



Axis at a glance.

AXIS[®]
COMMUNICATIONS

Axis in 2 minutes.

Axis offers intelligent security solutions together with partners, combining knowledge with innovative products enabling people to create a smarter and safer world.

World-leading intelligent security solutions

Axis' innovative video surveillance products and solutions are used all over the world. The demand for network video solutions is increasing rapidly across all areas where Axis is present: retail, transport, banks, city surveillance, industry, education, healthcare, infrastructure and public sector.

Axis – a global company with a local presence

Axis is a fast-growing Swedish-based company that acts globally via its own offices, representatives and well-developed collaborations with partners. As the global market leader, Axis strives to be the driving force behind the development of innovative and intelligent security solutions as well as a role model when it comes to conducting business in a responsible and sustainable way.



Number of countries with partners

179

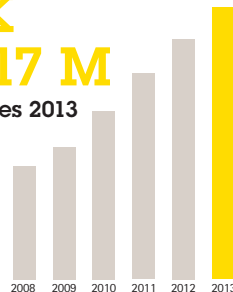
More than
65,000
partners

4,717
in sales
SEK million

44
countries
with Axis employees

Number of employees in the Axis group
1,627

SEK
4,717 M
Sales 2013



All numbers as of December 31, 2013

Strategy

Axis' overall strategy is to drive the development of network security solutions. This is accomplished through a successful three-part strategy based on the continuous launch of smart innovative products and solutions; continue the global market leadership and the strength of long-term loyal partnerships.

Sales per region, 2013



A wide portfolio of products and solutions

When Axis invented and launched the world's first network camera in 1996, the company initiated the market's ongoing shift from analog to digital video surveillance. Among some of Axis' subsequent innovations are the world's first video encoder, the HDTV network camera, the thermal network camera, the pioneering Lightfinder-technology, and the first non-proprietary and open IP-based access controller with built-in web-based software. All products are designed on an open platform.

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A rapidly growing market.

People throughout the world have a fundamental right to feel safe and secure in their daily lives. Heightened security awareness and the basic right to a safe and secure society are the strongest forces driving the increased global demand for video surveillance. In mature markets, the technology shift from analog to digital surveillance is a strong driving force.

Technological development in network connectivity and increased demand for smart network camera applications create new uses in a number of areas and help drive the market's development. Furthermore, the global urbanization trend increases the demand for more and more developed security solutions.

The global market for network video is growing rapidly. The global market for video surveillance equipment was a USD 14.1 billion industry in 2013 and is expected to grow to USD 15.9 billion in 2014*.

The leading market analysis firm IHS Research* has ranked Axis as the global market leader within network cameras. Axis is also ranked number one in the surveillance camera category, which includes analog as well as network cameras, and video encoders.

Axis has the market's most extensive product portfolio, a global market presence and close cooperation with partners who form an effective distribution channel. Axis is therefore well-positioned to take advantage of growth opportunities in all regions and end-customer segments and to further strengthen its position as global market leader.

* Source: IHS Research Report, "Trends for 2014 - Video Surveillance Trends for the Year Ahead", published January 20, 2014.

For a smarter and safer everyday life.

Axis' products are primarily included in security installations, ranging from small system solutions for individual stores to comprehensive enterprise systems in retail chains, on trains, on motorways, at universities, in banks etc. Countering theft through inventory management in warehouses and optimizing store processes with customer flow monitoring are just two examples of applications where network video products directly contribute to commercial benefits for the end-users.

Integrating network-based physical access control

In 2013, Axis expanded its innovative network product portfolio by introducing AXIS A1001 Network Door Controller, a network-based physical access controller with built-in web-based software. Bringing product innovation to the physical access control market is a natural step in Axis' development since there is a strong connection between access control and video surveillance. The new offering creates unique integration possibilities for partners and end users.

System integration

Video surveillance installations are becoming increasingly complex and handling systems with large number of cameras can be challenging. All of Axis' products support open source code and are equipped with AXIS Camera Application Platform, allowing users to install third party-developed applications. By selecting the most suitable camera applications, operators can tailor the camera system solutions to meet their specific needs.

High image quality

Demands for higher light sensitivity and resolution, and better dynamics and color reproduction in network cameras are constantly increasing. The quality of Axis' product portfolio is market-leading in terms of camera resolution and available image functions. For example, Axis' network cameras are equipped with cutting-edge technology for both color reproduction in dim light conditions and capturing clear images in glaring light. Most new Axis cameras are also equipped with HDTV-capability.



Remote access

Network video offers the possibility of remote access, which means that users can access a secure video stream in real-time from any connected device, regardless of location. The remote monitoring functionality is also beneficial from an environmental perspective because it allows operators verify incidents, which minimizes the number of emergency call-outs caused by false alarms. Remote access functionality also enable users to handle maintenance from a distance, significantly reducing the number of needed maintenance visits.



Easy installation

As security systems become more complex and integrated, demand is rising for easy and rapid installations that deliver time savings and minimize installation costs. Axis has developed several innovative solutions that simplify installation of the products and thus save both time and resources for customers.



Cooperation for a smarter world.

