machine learning enables operations to be simulated before making changes to production.

MIKA RIIKONEN,
Vice President, Regional
Operations and Maintenance,
Insta Automation



Machine learning is an effective tool in industry, as it offers opportunities for business growth. It enables the cost-effective optimisation of process automation and the application of methods of continuous improvement.

Insta and Boliden Harjavalta, a metal industry company, are examining at Boliden's sulphuric acid plant whether its gas distribution process can be optimised using artificial intelligence. In this joint project, the companies have succeeded in modelling a process part using an artificial neural network.

"Insta has the ability to use machine-learning algorithms to analyse rules and improve their capabilities. We also have a customer who understands the value of this. The opportunity to implement a pilot project was very important for us," says **Mika Riiikonen**, Vice President, Insta Automation, Regional Operations and Maintenance.

IDENTIFYING BENEFITS THROUGH CONTROLLER OPTIMISATION

At Boliden Harjavalta, the controller and its management were remodelled, and the model was used to see what the result would look like. The result was a digital twin

Effective cooperation with Insta

When planning a pilot project for industrial production, it is essential to choose a project where the data is intact and of high quality, and its amount is sufficiently limited. For the project, it is crucial to choose a partner that speaks the same language as the customer and understands their processes. This ensures smooth and quick cooperation without unnecessary inspections. Insta was a superior choice for us.

Boliden works systematically to minimise its environmental impacts. In terms of

reducing emissions, our operations comply with the statutory requirements. We also set our own goals, which aim for even better environmental performance. In the artificial intelligence project that we implemented with Insta, we created an algorithm to optimise the gas distribution process in such a way that our sulphur dioxide emissions can be expected to decrease by several per cent. In the future, we will probably achieve even larger reductions as the algorithm learns more and we learn how to use it more effectively.

that enables Boliden Harjavalta to simulate production using various run parameters and reduce emissions.

The results showed that it is possible to reduce sulphur dioxide emissions by up to 5–10% in an ideal situation. Because of this significant benefit, the simulated model will be coded in the automation system.

"Controller optimisation also brings other benefits, such as improved environmental and occupational safety, reduced energy consumption, reduced waste of raw materials and improved productivity," Riikonen explains.

INTELLIGENT MAINTENANCE THROUGH MACHINE LEARNING

Data will be used increasingly in industry, and machine-learning models also offer undeniable benefits for maintenance. However, it is not possible to skip the important stages. To begin with, intelligent maintenance requires the careful optimisation and stabilisation of processes.

"Machine learning cannot be used until the controllers have been tuned and equipped with the appropriate data collection devices. The overall control efficiency rate, or OCE, indicates the functioning of the automation

system controller by describing process stability, and the OCE range is 0–100%. In production, a threshold value at the lower end of the range must be determined for addressing issues," says Riikonen.

When the data generated is valid, machine learning and simulation models can be used to predict the right time for maintenance. The quality of the data changes when a piece of equipment no longer works properly. Wear and tear, as well as damage, can be predicted, and the equipment can be fixed at an opportune time.

"Even a small amount of data is enough for seeing if something unusual is going on in a process. When the amount of data is sufficient, the machine-learning model can suggest possible causes of the interruption."

SECURE DIGITALIZATION ENABLES CONTINUOUS IMPROVEMENT

Machine-learning analytics is increasing rapidly. Mika Riikonen believes that the next few years will be crucial: if industrial companies fail to start using machine learning and artificial intelligence in good time, competitors will overtake them and leave them far behind.

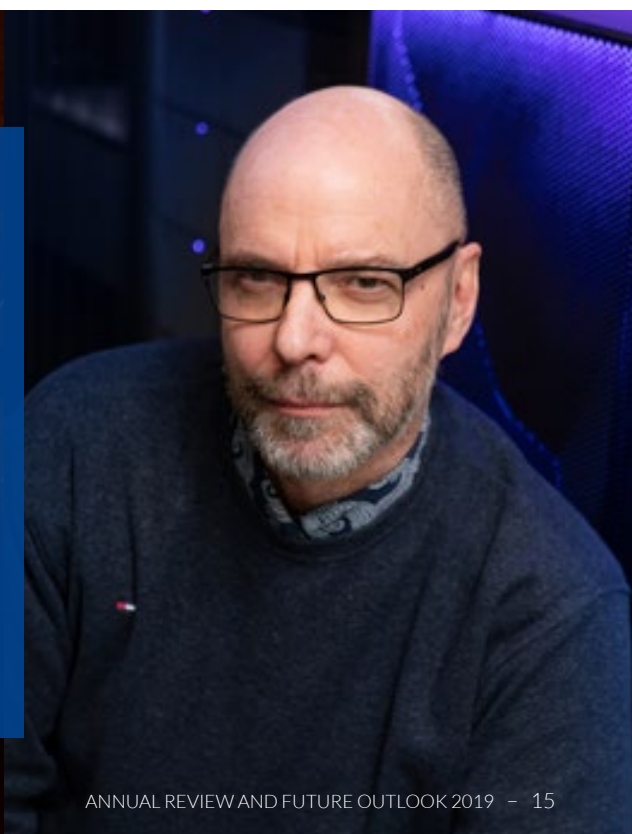
"Companies must be able to improve their performance continuously. Expertise in artificial intelligence alone is not enough. Companies must also have a profound understanding of automation, which is difficult to gain. Other challenges include the relatively low number of experts in this field. It may be difficult to find good experts when this trend gains momentum," Riikonen points out.

According to Riikonen, data analytics is most cost-effective, quickest and most sensible in public clouds. However, without secure digitalization, this involves risks. Insta leads the way in the rapidly developing global market for secure digitalization. The company also has a long history of experience in the process industry, as well as in instrumentation and automation.

"Secure digitalization enables the use of process data, the full utilisation of the cost-saving potential and genuinely intelligent maintenance. We speak the same language as the customer, and are able to manage the full chain, from the field level to the machine-learning model," says Riikonen.

