

SWEDISH BUSINESS CLIMATE IN BRAZIL 2018

SÃO PAULO, NOVEMBER 2018

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SWEDISH-BRAZILIAN CHAMBER OF COMMERCE

Project Coordinator Brazil

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Graphical analysis and layout design

S/A LLORENTE & CUENCA

S/A LLORENTE & CUENCA is the leading communication, public affairs and reputation management firm in Brazil, and part of LLORENTE & CUENCA, Spain, Portugal and Latin America. Thanks to its international expansion, the company ranked 54 on The Holmes Report Annual Global Ranking of the most important communication firms in the world. S/A LLORENTE & CUENCA is one of the 15 biggest communication agencies in Brazil. The agency has more than 70 professionals at its offices in Sao Paulo, Rio de Janeiro and Brasilia. The company is the winner of the Latin American agency of the year at the Excellence Awards 2018 and agency of the year at the International Business Award 2017.

TEAM SWEDEN IN BRAZIL WOULD LIKE TO THANK THE PARTICIPATING COMPANIES:

AAK, ABB, ÅF Consult, Ahlstrom-Munksjö, Alfa Laval, Arycom, Atlas Copco, Atos Medical, Autoliv, AXIS, Brasil Projects, Business Sweden, Camfil, CEJN, Dellner, Diaverum, English Live, Elanders, Electrolux, Elekta Medical Systems, Elof Hansson, Epiroc, Ericsson, Eritel, Essity, Ferring, FinanZero, FlexLink, Gunnebo Gateway, Gunnebo Industries, GWS, Haldex, Hexagon PPM, Höganäs, Husqvarna, Ikea, Kazamax, Maha Energy, Mercuri Urval, MSAB, MultiDocker, Munters, Nefab, Nordea, Norvida, Nynas, Penguin Consultants, Piab, PQR MA2 Engenharia e Consultoria, Quant Service, Roxtec, Saab, Sandvik, Scania, Scanjet, SEB, Semcon, SKF, SSAB, Starsprings, Stora Enso, Swedish Match, Tetra Pak, Thule Group, TitanX, Trelleborg, Vecsa International, Volvo Cars, Volvo Group, Xylem.

São Paulo, November 2018



Per-Arne Hjelmhorn
Ambassador of Sweden
to Brazil



Nils Grafström
Chairman Swedcham



Renato Pacheco
Swedish Honorary Consul
General in São Paulo



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Managing Director at
the Swedish Chamber
of Commerce



Andreas Rentner
Trade Commissioner at
Business Sweden in Brazil

SWEDEN-BRAZIL, A SUCCESSFUL PARTNERSHIP

Swedish companies have been present in Brazil for more than a hundred years. Despite the fact that Brazil is a challenging market, and recently has had some years with economic crisis, new Swedish companies continue to set up operations in the country and many of those already established have done major investments. Today approximately 200 Swedish companies are present in Brazil employing 60,000 people active in sectors such as telecom, transport, machinery, defense, healthcare and mining.

Every year, Swedcham – the Swedish-Brazilian Chamber of Commerce – carries out a survey among Swedish enterprises and members in Brazil in order to better understand the business climate and the direction of the businesses in general.

The idea is to conduct the same survey in other markets in the world in order to create comparisons and be used as a tool for Swedish companies with plans to enter new markets, or do further investments where they already are established. India and China were the first two countries to join this Business Climate survey in 2016.

Swedcham works closely with the Embassy of Sweden, the Swedish Honorary Consulates and Business Sweden as Team Sweden Brazil to promote Sweden, Swedish industry and Swedish economic interests in Brazil. CISB (Centro de Inovação Suecia-Brasil), is another important player in this work. The commitment and close cooperation between the Team Sweden members help position Sweden in Brazil.

Sweden and Brazil have signed a strategic partnership with the objective of increased collaboration and knowledge exchange between our countries, this on industry, research and development, cultural, social and political level. Various steering groups have been formed to actively increase the bilateral collaboration and exchange. Areas in focus include; bioeconomy, mining, smart cities, aeronautics, health & life science and science parks and incubators. The interest of the industry is covered by the Brazil-Sweden Business Leaders Forum, with representation of some of the largest companies on both sides.

With the Gripen deal Sweden and Brazil are embarking on a new era of bilateral cooperation. The Gripen project, which covers the development and production of 36 fighter aircraft for the Brazilian Air Force, will last for 30-40 years and create contacts, partnerships and exchanges far beyond the aeronautics sector.

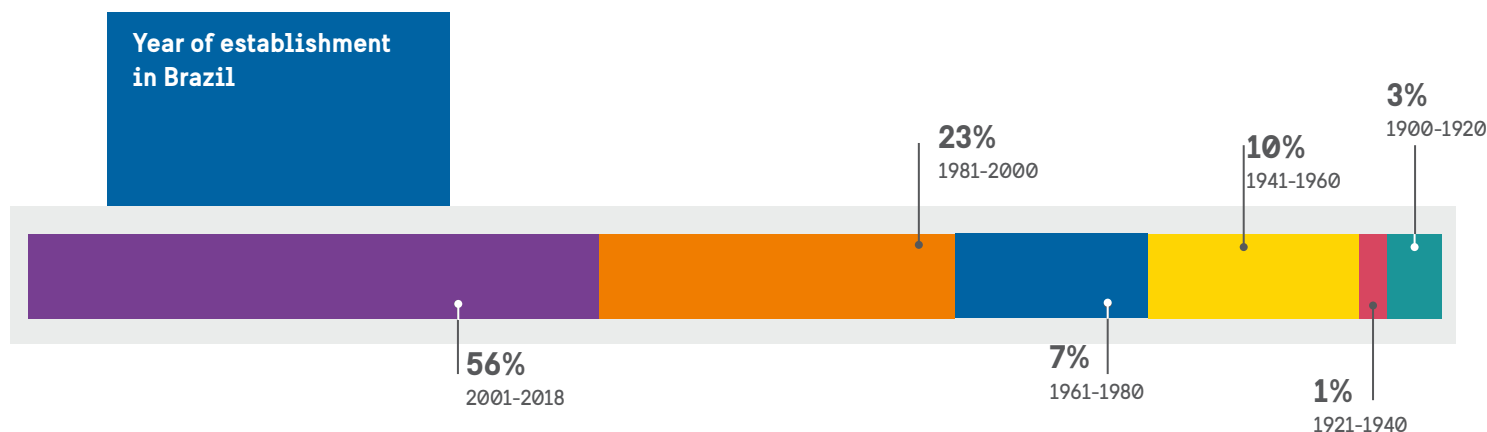
We hope that this issue of the Swedish Business Climate survey will serve as an inspiration for newcomers, but also help those already present in Brazil by learning from others and indicating what areas to put extra focus on and thus become even more prepared and competitive for the future.

This survey is furthermore a useful tool for policy makers, stakeholders and partners and shows Sweden's long-term view and clear commitment to Brazil, the Brazilian market and society.

YEAR OF ESTABLISHMENT IN BRAZIL

72 Swedish companies operating in Brazil participated in the survey

More than half the Swedish companies which participated in the survey set up operations in Brazil over the last 18 years, confirming that it is well worth it for them to invest in the country. These companies give continuity to relations between the two countries, which date back to the early 20th Century.

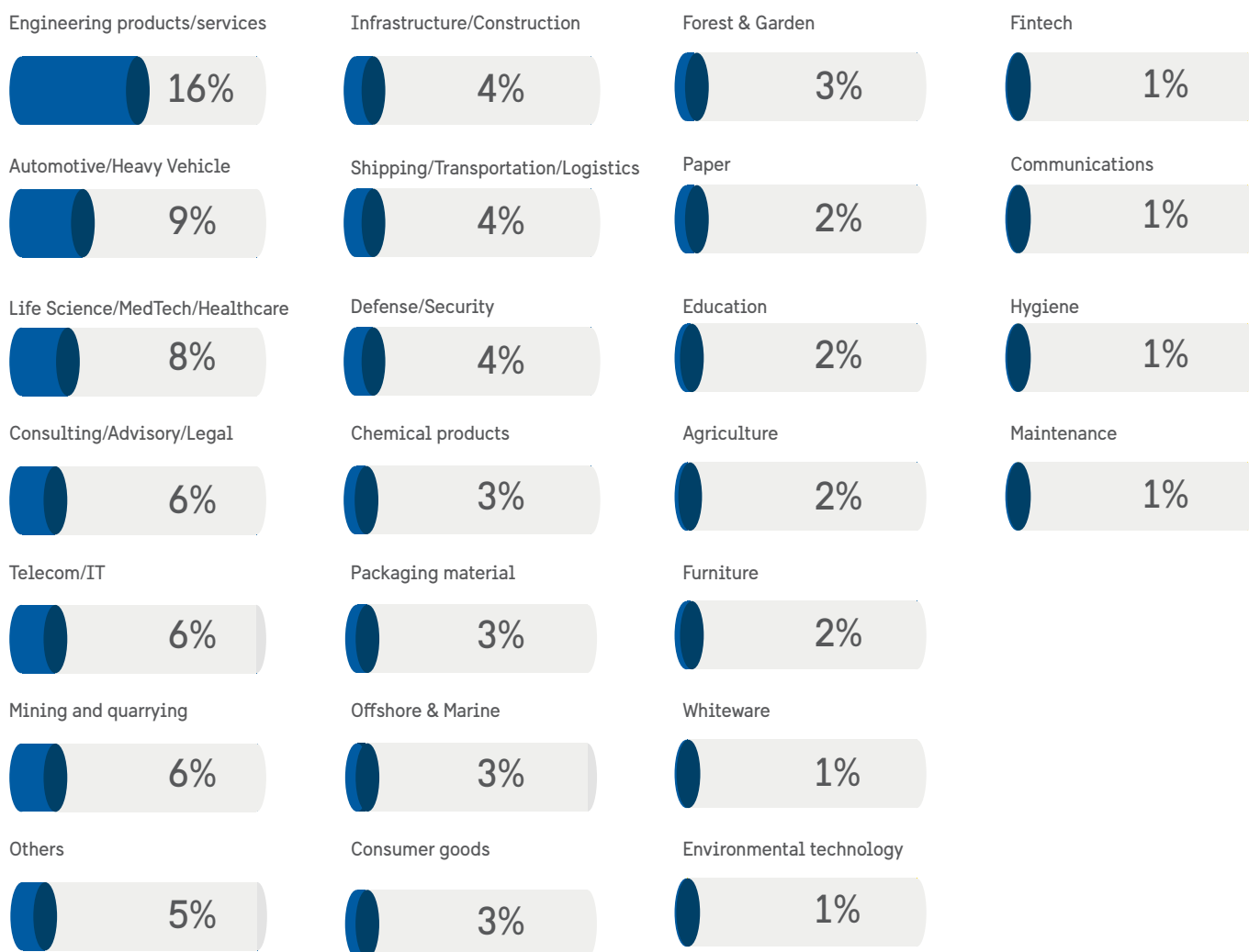


BUSINESS ENVIRONMENT AND FORECASTS

WHAT IS THE MAIN NATURE OF YOUR BUSINESS?