Axis has an indirect sales model, which means that the company deals directly with distributors, who in turn sell the products to system integrators and resellers, who sell to end customers. Axis has 65,000 partners in 179 countries.

Axis' partners serve as an extension of the company and play a key role in reaching the market. The partner network forms the basis of Axis' cost-effective and scalable sales model. Axis' unique sales model creates loyalty, scalability and proximity to the customers, while at the same time maintains organizational efficiency.

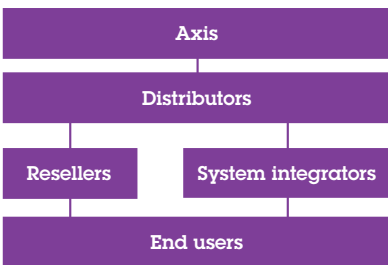
Axis has several programs designated for its partner relations such as the Channel Partner Program, the Application Development Partner Program, the Architecture & Engineering Program and the Technology Partner Program.

Axis' Channel Partner Program covers system integrators and resellers. The program is designed so that partners can generate business opportunities from Axis' market-leading position within the rapidly growing network video market.

Apart from partners in the sales channels, Axis also collaborates with over 1000 software developers, i.e. Application Development Partners (ADPs). The Application Development Partner Program is an important part of Axis' continued investment in the professional network video market. The ADPs develop application software which complements Axis' proprietary software offerings and give end customers access to a wide range of applications, each designed to meet specific needs within the different segments.



Within the framework of the Axis Communications' Academy more than 35 000 people have been classroom trained since 2005.



The Architecture & Engineering Program for consultants and the Technology Partner Program for technology developers are also important cornerstones in Axis' partner strategy.

Axis' partner relationships are long-term commitments designed to provide them with knowledge and innovative products in existing and new markets.

Partners are continuously trained through participation in the ambitious training program, Axis Communications Academy. The program educates system integrators and resellers about the benefits of network video generally and Axis' products and solutions specifically.

Taking long-term responsibility by thinking big.

Sustainability has always been an important and natural part of Axis' operations. Axis takes long-term responsibility in relation to customers, partners, suppliers, and employees, and also in relation to the environment and society in general.

Environmental responsibility

Axis strives to minimize its direct and indirect impact on the environment including its carbon footprint. Axis continuously develops innovative and sustainable network video products and solutions, and environmental responsibility permeates everything from product development to logistic flows and the product's end of life. Among some of Axis' recent achievements in the environmental area are phasing out PVC (polyvinyl chloride) in several network product series; reducing packaging

volume; increasing the energy efficiency of cameras and optimizing logistic flows by opening new configuration and logistics centers located near the markets. Furthermore, to prevent so-called conflict minerals from entering its supply chain, Axis has conducted an extensive product content audit to determine where the minerals are used, and require careful reporting from its suppliers in regards to the minerals' origin.

Business ethics throughout the value chain

Axis strives to be a driving force for sustainable business conduct and is committed to ensuring that all its business is conducted in a responsible, transparent, trustworthy and consistent way. As a signatory of UN's Global Compact since 2007, Axis follows its ten principles regarding human rights, anti-corruption, the environment and labor, as well as all existing export rules and regulations.

Axis has zero-tolerance for corruption. Axis has implemented an extensive anti-corruption program for all employees and distributors, based on a new anti-corruption policy that dictates how to prevent corruption, bribery and conflicts of interest in business relationships.

The employees have received training and signed a binding agreement. Axis' about 100 distributors have signed an amendment to the Standard Distribution Agreement.

Surveillance cameras contribute to crime prevention and can help solve criminal cases. Cameras are parts of security systems and Axis' view is that surveillance cameras themselves cannot violate personal integrity. The end users are responsible for how surveillance cameras are used and how material is stored, which are the two most important aspects of privacy.

Long-term social responsibility

Axis takes a long-term social responsibility for how the company affects employees, share-holders, partners, suppliers, end-users, the public and other important target groups.

Social responsibility is a foundational value for the entire company and creates an open organization with a strong and dynamic corporate culture. As part of its social responsibility Axis supports charitable organizations, on both a global and a local level.

All Axis employees are expected to act in accordance with the company's Code of Conduct, which articulates Axis' business ethical demands in terms of environmental responsibility as well as work environment and safety compliance.

The Code of Conduct is based on the following international principles:

- > UN Universal Declaration of Human Rights
- > UN Global Compact initiative
- > ILO Declaration on Fundamental Principles and Rights at Work



About Axis Communications

Axis offers intelligent security solutions that enable a smarter, safer world. As the global market leader in network video, Axis is driving the industry by continually launching innovative network products based on an open platform - delivering high value to customers through a global partner network. Axis has long-term relationships with partners and provides them with knowledge and ground-breaking network products in existing and new markets.

Axis has more than 1,600 dedicated employees in more than 40 countries around the world, supported by a network of over 65,000 partners across 179 countries. Founded in 1984, Axis is a Sweden-based company listed on NASDAQ OMX Stockholm under the ticker AXIS.

For more information about Axis, please visit our website www.axis.com.

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