“Insta was a superior choice for a partner, because they understood our processes profoundly. Our cooperation progressed rapidly, with no unnecessary inspections.

ANTTI YLI-RANTALA,
IT Manager, Boliden Harjavalta



“The world's best expertise in secure digitalization comes from Finland.

MARKO SAVOLAINEN,
Vice President, Safe Society



Building a safe society calls for cooperation

In cooperation with its customers, Insta builds services and solutions that help Finnish society operate safely and smoothly. In addition to reliable expertise and high technology designed for demanding conditions, cooperation between various parties is needed for society to develop further.

One of the results of successful cooperation is the Erica ERC system, which was developed jointly by several operators under the supervision of the Finnish Emergency Response Centre Agency. The Oulu ERC was the first to implement Erica in November 2018. The system was implemented in one ERC at a time, and nationwide coverage was achieved in May 2019. Erica is based on the Insta Response™ product family.

GOOD RESULTS THROUGH COOPERATION

Erica is a world-class system and a prime example of strong cooperation to achieve excellent results. The various authorities are now using the same system for the first time. Erica's future development steps can lead the way for other systems of the authorities, as similar collaboration will also bring benefits in other contexts.

For example, the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) aims for better compatibility between information systems within the EU. In Finland, according to *Growth from Digital Security*, a report published by the Ministry of Economic Affairs and Employment in March 2019, cooperation on digital security will play an increasingly important role in ensuring safety in society and its critical functions. The ministry emphasises the importance of cooperation between companies, the public sector and research institutes, and between civilian and defence operators.

SECURE FLOW OF INFORMATION AND SITUATION AWARENESS

The need to build a safe society and improve people's sense of security will grow increasingly important. This calls for a more extensive rapid flow of information between the authorities and companies, increased situation awareness, a joint management model for exceptional circumstances and effective communication. Management tools are necessary for navigating unusual situations. The progress of digitalization also emphasises the role of cyber security at the core of services and solutions in a safe society.

Secure digitalization and the related solutions, as well as strong cooperation, enable us to respond to future needs to ensure safe living in Finland and elsewhere in the world.

Safe aviation

Insta continued to cooperate actively with the state aviation sector in maintenance for manned aviation and in training, performance assessments and operational development in unmanned aviation. Insta's situation awareness platform was also actively tested by the authorities in several sectors.

In its services and solutions for unmanned aviation, Insta combines its expertise in the latest technologies with its strong experience in the requirements of aviation and security-critical sectors. Insta invests in the development of autonomous and intelligent situation awareness solutions, where unmanned aviation and its sensors play a significant role.



Insta is an active developer of the smart city solutions of the future

The smart city concept of the future must combine security with smoothly running operations. City residents and visitors must be able to trust new digital services. The user experience must also be good. Smart cities are also characterised by intelligence and openness. Intelligence means, for example, combining digital services with machines and harnessing artificial intelligence to create high customer value. In an open city, digital service providers make their data available to others as well.

The City of Tampere's Smart Urban Security and Event Resilience (SURE) project has received EUR 3.2 million in funding through the European Regional Development Fund's Urban Innovative Actions initiative. The project aims to improve the security of residents and visitors in Tampere by developing smart security solutions related to an urban environment.

The purpose is to predict the movements of large masses of people, the safe use of public spaces and the impact of urban security services and infrastructure on

people's behaviour. Insta is participating in creating unprecedented comprehensive urban security solutions. The key sites of the project are Ratina and the Central Square, two event sites in the city centre.

The project started in 2019 and will run for three years. The project enables the development and testing of innovative solutions in the form of sensor data integration and the related 3D models, simulations and drills, for example.

Insta is using its Insta Blue Aware™ (IBA) situation awareness platform in the project. The platform combines data, image and video sources and presents a shared map-based situation picture in a browser. The project will also include investments in a smart lighting network, CCTV surveillance and information displays. The project is led by the City of Tampere, and its participants include a diverse team of experts representing the ecosystem operators of the Tampere Region Safety and Security Cluster and the Smart Tampere program. The participating companies are Nokia, Insta and Securitas.



The cornerstones of future national defence:

data management and cyber security

Autonomy, data management and analytics, as well as products related to them, will play a key role in the solutions of future national defence. The development of the defence sector is also influenced by the need to ensure comprehensive cyber security. In Finland, the HX Fighter Program, where Insta has a strong presence, is one of the projects contributing to the future of national defence.

Technological development and digitalization, as well as autonomous devices and machine swarming intelligence, are transforming the defence sector. Larger amounts of data are being collected, which increases the significance of data management. Analytics and networked solutions make it possible to build modern training and operating environments to improve operations significantly.

In network-centric warfare, everyone must have access to a common, up-to-date situation picture. This makes analytics and the quick utilisation of refined data invaluable for the operation of people and systems. By managing masses of data, it is possible to quickly determine what the opponent is doing and adjust operations accordingly.

PREVENTING CYBER THREATS IS NECESSARY

Cyber security is a major development factor in the defence sector. Understanding and preventing cyber threats as a whole is essential for both the Defence Forces and the government. Cyber security must be intact across the state administration to avoid vulnerabilities in society.

Development factors in the defence sector – cyber security in particular – are closely related to Finland's HX Fighter Program. The next-generation fighters collect and generate data, which can be managed and analysed only if network security and cyber security



TUURE LEHTORANTA,
Strategic Account Executive

have been considered.

Insta is a strategic partner of the Finnish Defence Forces. We seek to understand the Defence Forces' needs as profoundly as possible, so we can provide help with acquiring and building new capabilities.

We are an expert in cyber security in terms of both defence solutions and critical infrastructure. Our most significant cyber security solutions are related to network security, secure gateways and identity management. Our cyber security solutions and defence solutions have proven their capabilities during international drills.