As already ascertained in the 2017 survey, Sweden's presence has already spread to more than 20 sectors of the Brazilian economy, with more than 96% of the companies operating in the country's Southeastern region. Most of them are active in the engineering and automotive sectors.

BUSINESS DIVERSITY



The Gunnebo Group is a global supplier of security products, services and software with a vision to become the leading provider of a safer future. The group has its own sales companies in 28 countries, an extensive Channel Partner network covering an additional 100 markets and manufacturing units in every region.

In Brazil, Gunnebo is a reference on Loss Prevention offering smart solutions for end-to-end retail management. Certified by ISO 9001 and technical support all over the country, Gunnebo Brazil supports thousands of customers and consolidated the position of the major Loss Prevention supplier for the top three Brazilian retailers.



With a passion for innovation we create performance, pride and improved results for our customers. We make a difference to those who shape green spaces and urban environments through our leadership in sustainable, user-centered solutions.

HUSQVARNA GROUP is a global leading producer of outdoor power products and innovative solutions for forest, garden care and agriculture. Products include chainsaws, trimmers, robotic lawn mowers and ride-on lawn mowers. The Group is also the European leader in garden watering products and a global leader in cutting equipment and diamond tools for the construction and stone industries.



BUSINESS ENVIRONMENT AND FORECASTS

THE WEIGHT OF SWEDISH INDUSTRY IN THE BRAZILIAN ECONOMY

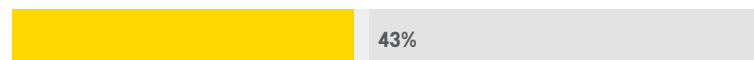
Swedish companies have a very small presence in the retail sector (1%), but carry a major weight in the industrial sector with factories (43%), distribution centers (32%) and sales offices (68%). In this area, 54% have a strong marketing and sales operation and 45% act in after-sales services.

WHAT KIND OF ESTABLISHMENT DO YOU HAVE?

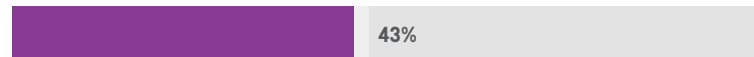
Sales office



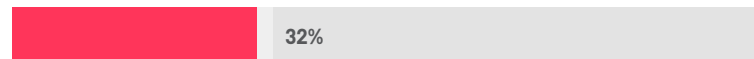
Factory



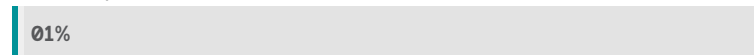
Service office



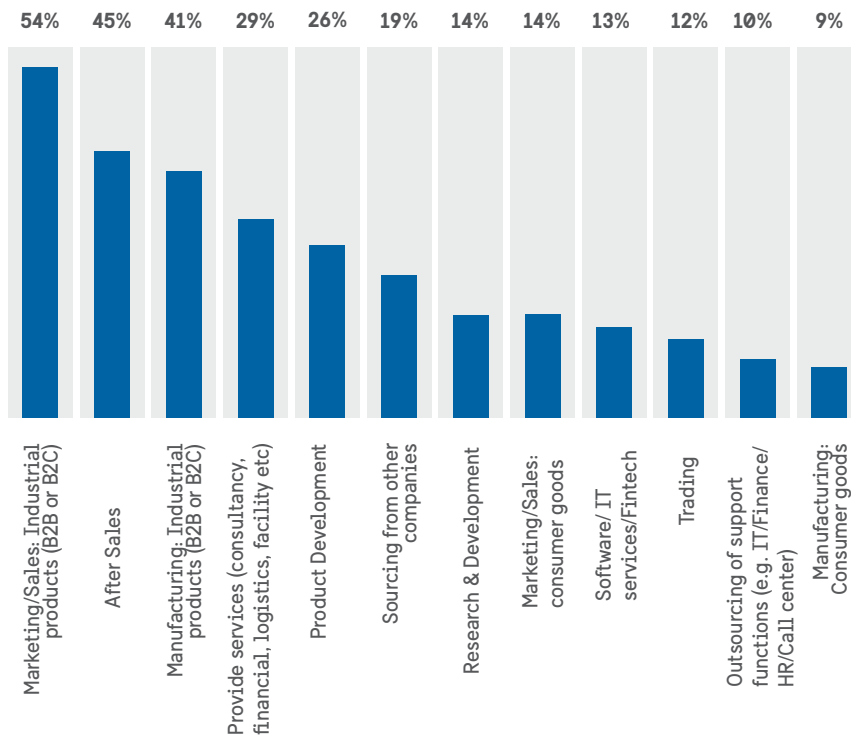
Distribution center



Retail shop



WHAT OPERATIONS DO YOU CARRY OUT?

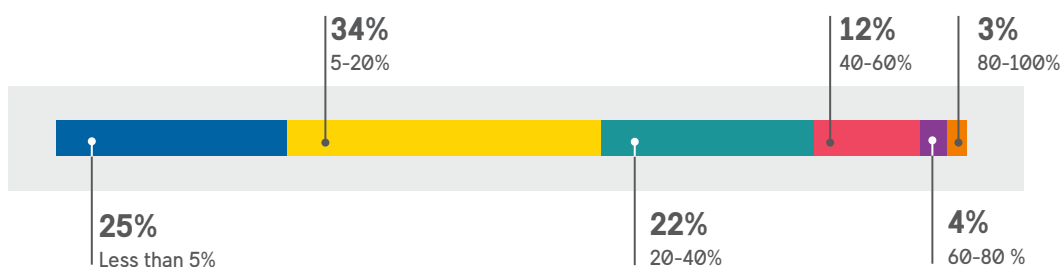


GROWING MARKET INFLUENCE

41% of the survey respondents have a market share exceeding 20%, which in proportional terms reflects their weight in the Brazilian economy. One should also emphasize the 34% share of companies that have a 5% to 20% slice of the market, showing the increasingly good performance of Swedish companies in Brazil.

Another optimistic data is that 52% of the companies surveyed managed to increase their market share over the last year and 34% forecasts a presence of more than 40% over the next three years.

PLEASE ESTIMATE YOUR CURRENT MARKET SHARE IN BRAZIL

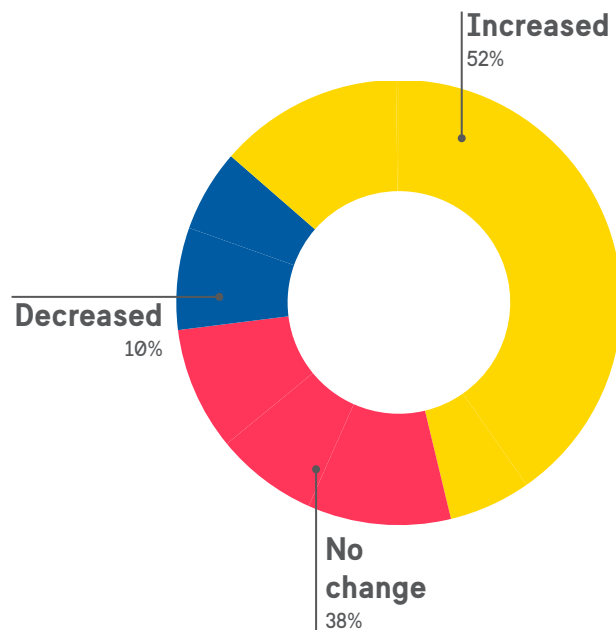


ELECTROLUX is a consumer-driven innovation company that shapes living for the better by reinventing taste, care and wellbeing experiences. The Group thoughtfully designed products are the result of continuous investment in consumer research, developing products that meet consumer needs and make life more enjoyable and sustainable for millions of people. In Brazil, Electrolux listens to more than seven thousands of consumers during all days of the year, understanding deeply the needs and aspirations regarding products and services that can reflect positively in people's lives. Brazil has the third largest operation of the Group in the whole world and is responsible for 60% of Latin America's results.

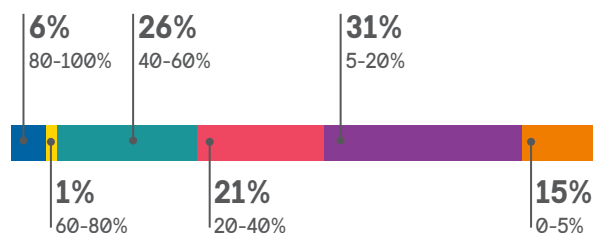


BUSINESS ENVIRONMENT AND FORECASTS

HOW HAS YOUR MARKET SHARE CHANGED COMPARED TO LAST YEAR?



HOW DO YOU FORESEE YOUR MARKET SHARE IN THREE YEARS FROM NOW?