RESEARCH ON SWARMING AND AUTONOMOUS SYSTEMS

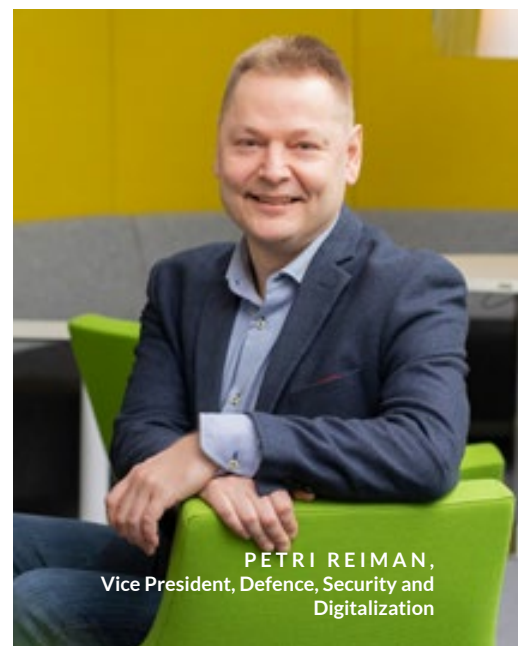
Swarming technologies and autonomy are future trends, even in the Defence Forces. This is reflected in research and product development in the field. Special considerations related to swarming include the diversity of the swarm logic, ethics related to the use of autonomous systems and collaboration between people and machines.

In 2019, in cooperation with 11 European companies and research institutes, Insta produced a suggestion for an international research project for PADR funding from the European Defence Agency. The proposed project focuses on using swarming technology and machine learning in a defence environment. The project aims to examine not only technology, but also ethical considerations related to autonomy.

High performance through good cooperation

As a strategic partner of the Finnish Defence Forces, we are responsible for further developing and maintaining the Defence Forces' performance. Over the decades, we have provided the Defence Forces with advanced defence solutions and training systems, as well as system integrations and data communication encryption solutions. Our solutions are in line with the standards and mechanisms of demanding military use, which also enables their international compatibility and the exchange of information between systems.

Our experience in long-term defence solutions and training systems, as well as in extremely high-level cyber security solutions, rests on a solid foundation. This enables us to continue our systematic development work in cooperation with the Defence Forces. Our gateway solutions, for example, are based on this foundation. Secure gateways enable smoothly running and controlled data transfer between networks with different security classifications, as well as through system interfaces. The gateways are suitable for the Defence Forces, companies and the authorities alike.



PETRI REIMAN,
Vice President, Defence, Security and
Digitalization

A deeper partnership through the HX Fighter Program



In the HX Fighter Program, we are contributing to the integration of capabilities into the Finnish defence system. The new fighters will be an integral part of the Finnish defence system, which is why we are investing considerable resources and all our expertise in the project. The HX Fighter Program is a highest-priority project for us.

The maintenance of aircraft and the related ground systems in cooperation with Finnish industry creates security of supply. We also seek to ensure that the fighters to be acquired can be used cost-effectively in Finland's conditions. In terms of the Hornet

fleet, significant cost savings have been achieved by taking care of the necessary maintenance and development in Finland, and this is also the goal for the HX project.

We seek to create the best possible solutions for the Finnish Defence Forces with each of the five prospective suppliers of the fighters. It is essential that Finland has sufficient understanding and expertise to operate the fighters as effectively as possible. It must also be possible to further develop the system in cooperation with the aircraft manufacturer in line with the Defence Forces' needs, if necessary.

Insta as a cyber security and information security partner

The importance of information security is increasing as digitalization progresses in various sectors of society. However, only a few organisations have the resources to build and maintain their own cyber solutions, as this requires continuous competence development, as well as expertise, and there is a shortage of expertise in this field.

As a front runner in secure digitalization, Insta helps its customers understand information security risks, identify weak spots, protect critical resources, and improve their ability to observe and respond to cyber security issues.

Insta's cyber unit has grown significantly over the past few years. Today, our cyber security organisation consists of more than 100 experts. Our key areas of expertise include safe identity, network security and situation awareness. Insta has the ability to combine its own and its partners' products with expert services and service provision. This enables us to provide solutions that meet a wide range of customer needs very flexibly. Our Security as a Service model enables our customers to focus on their core operations, while we take care of cyber security.

LONG EXPERIENCE AND WORLD-CLASS EXPERTISE FOR THE BENEFIT OF CUSTOMERS

Insta has more than 30 years of experience in developing and implementing cyber security and information security solutions. Our customers benefit from our wide and varied experience, broad-based expertise and experienced specialists.

Our customers include critical organisations in society, such as defence, ministries and security authorities, as well as companies in the financial, IT and energy sectors. We have also expanded our operations into the international markets, and Insta's cyber solutions are used in more than 50 countries.

Our service environment has been audited, and it meets the official requirements for high-security solutions, for example. All our customers benefit from our investment in a secure service environment.

Insta is a reliable long-term partner that continues to develop its offering in response to the changing needs of society and customers. Rapid responses are necessary in the world of cyber security.

MARKO HAUTAKANGAS,
Vice President, Cyber Security

Technology hardened to the core

Today, the best technologies have been hardened to the core, rather than just the surface. The onion model of information security consists of layers, with each layer protecting the system from a slightly different perspective. In other words, if one layer is broken, the next layer is strong.

Information security for technology is easiest to ensure while the technology is being developed and adopted. A safe product development method can be chosen if attention is paid to information security early enough. A safe development method considers all potential attacks and risks concerning the system. A safe development method includes multilevel information security testing and the management of vulnerabilities related to the selected technologies, for example. Such a development method also adds risk-prevention properties to the technology, such as user authentication or the continuous monitoring of system information security. This also prevents unnecessary work, as time or money will not be invested in information security work that is non-essential considering the risks.

HENRY HAVERINEN,
Senior Cyber security Leader



Creating partnerships is also important in cyber security and information security

Insta's network of cyber security and information security partners



CONTINUITY FOR CRITICAL POWER SUPPLY THROUGH INFORMATION SECURITY AND CYBER SECURITY

Uninterrupted power supply is increasingly critical for society. Insta has served as Caruna's information security and cyber security partner for several years. Insta has implemented a crisis management drill for Caruna, an electricity company, as well as information security inspections and tests concerning critical systems and services. Additional costs can be prevented when potential problems can be identified and located at an early stage.

Insta also provides Caruna with a Security Operations Centre (SOC) service, which enables rapid responses to information security threats and incidents and helps Caruna ensure uninterrupted electricity distribution. Kimmo Juntunen, Cyber security Manager at Caruna, is very pleased with Insta's responsible approach. Juntunen says that Insta plays a significant role in securing business continuity as a key information security partner.

“Partnerships are based on mutual trust and experiences of beneficial cooperation.

MIIA ONKALO,
Chief Technology Officer

Customer-focused product portfolio development



"At Insta, we manage and develop our product portfolio with the target markets in mind, considering our current products and the customer needs and expectations that we have identified. This enables us to expand our operations and build new business based on what we already have," says **Miia Onkalo**, CTO at Insta.

New technologies offer opportunities to create entirely new types of products and services, as well as opportunities for the innovative development of current products. They also enable us to increase customer value.

NEW PRODUCTS AND SERVICES THROUGH INNOVATION AND COOPERATION

"By innovation, we refer to an idea and its implementation for the benefit of the end customer. We seek to find new ideas that create value for the end user. However, it can be difficult to identify the right ideas, particularly with new technologies. This is one reason why we are continuously developing our ecosystem and network of partners to ensure that we are able to use the latest innovations and cooperate with their developers," Onkalo explains.

New innovations and viable ideas are based on actual customer needs in target

markets selected by Insta. It is important to test the idea with customers as soon as possible and to validate which ideas might work. We put the best ideas into practice, and some of them lead to new products and productised services.

MANY OF OUR CUSTOMERS ARE FRONT RUNNERS

Insta has cooperated with many of its customers for decades. Partnerships are based on mutual trust and experiences of beneficial cooperation. Many of our customers are leaders in their sectors. They seek partners who are also front runners and whose expertise and way of working support the customer's needs.

"Insta Effect is a service product based on new analytics and artificial intelligence technologies. It is a prime example of innovative cooperation in the intelligent industry target market. Kemira and Boliden, among other parties, have played a significant role in its development. For example, Insta Effect enabled Boliden's Harjavalta plant to reduce its sulphur dioxide emissions by up to 10% through the remodelling of the controller and its management. In the development of Insta Effect, we have focused on identifying customers' needs and understanding

customer value, in addition to incremental development in customer pilots," Onkalo explains.

A STRONG PORTFOLIO ENABLES HIGH CUSTOMER VALUE

A strong product portfolio lays the foundation for product business operations. Various revenue models and innovative products and services can be built on a strong portfolio. Such a portfolio is created through systematic long-term product development, as well as through finding a specific market position and focusing on strengths. Long-term customer relationships in our target markets ensure increased customer value through products suited to our overall offering.

Our strong cyber product portfolio is a good foundation for developing our overall offering in each target market, as our cyber solutions serve all our target markets.

"A good example of this is our CBRS certificate, an international service product. We are able to offer up to 10 years of maintenance support for our certificates, which ensures the continuity of our customers' international business operations and continuous development," says Onkalo.



International installation work with excellent feedback

Operators around the world trust Insta's quality and ability to deliver. Thanks to our highly competent and efficient employees, we are internationally competitive in projects and contracts in our areas of expertise.

In 2019, Insta's employees participated in implementing a maintenance shutdown in Uruguay at Montes del Plata, the world's largest pulp mill. Insta had also participated in the construction of the mill in Latin America five years earlier.

A major project was completed at the Gruvö mill of BillerudKorsnäs, Sweden's leading manufacturer of renewable packaging materials. Insta provided instrumentation for a new paperboard production line and paperboard machine on schedule, with excellent feedback. This was the largest investment in the history of BillerudKorsnäs.

Innovations in aviation technology

Aviation technology solutions are part of Insta's unique expertise. The **Insta ANR** (active noise reduction) noise-cancelling headphones are a good example of products developed to improve aviation safety. In addition to protecting aircrew and ground crew from hearing damage, the headphones improve radio intelligibility.

The development work was carried out in close cooperation with the customer, after the end user's problem had been identified. Sound volumes exceeded safe limits during flights, and a solution was needed that would work effectively, even at low frequencies.

The Insta ANR noise-cancelling headphones have been tested in accordance with Insta's AQAP-2110 quality system, and are in operational use in the Finnish Air Force's F-18 Hornet fighters. Many other countries are also interested in the solution, and integration projects are in progress with international customers.

Insta invested EUR
5.7 million in product
development
in 2019.

We are continuously investing in the development of customer solutions and products. Our product development expenses were mainly related to investments in our cyber security and information security operations. These investments were targeted at productisable, scalable service models (e.g. SOC) and the development of new products in cooperation with a technology and channel sales partner. In 2019, we also continued the productisation of our Insta Response™ ERC system, as well as building its internationalisation capabilities.



Digital twins improve water supply management

In cooperation with water supply operators in the Tampere region, Insta Automation has developed a virtual model that improves the security and cost-effectiveness of water supply. Various load scenarios have been modelled in accordance with various seasons and times of the day, based on the analysis of data collected about wastewater streams over 15 years, and by means of machine learning and artificial intelligence.

InstaTWIN, a data-based digital twin, enables the testing of security-critical systems in normal and exceptional circumstances. For example, rainstorms and floods can be modelled in a safe simulation environment.

Digital twins are increasingly important for the usability and security of water supply. The technology developed during the experiment in the Tampere region can be used in various stages of water supply, as well as in all processes that involve pumping liquids.

People and communication will continue to be key success factors

The coming decades with their changing requirements create a need to combine new types of operating methods with our deep-rooted values. How can a 60-year-old company be inspired and respond to a call for development by society, customers and employees?