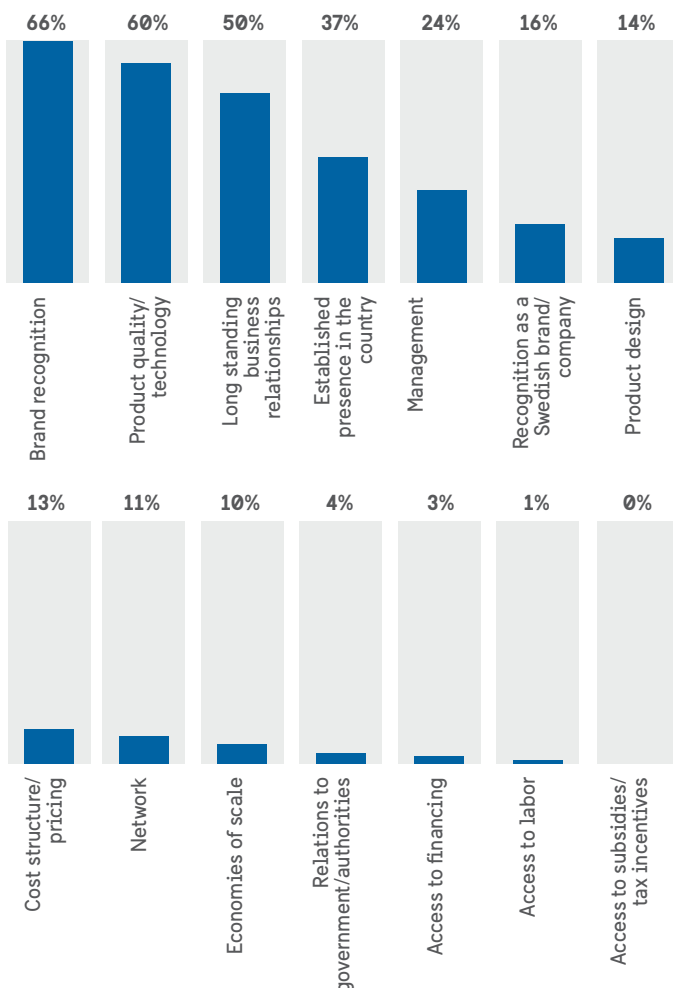


BUSINESS ENVIRONMENT AND FORECASTS

TECHNOLOGY AND BRAND RECOGNITION, THE MAIN ADVANTAGES

Product quality, technology and brand recognition are still the companies' main competitive advantages. These characteristics are backed by long-term relations and a permanent presence in the country.

What do you perceive to be your company's biggest competitive advantages in Brazil?



Sandvik is a high-tech and global engineering Group with about 43,000 employees with a strong commitment to enhancing customer productivity, profitability and safety.

Our operations are based on unique expertise in materials technology, extensive knowledge about industrial processes and close customer cooperation. This combination, coupled with continuous investments in research and development (R&D), has enabled us to achieve world-leading positions in the following areas:

- Tools and tooling systems for industrial metal cutting
- Equipment and tools, service and technical solutions for the mining and construction industries
- Advanced stainless steels and special alloys as well as products for industrial heating



Every day 140,000 patients receive diagnosis, treatment or follow-up with an **Elekta** product. We are proud to be the leading innovator of radiotherapy, brachytherapy and neurosurgery solutions used to improve, prolong and save the lives of people with cancer and brain disorders.



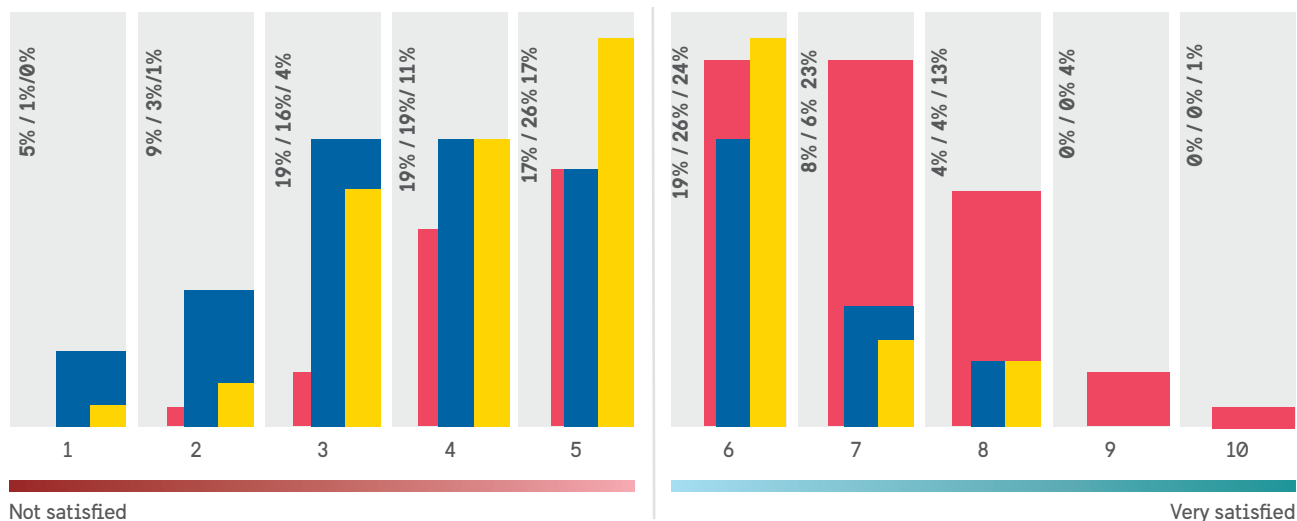
BUSINESS ENVIRONMENT AND FORECASTS

AN INCREASINGLY POSITIVE BUSINESS ENVIRONMENT

In 2016, 69% of the Swedish companies surveyed considered the business atmosphere in Brazil negative and in 2017, this trend fell to 64%. In 2018, only 34% declared they were not very satisfied compared with 65% who said they were satisfied or very satisfied with the business climate. This major change anticipates a 2019 with many investment opportunities.

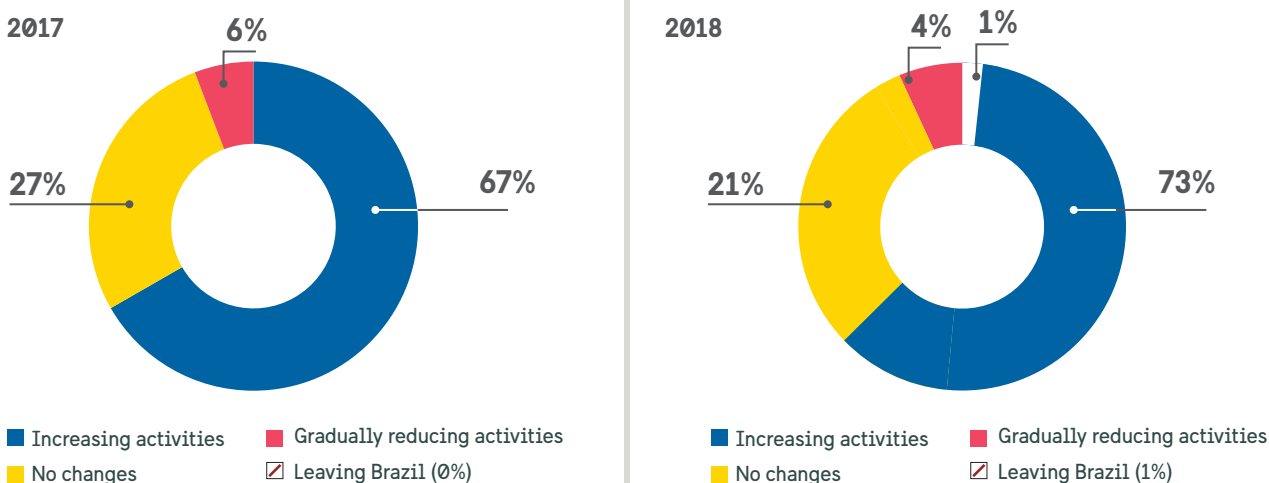
How do you consider the present business climate?

2016 / 2017 / 2018



TARGETING GROWTH

What are your company's investment plans in Brazil for the next three years?



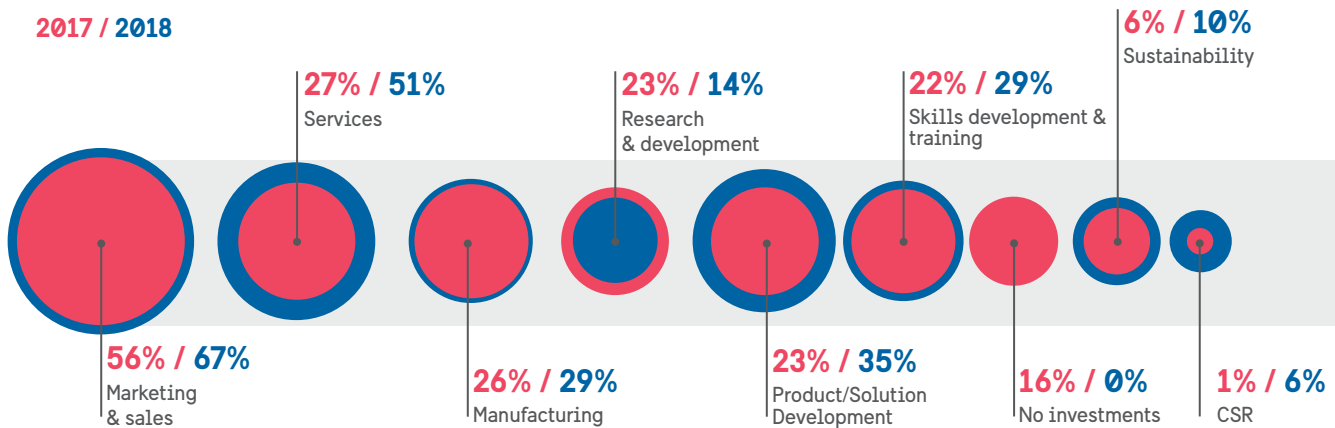
The optimism perceived is reflected in the companies' belief in growth. In 2017, 67% of those surveyed predicted an increase in their activities over the three following years. In 2018, this share rose to 72%.

GROWTH FOCUSED ON SALES

As in 2017, marketing and sales activities are still the main growth factor in Brazil (66%). Investment in new services comes in second place as a focus of interest, having increased from 27% to 51%.

In which business areas did you invest last year?

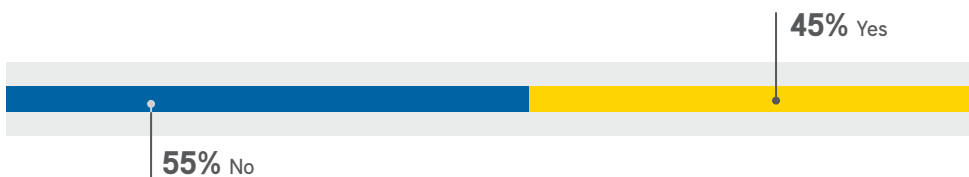
2017 / 2018



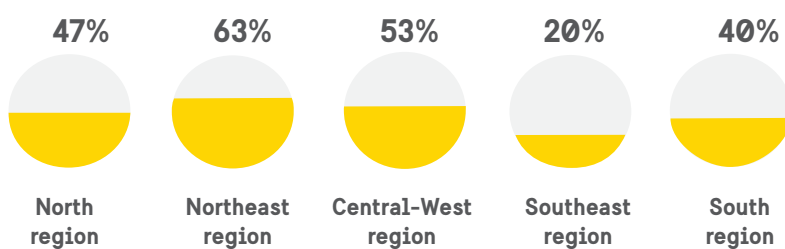
EXPANDED TERRITORIES

95% of the Swedish companies surveyed are located in the country's Southeast region, but 45% are considering expanding their business to other regions, especially the Northeast and Midwest. Development in these regions and competitive advantages attract interest and show a trend that most likely will be seen over the next few years.