The year of our 60th anniversary is an excellent time to look back and highlight our success factors. People have always been at the core of Insta – bold, resilient, reliable, insightful people who create and seize opportunities and support one another. The past six decades lay an optimal foundation for a new era that builds on Insta's core values and combines its qualities to create even more powerful solutions for new purposes.

Today's world sets entirely new types of requirements for business operations in terms of responsibility, for example. Our highly competent employees, who are realistic but always ready to seize new opportunities, provide customers with insightful expertise and partnerships. Our experience and insight are reflected in our work, in addition to our principle of providing great results from the outset.

In terms of change, it is essential for our employees to see themselves as part of Insta's future, building our organization culture and a better future for our customers. However, some things will not change at Insta: we are a family business that never compromises on our values and human-centric approach. Building on this foundation through cooperation and inclusion, we can create new types of operating methods and lead the way, even in organizational culture.

STRESSING THE IMPORTANCE OF COMMUNICATION

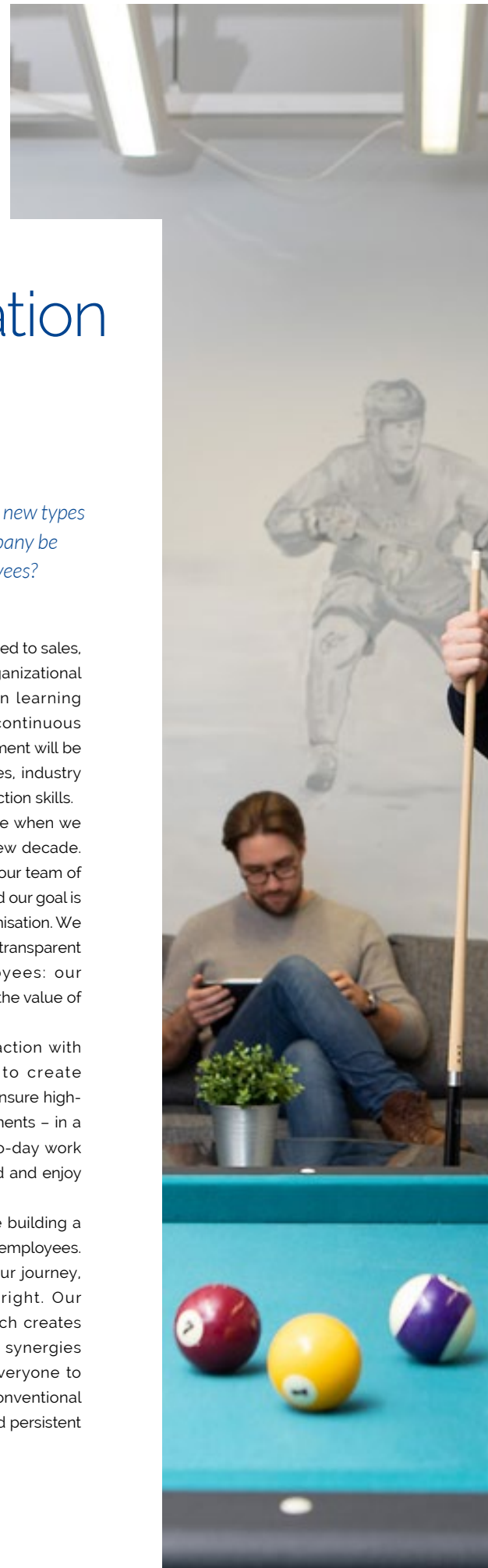
A safe society runs smoothly, and is intelligent and open – and the same applies to organizational culture. The key factors of our strategy include a strong customer focus and highly competent and committed employees. This will be reflected

in planning new ways of working related to sales, marketing communications and organizational culture, for example, as well as in learning from feedback and data and in continuous development. Competence development will be vital in terms of technical capabilities, industry expertise, ways of thinking and interaction skills.

Communication plays a major role when we respond to the challenges of the new decade. We are seeking more experts to join our team of more than 1,000 Insta employees, and our goal is to continue to grow as an expert organisation. We work to make our organisation more transparent for our current and new employees: our expertise, jobs and career paths and the value of subcultures and various industries.

We work to improve our interaction with stakeholders and one another to create maximum value for customers and ensure high-quality work in line with our requirements – in a organizational culture where day-to-day work runs smoothly, and people feel good and enjoy their work.

Insta is worth your trust – we are building a better future for our customers and employees. We are willing to boldly invest in our journey, because we want to do what's right. Our customers have similar goals, which creates opportunities for new insight and synergies through partnerships. We invite everyone to join our journey, where we break conventional boundaries through clear thinking and persistent work – for a better tomorrow.





OUR OPERATIONAL PERFORMANCE ENSURES HIGH CUSTOMER VALUE

"We keep our promises." "We provide great results from the outset" These principles lay the foundation for Insta's values. The principles were created by Finn Mattsson, the founder of Insta, to guide the company's development 60 years ago.

Internal entrepreneurship is a strong element of our organizational culture, which leads to **commitment to fulfilling the promises made to customers** and to **ensuring profitable operations**.



LEAN LEADS TO EFFECTIVENESS AND OPERATIONAL DEVELOPMENT

Our employees want to continuously improve their ways of working and develop their professional skills. One example of this is the Lean2020 project at our Muurame location. The project started in 2019.

The project is a key part of the continuous development of cabinet manufacture expertise. The core idea is to identify deviations and problems and continuously adjust the operating model and operations.

The first phase of the Lean2020 project was evident in better order and markings in the production facility. Several information signs were also installed. Occupational safety was improved through better lighting in the testing area and a tidier overall appearance of the production facilities. New storage location information in component catalogues makes work smoother, more productive and more meaningful.

Improvement measures and reorganisation in production cells has improved efficiency and delivery reliability and increased the self-direction of the cells. In fact, Lean projects are not actually projects, as projects have a beginning and an end. In Lean, development work is continuous – the goal is to eliminate waste and focus only on work that creates added value for our customers.

#WORTHYOURTRUST

Responsibility plays a key role in our daily operations

Our corporate responsibility is guided by our values, mission and vision. In line with its mission, Insta plays a key role in society, which is why responsibility is in its DNA.

Insta leads the way in secure digitalization solutions, which is why we also work to be a front runner in terms of responsibility. We are **worth your trust**, and trust lays the foundation for all our operations.

The value base of our family business was created by Finn Mattsson, the founder of Insta, 60 years ago. We have won our customers' trust through our attitude and operations in line with the values of the family business. We are continuously investing in product development and innovation to ensure our competitiveness and **safeguard our customers' futures**, among other purposes. Our development is based on our vision of the future and our continuous dialogue with our customers.

Accountability for data management will increase in our digitising world. Cyber security and usability are increasingly important in products and services. New digital services are only useful if they are worth your trust. For this reason, cyber security and usability must be taken into account when designing services, as well as during maintenance and further development. The reliability and information security of our own operations are

also increasingly significant, which is why we are constantly developing them further.

In terms of **economic responsibility**, it is important for us to consider the impact of our operations on all stakeholders: customers, shareholders, employees, partners and society. We take care of our employees' well-being by developing our operations systematically over the long term.

The purpose of Insta's **ethical principles** is to promote sustainable development and good corporate citizenship. We work to ensure the sustainability and reliability of our supply chain. When a responsible company is financially stable, it is well positioned to take care of environmental and social responsibility. We also take responsibility for **environmental considerations** in line with our environmental management system, and we help our customers take good care of the environment. **Insta's work to promote digitalization is reflected in our customers' smaller carbon footprints.** As well as improving competitiveness, **optimised industrial processes ensure responsible operations.**

INSTA'S TAX FOOTPRINT WAS EUR 48.3 MILLION

- Direct taxes paid EU
- Tax withheld from e 15.2 million
- Statutory payments employees EUR 14.6
- Value added tax EU





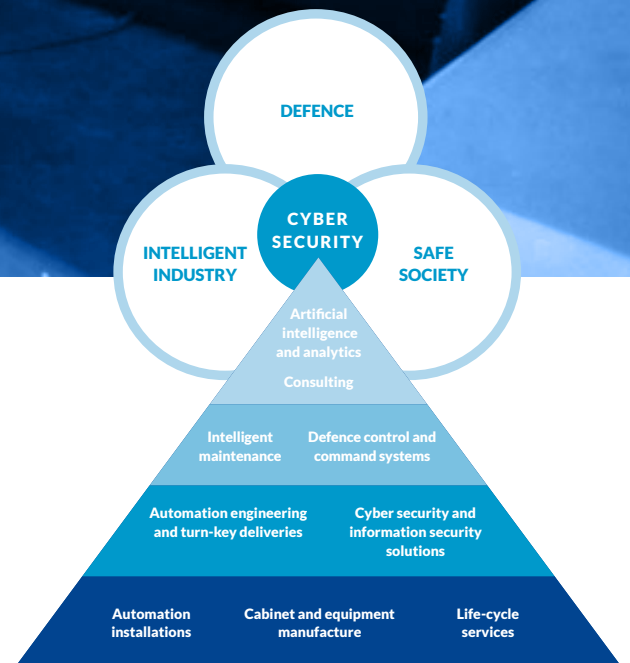
NT IN 2019
N
EUR 1 million
employees EUR
related to
6 million
EUR 17.4 million





High customer value for 60 years

Insta has helped its customers succeed for 60 years. At the same time, Insta has been able to increase customer value by improving its capabilities and competence. These are the roots of Insta's responsible operations and growth.



Insta focuses on creating high customer value in three target markets: **intelligent industry, safe society and defence**. As a result of global digitalization, the importance of **cyber security solutions** will increase significantly in all our target markets. In the target market for intelligent industry, we stand out from the competition through our ability to combine industry expertise with automation and digitalization solutions while also creating customer value safely, with high accessibility. High customer value is also reflected in our life-cycle maintenance services for complex digital systems and our ability to commit to

partnerships with customers for decades. Our strategic partnership with the Finnish Defence Forces is an excellent example of this.

From our customers' perspective, Insta is characterised by **industry leadership, partnership and responsibility**. Our industry leadership arises from our employees' top expertise and strong commitment to Insta. Our industry leadership is also reflected in our cooperation with customers who are front runners in their field and seek partnerships with other front runners. Our cooperation with numerous industrial companies and the national security authorities over the decades