Are you considering expanding your business in other regions within the next 3 years?



If yes to above question, in which of the following regions are you considering expanding your business?



QUANT

Co-operation works well when you partner with professional experienced and motivated people who understand how to make things happen.



2018 was a remarkable year for **Ahlstrom-Munksjö** in Brazil. The company announced an EUR 21 million investment to improve capabilities and flexibility at its Jacarei plant and better serve customers in South America with a broader offering; doubled its number of employees and production capacity in Brazil, with the acquisition of its new factory in Caieiras and started operating three plants in São Paulo State, employing over 700 people with revenues of approximately EUR 200 million following the acquisition. To complete, Ahlstrom-Munksjö was listed among the 150 Best Employers in the country by Você S/A Magazine and FIA Business School, an achievement that reinforces the statement that people are the company's greatest assets and that we are stronger together.



BUSINESS ENVIRONMENT AND FORECASTS

PRODUCT, GROWTH AND INNOVATION: STRATEGIC PILLARS

Initiatives linked to products, growth and innovation are among the main value-generating pillars for companies in their business strategies over the next three years. These data reflect the desire for product renovation and improvement, which has a direct impact on the growth of a company and its business in Brazil.

Customer focus and investing in people, with training and capacity building initiatives and staff increase, were the most mentioned factors.

Innovation and development of new products are elements that were also highlighted. These data reflect the desire for product renovation and improvement.

It can be perceived that Swedish companies in Brazil are willing to increase their presence in the country if their expectations are met, which includes sales growth and profitability, as well as increased market share.

What is your most prioritized strategic initiative to succeed in Brazil over the coming 3 years?

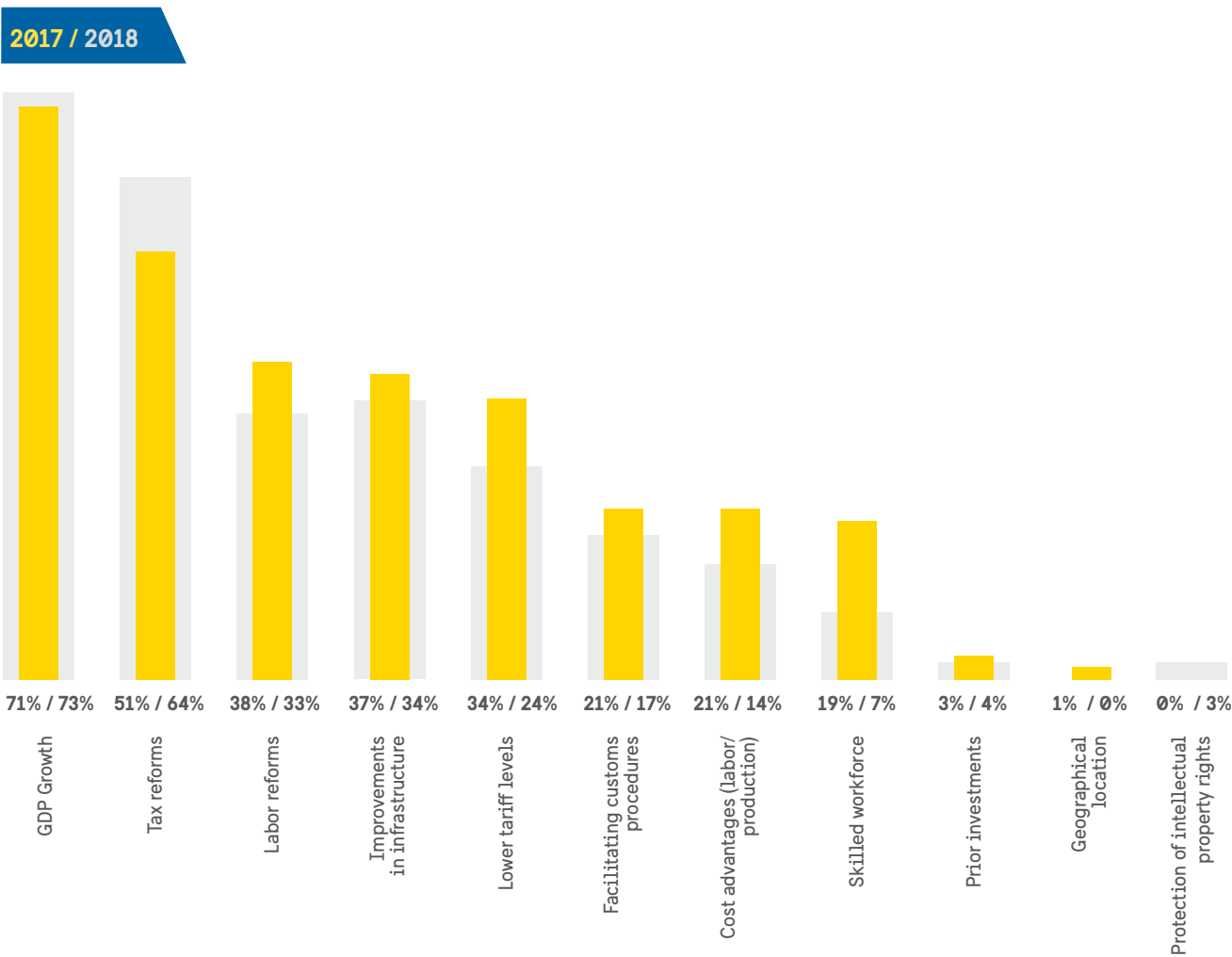


BUSINESS ENVIRONMENT AND FORECASTS

PENDING OPPORTUNITIES

The main external factors that have contributed to generating new opportunities in Brazil are still the GDP growth and tax and labor reforms, as well as infrastructure progress.

What are the key external factors that would contribute to opportunities for your company in Brazil in the short term?



In 2018 **Scania** opened the first plant in Brazil to laser weld 19 cab models for the new generation of Scania trucks. Located in São Bernardo do Campo (SP), the new facility spans 13,000 m² and was infused with 75 million Euros in investment (around 340 million Brazilian Reais). The new plant follows the characteristics of industry 4.0 and was designed to produce the company's new truck generation with an innovative process of welding the roof and walls of the cabs and specialty drilling for countless variation options, using laser. The facility will have the capacity to make 25,000 cabs per year.

CSR Project: The Sustainable Social Transport

The Sustainable Social Transport Project, together with Arsenal da Esperança, an association that shelters more than 1,200 people with some kind of difficulty and who are looking for new opportunities, has identified among the sheltered those with some knowledge in mechanics, logistics and professional drivers to participate in a social responsibility action of Scania. Scania's initiative aims to bring back to the market people in situations of social vulnerability through professional training.

In addition to the specific training, students also attended workshops to adapt their resumé and are now part of a relationship network that can open the way and provide them to reconnect with their careers.



With over 1,600 employees in the country, two industrial plants and six sales offices, **TETRA PAK** operates in Brazil since 1957. Since the beginning, Tetra Pak has been working with customers in the development of new products, equipment, processes, maintenance and consultation for their growth and sales success. In this regard, the company constantly invests in innovation, ensuring the most modern and efficient processes in all stages of production, as well as technical and intelligence support services.



AstraZeneca is a global, science-led biopharmaceutical company that focuses on the discovery, development and commercialization of prescription medicines, primarily for the treatment of diseases in three main therapy areas - Oncology, Cardiovascular & Metabolic Diseases and Respiratory. The Company also is selectively active in the areas of autoimmunity, neuroscience and infection. AstraZeneca operates in over 100 countries and its innovative medicines are used by millions of patients worldwide.



MARKET BARRIERS

TAXES AND REGULATIONS, THE MAIN CHALLENGES

Over the last two years, the regulatory atmosphere and tax matters have been identified as the main challenges. 2018 brought attention to the fact that corruption was perceived as less challenging—a possible explanation being the success of the Lava-Jato operation.

Which factors do you consider most challenging for your business?