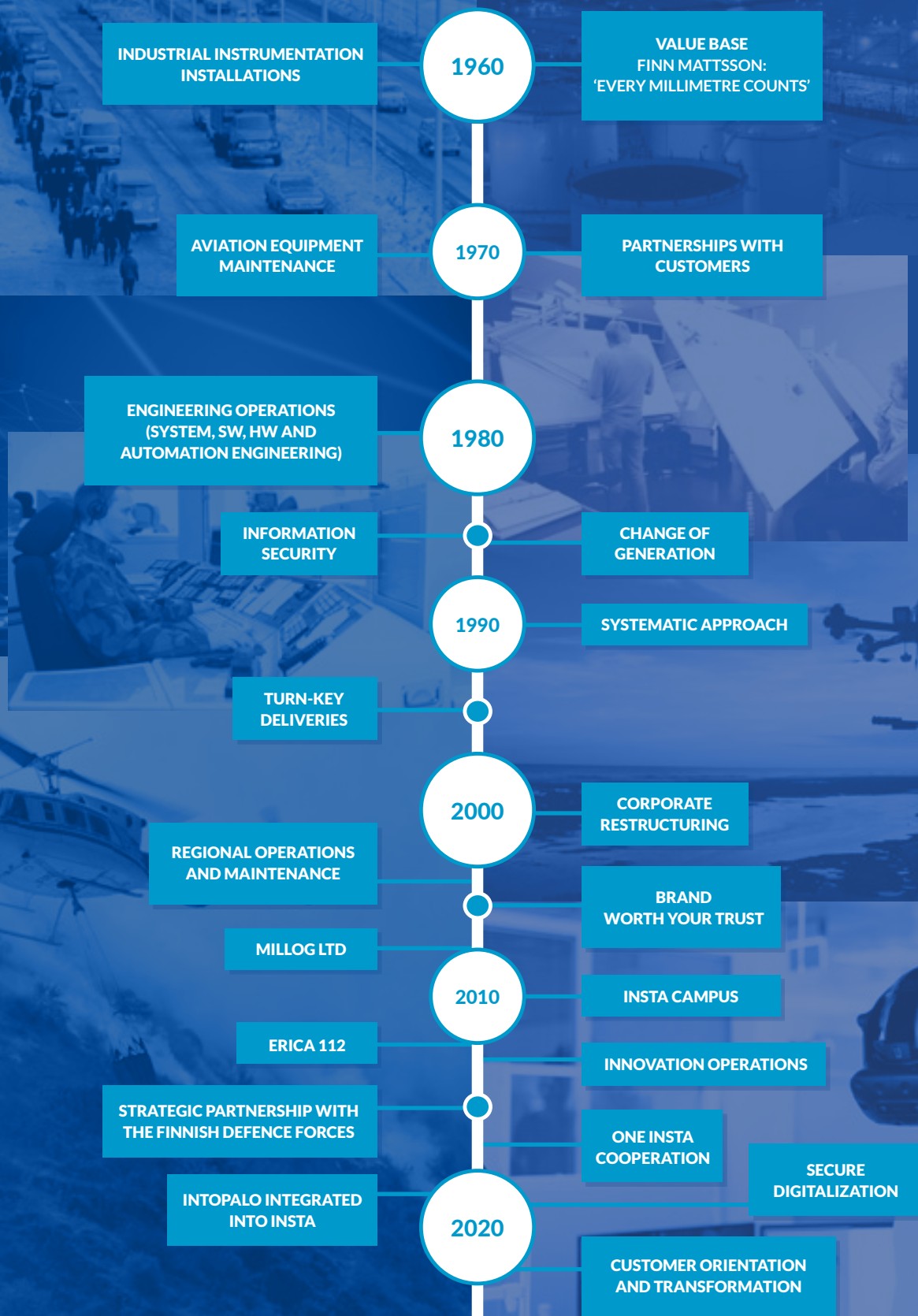
is an excellent example of partnership. Keywords related to partnership include turn-key deliveries, system integration, intelligent maintenance, life-cycle maintenance services, industry expertise and extensive expertise in technology. Responsibility is reflected in our day-to-day operations through our values, organizational culture, data protection, environmental considerations, quality certificates and ways of working.

Insta's motto, **worth your trust**, arises from positive customer experiences and is based on feedback from customers.

Business
development



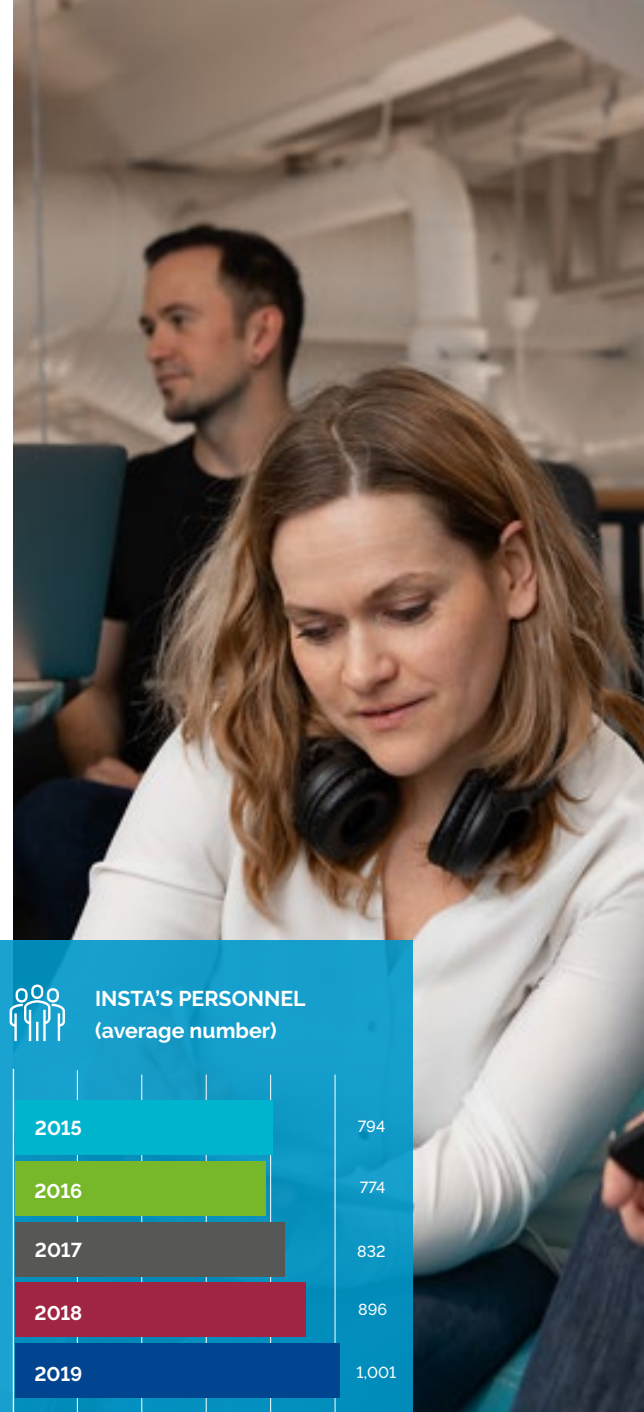
Strategic themes



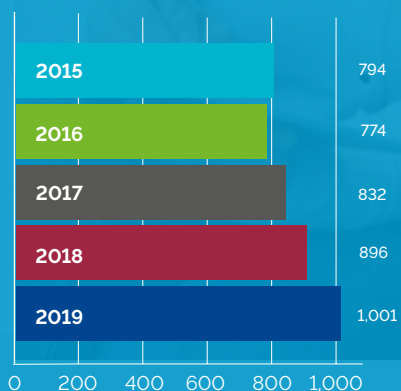
Financials

Consolidated income statement

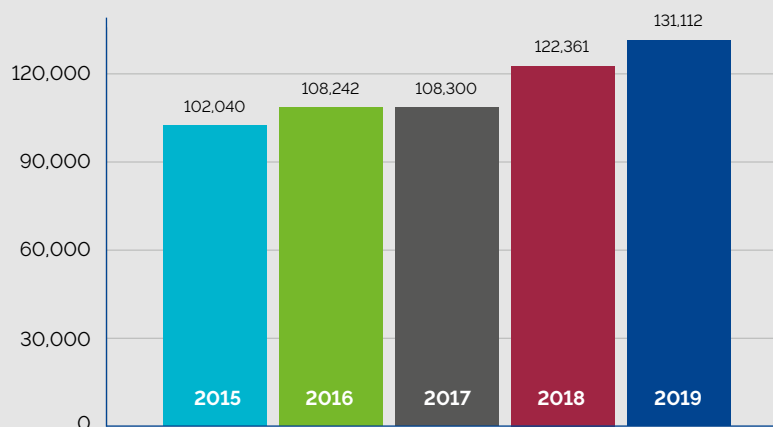
	1 Jan to 31 Dec 2019 (EUR 1,000)	1 Jan to 31 Dec 2018 (EUR 1,000)
NET SALES	131,112	122,360
Change in inventory of finished goods and work in progress	-854	234
Other operating income	488	427
Materials and services	34,793	35,417
Personnel expenses	66,142	58,466
Depreciation and impairment	3,471	2,108
Other operating expenses	25,224	21,598
Share of the profit of associated companies	4,754	3,696
OPERATING PROFIT	5,870	9,128
Financial income and expenses	-76	-580
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	5,794	8,548
Direct taxes	-820	-1,181
Minority interest	-6	-2
CONSOLIDATED PROFIT FOR THE PERIOD	4,968	7,365



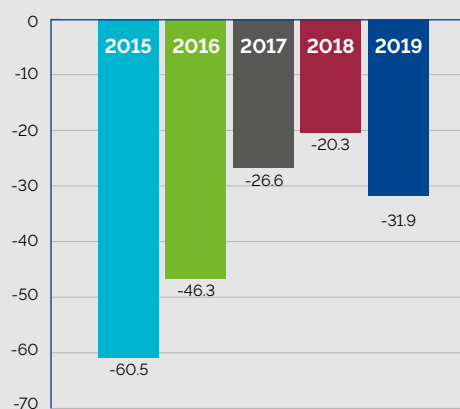
INSTA'S PERSONNEL
(average number)



Net sales (EUR 1,000)



Gearing, %

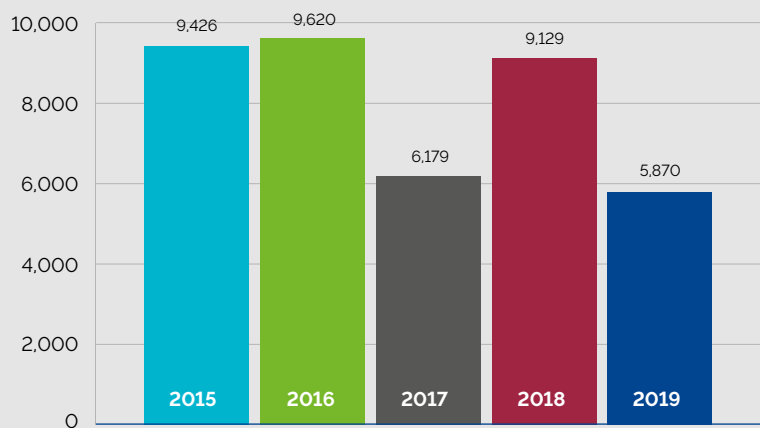




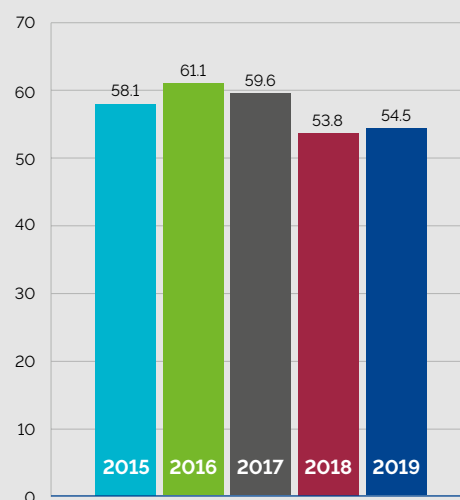
Consolidated balance sheet

	31 Dec 2019 (EUR 1,000)	31 Dec 2018 (EUR 1,000)
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	11,526	13,351
Consolidated goodwill	5,192	5,983
Tangible assets	3,579	3,375
Investments	21,030	19,379
CURRENT ASSETS		
Inventories	4,311	5,183
Receivables	27,766	29,822
Securities	17,570	15,367
Cash in hand and at bank	12,652	11,311
	103,626	103,771
LIABILITIES		
SHAREHOLDERS' EQUITY		
	53,675	51,697
MINORITY INTEREST		
	0	12
OBLIGATORY PROVISIONS		
	0	500
DEBT		
Deferred tax liabilities	105	113
Long-term	13,040	16,104
Short-term	36,806	35,345
	103,626	103,771

EBIT (EUR 1,000)



Equity ratio, %





insta.fi

WORTH YOUR TRUST