2017



2018



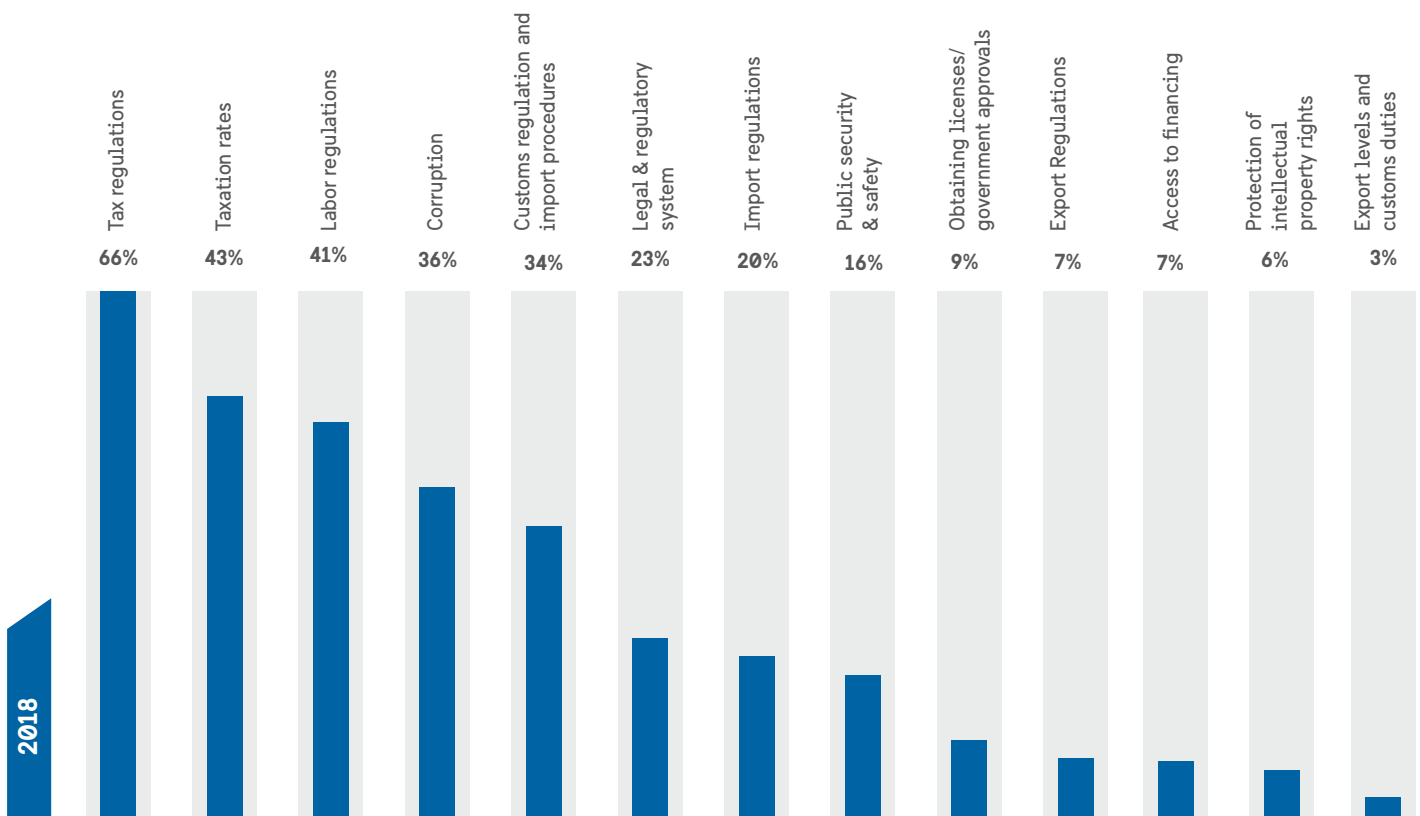
MARKET BARRIERS

TAXES, THE KEY FACTOR TO IMPROVE THE BUSINESS ENVIRONMENT

Most companies see tax regulation reforms and the review of tax matters as a priority for the business environment in Brazil.

Last year, access to financing was a key factor. This year, the issue of tax reform—under much discussion by the current government and one of the main objectives of the economic team of President-elect Jair Bolsonaro—has influenced the perception of companies operating in Brazil.

Which of the factors would you rank as the most important ones which, if addressed, could substantially improve the business climate in the country?



Volvo

The Volvo Group Latin America is responsible for all of the group's business in the continent. With units in Curitiba - PR (production of trucks, buses and engines) and Pederneiras - SP (production of construction equipment), the brand is widely acknowledged for its innovations. In its 40-year history in the region, Volvo pioneered technologies like the biarticulated buses, electronic controlled and connected trucks. In 2018, Volvo introduced a bus safety zones service, using connectivity resources to control the vehicles speed in critical areas, such as bus terminals, next to schools and others.



Volvo Cars

As a human-centric car company, we are a brand for people who care about other people and the world in which we live. This is at the core of our business and of our approach to sustainability. Our commitment is about re-thinking sustainability, and goes beyond our operations and our cars, and into society. It makes us think again every time we take decisions that affect the world and the lives of people. There is a Swedish word that means "caring" and "consideration", but also importantly "to think again". This word is "omtanke" and summarises our way of protecting what's important to you.



Saab serves the global market with state-of-the-art products, services and solutions in military defence and civilian security. Thanks to its innovative, collaborative and pragmatic ideas, Saab supplies Brazil with cutting edge technology for military defence and civilian security. We have a trustful and long term partnership with the country and we cooperate with the industry in joint programs to develop advanced solutions, including fighter aircraft, airborne early warning systems, training and simulation, C4I, ground-based air defence, and air and maritime traffic management. The 2014 contract to supply the Brazilian Air Force with Gripen aircraft was the biggest business deal in the company's history, and solidified Saab's reputation in the region as a trustworthy, reliable partner.

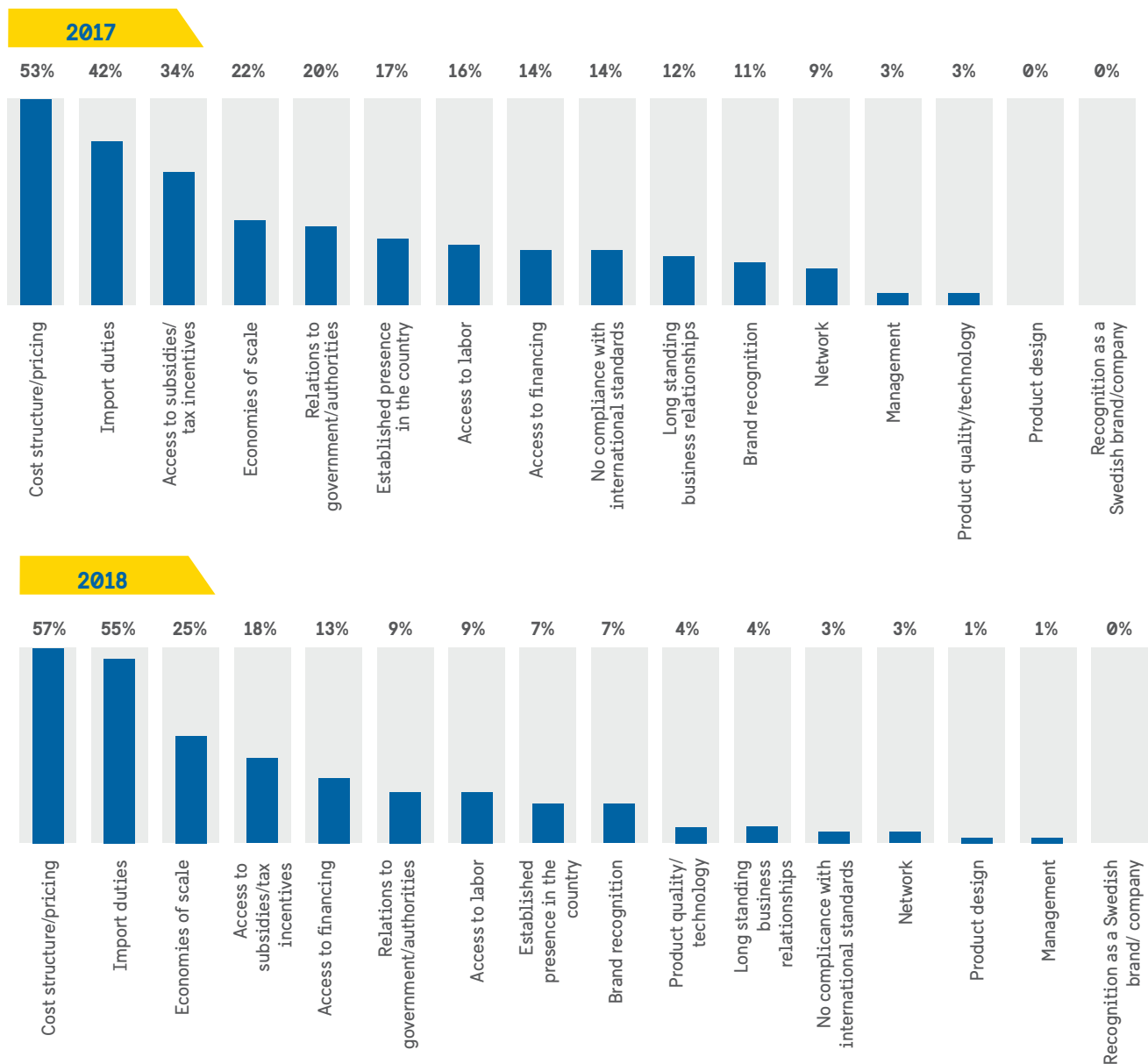


MARKET BARRIERS

STRUCTURAL COSTS AND IMPORT BARRIERS – THE MAIN DISADVANTAGES

Structural costs and import barriers are still the two main competitive disadvantages, having a direct impact on the performance of the companies. On the other hand, access to subsidies has dropped on the list of disadvantages, giving the third place to economies of scale.

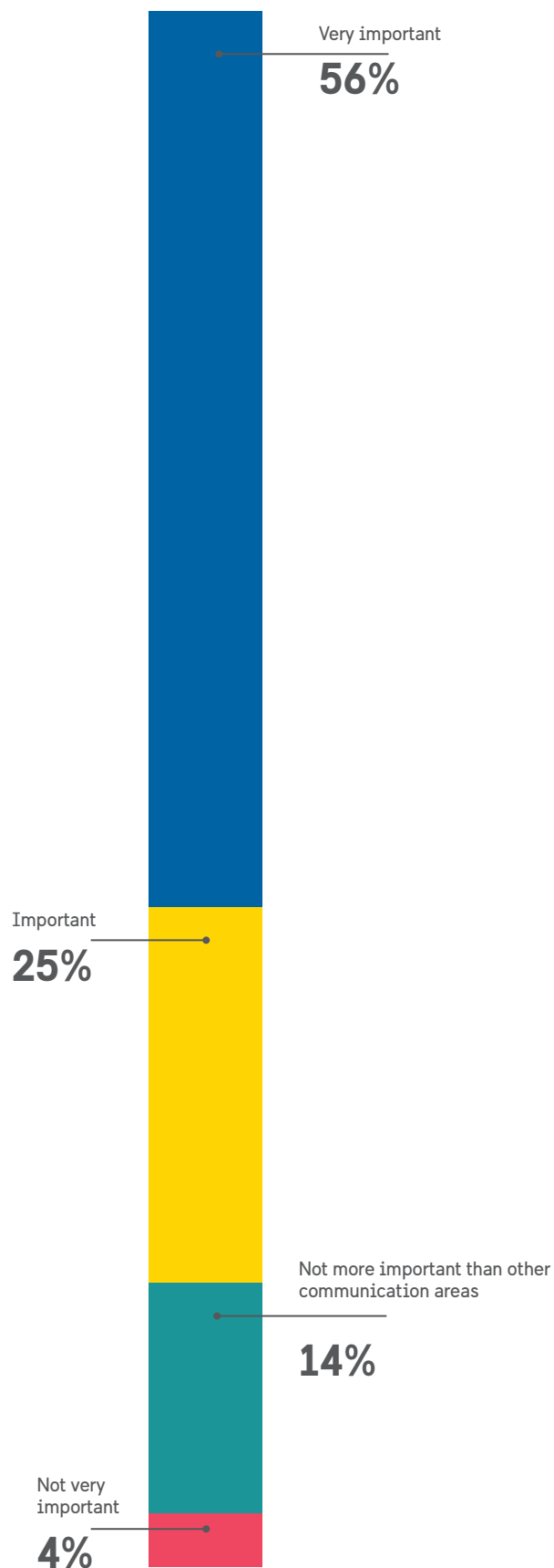
What do you perceive to be your company's biggest disadvantages among the competitors in Brazil? Choose from 3 to 5 options:



REPUTATION AS A KEY FACTOR FOR BUSINESS

In an increasingly transparent world, in which new technologies create more horizontal relations between companies and their stakeholders, reputation has become one of the key factors in the corporate segment. 81% of the companies acknowledge that ensuring their reputation is important for the development and growth of their business.

How important is it for your company to work with Reputation Management to develop the business in Brazil?



PEOPLE

GENDER EQUALITY

– A POINT OF ATTENTION

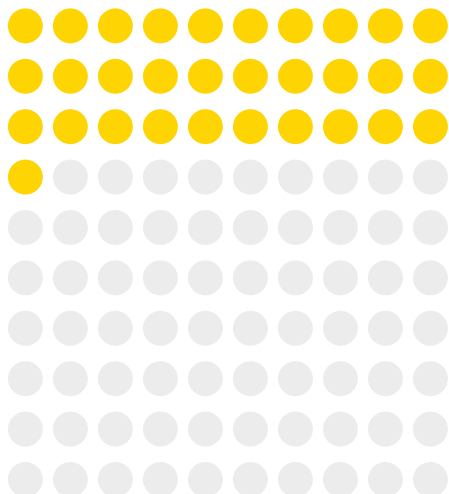
The average number of women in Swedish companies in Brazil continues to drop. From 33% in 2016, women's share of the more than 40,000 direct jobs generated in Brazil has gone from 31% in 2017 to 27% in 2018, a worrisome trend that should be on these companies' agenda over the next few years.

On the other hand, the percentage of women in leadership positions is increasing, jumping from less than 10% in 2016 to 19% in 2017 and 22% in 2018.

What is the percentage of female staff?

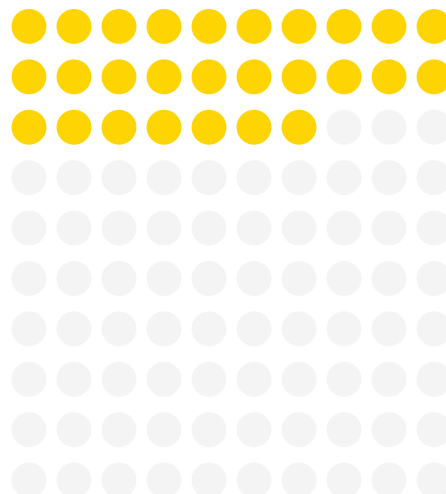
2017

31%



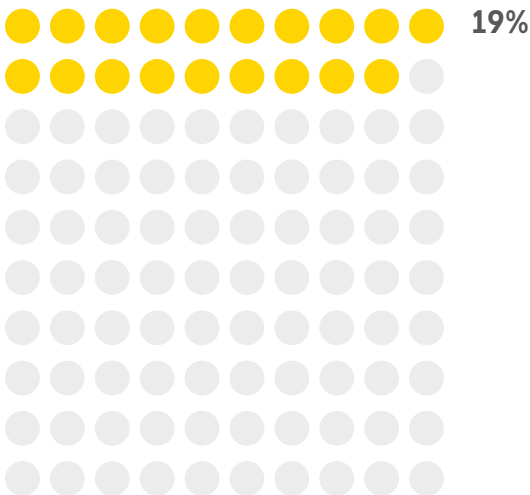
2018

27

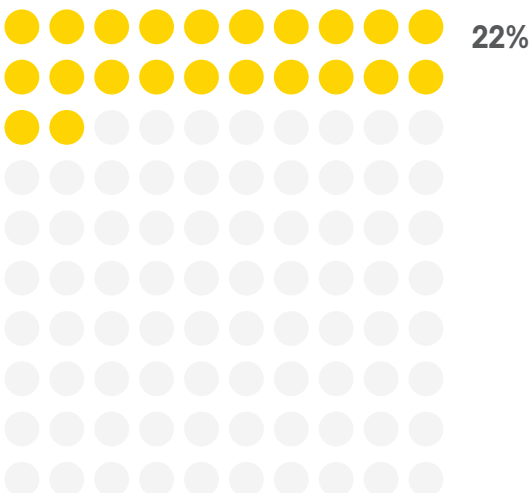


How big percentage of the leading positions
(board, management, directors etc.)
are held by women at the company?

2017



2018



AXIS COMMUNICATIONS is the market leader in network video. In 2018, the company celebrates 11 years of presence in Brazil. During this period, Axis developed partnerships with 2,000+ distributors and installers in the country, helping to create a new market for local companies. As a pioneer in network devices, Axis is pushing the migration from analog to network video surveillance, as well as network access control, network audio devices and an innovative IP-based radar solution. From its regional office in São Paulo, the company runs the operation in all South America. Axis enables a smarter and safer world by creating network solutions that provide insights for improving security and new ways of doing business. Axis network video products are installed in public places and areas such as retail chains, airports, trains, highways, universities, prisons and banks.



Internships are part of **Atlas Copco** pool of talent. We invest on the quality of recruitment and development processes of these young professionals to transform them into Atlas Copco future leaders. Top leaders of our global organization, started as interns in Atlas Copco Brasil.



Autoliv do Brasil

Located in Taubate, at Vale of Paraíba, our campus is strategically close to Rio de Janeiro, São Paulo and customer locations and encompasses four sub-divisions: seatbelts, textile, steering wheels and air bags that supply products to all South America customers. We are ISO/TS 16949; ISO 14001 certified and have received several Safety, Quality and Excellence awards from our customers.

We are actively involved with the community through environmental, safety and social activities.



SKF Brazil launched an employment initiative with the aim of attracting employees who faced challenges in finding work due to deafness, being hard of hearing, partial sight, Down Syndrome and similar physical challenges. The initiative was supported by senior management, who were committed to making the work environment as inclusive and diverse as possible. Today, there are 36 colleagues, representing different generations working in Manufacturing, Human Resources, Business Support, Logistics, Finance, Sales, Service Contracts, Business Intelligence and Quality. SKF Brazil sought to hire the right people for right job position, and when exploring external resources, found a vast resource in the deaf and hard of hearing communities.



PEOPLE

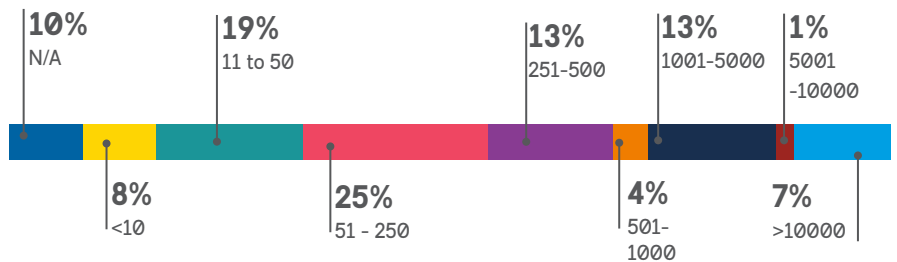
JOBS - FROM LOCAL TO GLOBAL

Swedish companies generate more than 130,000 direct and indirect jobs in Brazil.

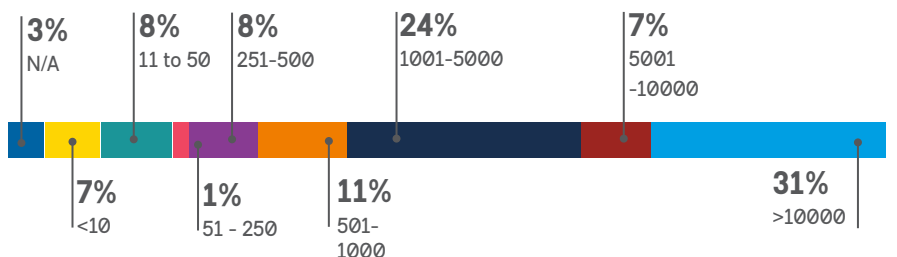
The greatest weight is among companies with up to 1,000 employees, with an emphasis on 25% of them which generate between 51 and 250 jobs. Only 7% generate more than 10,000 job positions.

By contrast, like an inverted pyramid, 61% of these companies have, on a global level, more than 1,000 employees—31% of them employing more than 10,000 people. This scenario with such global numbers indicates a possible growth in job generation in Brazil.

HOW MANY EMPLOYMENT OPPORTUNITIES WOULD YOU ESTIMATE THAT YOUR COMPANY CREATES DIRECTLY AND INDIRECTLY IN THE COUNTRY?



GLOBAL NUMBER OF EMPLOYEES OF YOUR COMPANY:

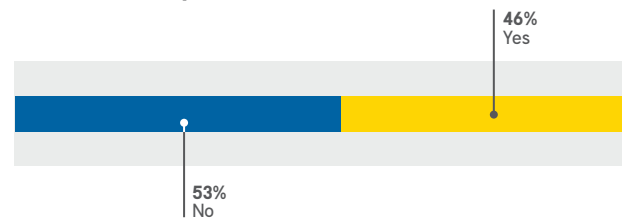


PEOPLE

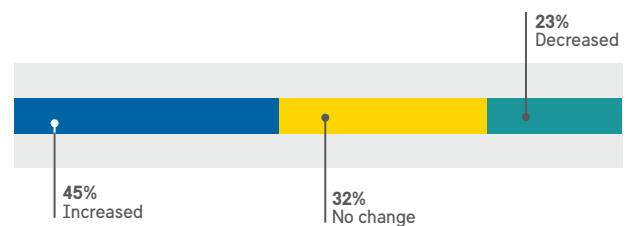
A FULFILLED PROMISE

In 2017, 46% of Swedish companies planned to increase their number of employees in 2018. This year, 45% actually fulfilled this expectation and increased their staff. Along the same lines, 55% of them had no change or reduced their staff of collaborators (22%), as forecasted by the 2017 survey. The future panorama still seems optimistic as more than 62% of these companies plan to increase their number of employees over the next three years.

Are you planning to increase your number of staff in Brazil next year?



How has the number of employees changed compared to last year?



Are you planning to increase or decrease the number of employees over the next three years?

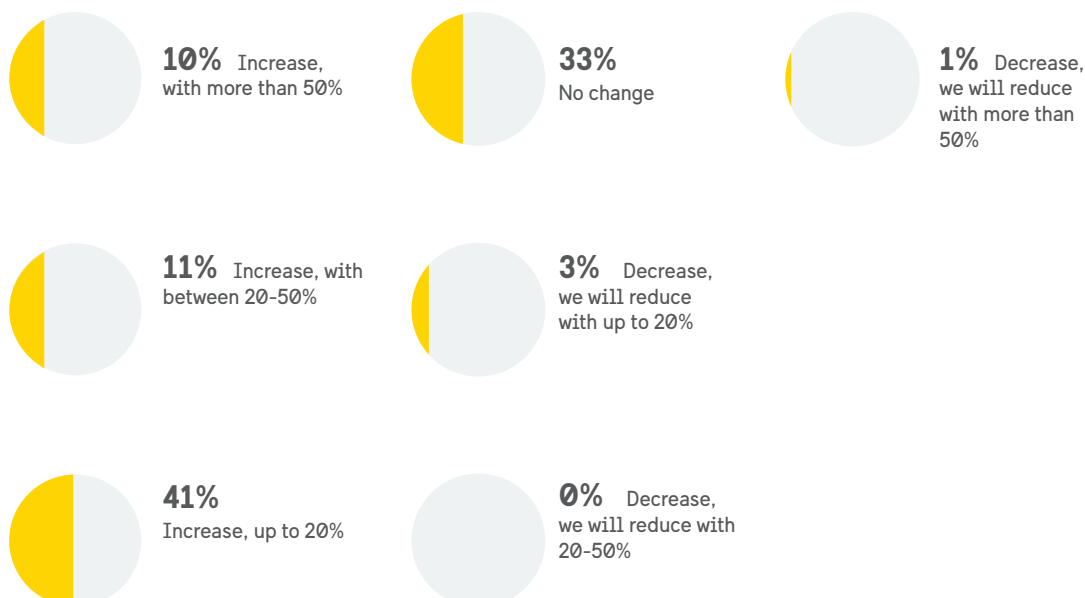


ABB is a company oriented towards the future which develops technologies that are promoting important transformation in several sectors, like mobility, smart cities, energy and manufacturing.

In Brazil, we are applying this same transformation approach to benefit of communities where we live and work. We are proud of what we have achieved so far and looking forward to the next 20 years.

In 1998, we launched an ambitious project aiming at offering quality education to children and adolescents in situation of social vulnerability who live around our units in São Paulo. It was the beginning of the activities of the Instituto ABB.

Over the last two decades, the Institute has already served more than 440 children, who receive school reinforcement, in addition to content that includes personal development and aspects related to citizenship.



Ericsson has partnered with Vivo to aid the efforts done in Roraima regarding the Venezuelan migration crisis. In order to do that, 3G and 4G were made available in Pacaraima (in the border with Venezuela), the 4G was enhanced near the *Center of Reference for the Immigrant* in Boa Vista where a laboratory was implemented to include the Venezuelans digitally.

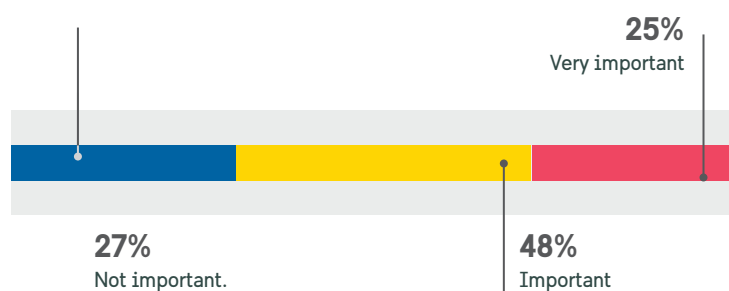


PEOPLE

THE TURNOVER CHALLENGE AND IMPACT

The importance of the Brazilian market is also perceived in the turnover impact. Even though they are global companies, 72% consider the country important (or very important) in their global turnover. That is why creating and reinforcing a business culture with values and a long-term perspective is one of the challenges of Swedish companies operating in Brazil.

How important is Brazil for the overall group turnover?



CSR

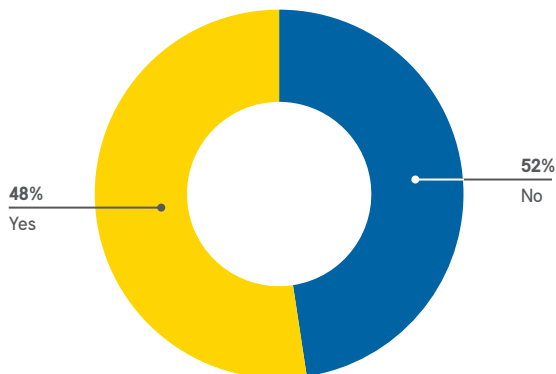
A GREATER COMMITMENT AND MORE SOCIAL RESPONSIBILITY

An important change in 2018 is greater social commitment and more CSR actions.

78% of the companies consider CSR activities in their corporate strategies, a clear evolution over 2017, where the share was only 48%. The strengthening of initiatives involving compliance and accountability reports has allowed for a greater development of CSR activities, an extremely important factor in a company's reputation.

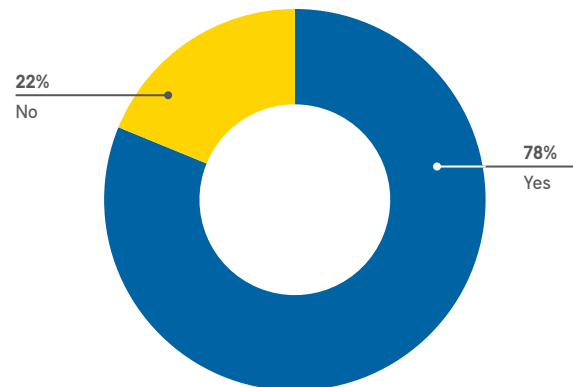
2017

Is CSR work part of your
Company Balanced Scorecard?



2018

Is CSR work part of your
Company Balanced Scorecard?



COMMITMENT TO COMPLIANCE AND SUSTAINABILITY

In which areas do you work most actively

Greater social commitment has been reflected particularly by greater activity regarding compliance and process transparency, such as initiatives linked to sustainability and the environmental impact of the companies. In the first case, a set of actions that are aligned with current corporate concerns in Brazil (compliance), and in the second, that are linked to a historic concern for these companies.

Transparency and traceability in the supply chain	33%	10%	8%	12%	37%
Child labour	24%	11%	15%	17%	33%
Gender rights	24%	22%	9%	20%	26%
Environmental issues	39%	14%	16%	8%	24%
Workers' rights	23%	17%	17%	19%	23%

MADE BY SWEDEN

QUALITY AND INNOVATION: THE DNA OF SWEDISH COMPANIES

Developing and launching reliable, quality and innovative products and services is what Swedish companies aim for on the Brazilian market. Curiously enough, issues such as sustainability and compliance, which are at the top of their CSR actions, are not considered relevant in this external perception.

What is Swedish business known for in Brazil in your opinion? Name three key factors



SWEDEN AS A BRAND: ADDED VALUE

The relation between company and country brand is healthy when they both benefit. In the case of Swedish companies, this link is especially strong.

Most companies consider being “Swedish” or “Sweden related” an added value for their products and services.

Diplomacy and culture thereby become added value factors for a business.

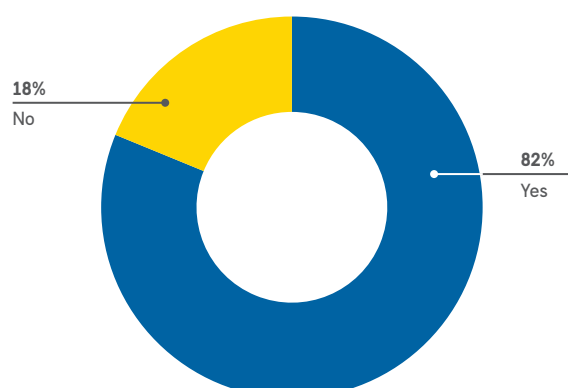
“Scandinavian culture - Long term approach towards business, strategy thinking and innovative solutions”

“We always introduce our company as a Swedish company. It is important in our market”

“Swedish has a very good reputation in the market”

“Swedish companies are tremendously respected by Brazilian buyers as financially solid and long-term oriented, reliable business partners”

Is it important for your company to brand itself as “Swedish” or “Sweden related” to the local market, if yes – how do you do so?

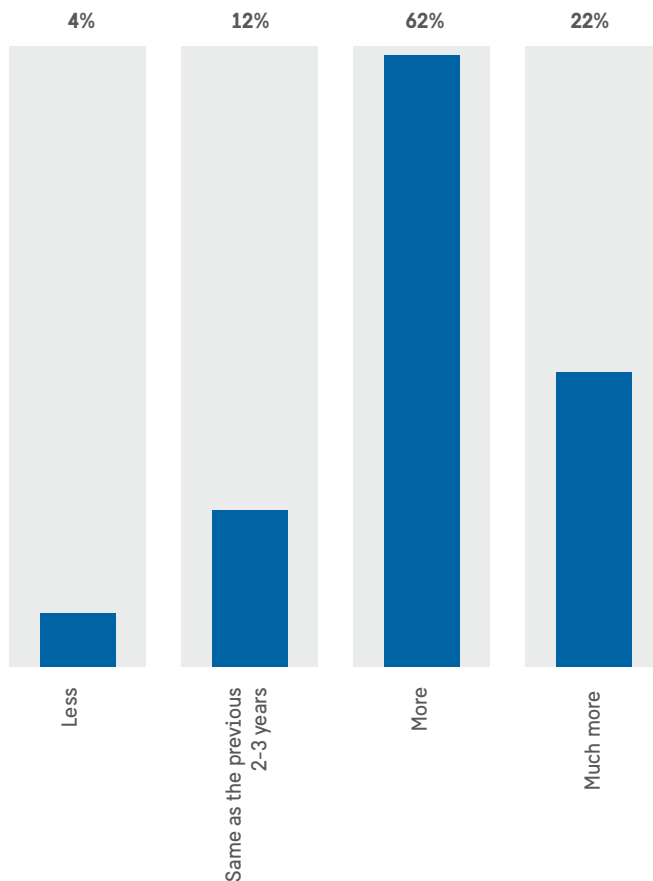


BUSINESS AND BRAZIL

FAVORABLE POLITICAL SCENARIO

Optimism regarding the economic scenario over the next three years is confirmed with the perception that the arrival of a new government will favor the business environment in Brazil. The signs and major economic guidelines of President-elect Jair Bolsonaro are encouraging 84% of the companies to think that, as of 2019, more foreign investments will reach the country.

As from January 2019 we will have a new government lead by President-elect Jair Bolsonaro. In your opinion, how will this affect foreign investments in Brazil over the coming three years?



Alfa Laval's worldwide organization helps customers in nearly 100 countries to optimize their processes. It was established in Brazil in 1959 and is aligned with the UN Sustainable Development Goals. Every October, Alfa Laval Brazil promotes workshops to its employees in order to create awareness about health, safety and environment issues. One of this year's activity was dedicated to Goal 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. Employees got together to plant trees in the site area. They also took seedlings home in order to share their acquired knowledge and experience. This is our way to create better everyday conditions to people



Semcon is an international technology company specialised in product development. Our focus is always on the end user and the reason for this is simple: the person who knows most about the user's needs creates the best products and the clearest benefits to humans.



EF English Live is an online English school founded in 1996 that has students and teachers all around the world. As a company, we strive to have both our employees and clients happy. We strongly believe learning English makes a lot of difference in people’s lives, personally and professionally. Our business is to offer 24-7 access to star-quality interactive learning material, videos, live private and group classes, and more. In Brazil, we have over 100 thousand students and 500 employees.

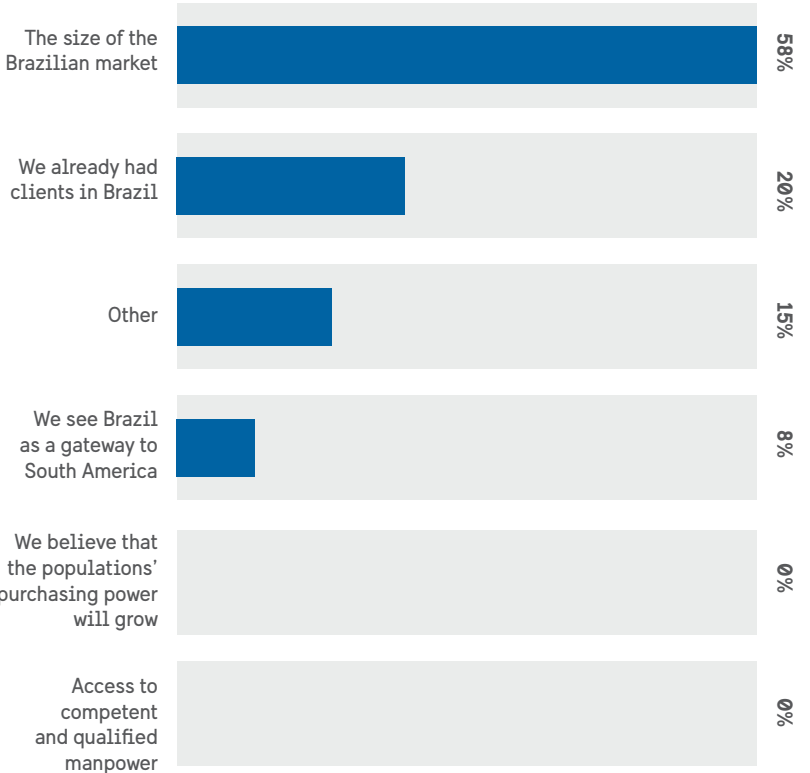


BUSINESS AND BRAZIL

BRAZIL - A MARKET WHERE EVERYBODY WANTS TO BE

Undoubtedly, the size of the market is the main factor attracting the arrival and establishment of Swedish companies in Brazil. For many of these companies of global reach, the country is a great market for growth opportunities—not merely a gateway to Latin America.

Why did you choose to set up business in Brazil?

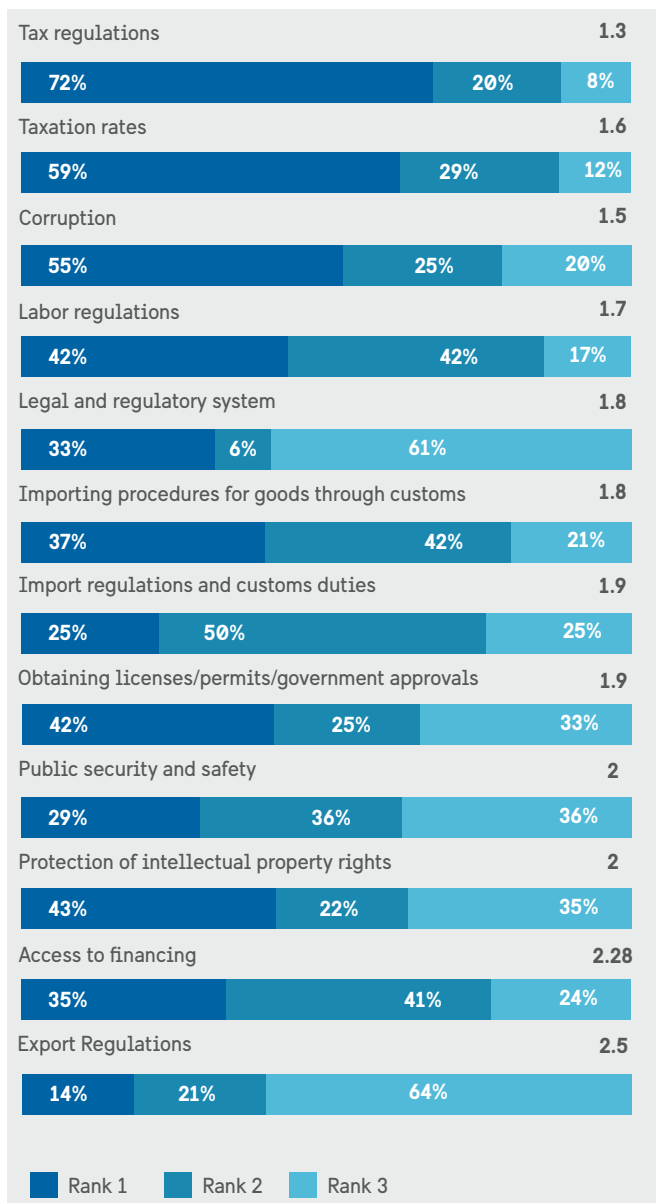


BUSINESS AND BRAZIL

12 BARRIERS TO ACCESS THE BRAZILIAN MARKET

Tax regulations, Taxation rates and Corruption are at the top of the list of the main barriers faced by Swedish companies wishing to enter the Brazilian market.

What barriers did you encounter to get started?



GROWING REQUIRES PATIENCE

The message for startups or companies wishing to enter the Brazilian market is clear: you need a lot of patience and to view the country as a long-term bet.

As is known, "Brazil is not a country for beginners" and Swedish companies that have been here for a while fully know the market's complexity.

Nevertheless, for companies that decide to bet on this market, good results always come.

Or almost always.

What advice would you give to a Swedish start-up in Brazil?

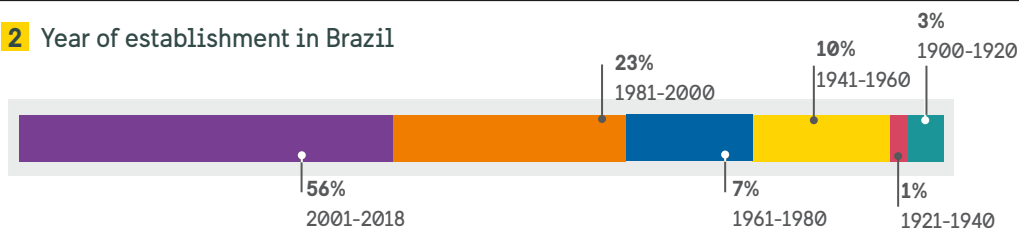


APPENDIX

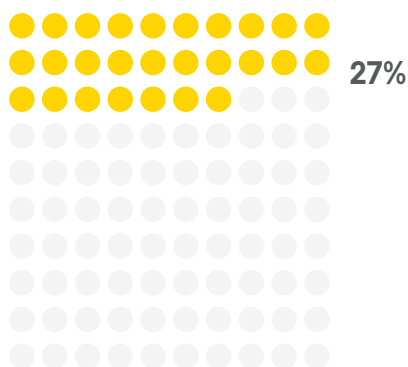
Complete survey results

1 Name of your company
72 responses

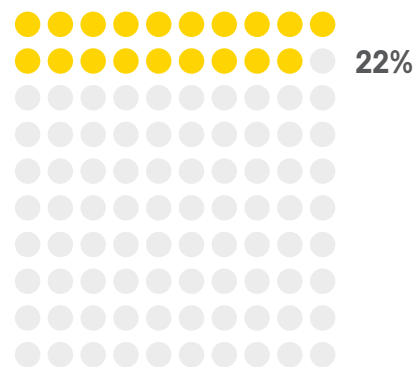
2 Year of establishment in Brazil



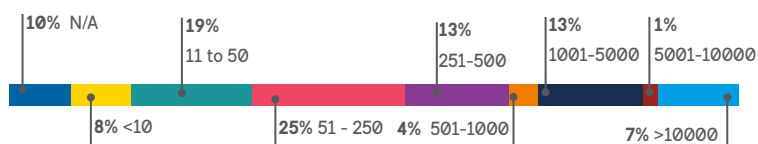
3 What is the percentage of female staff?



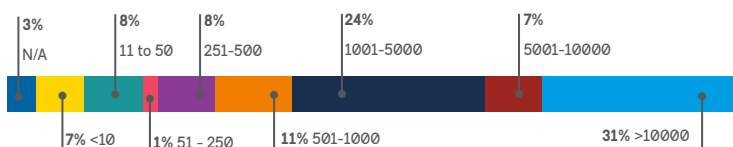
4 How big percentage of the leading positions (board, management, directors etc.) are held by women at the company?



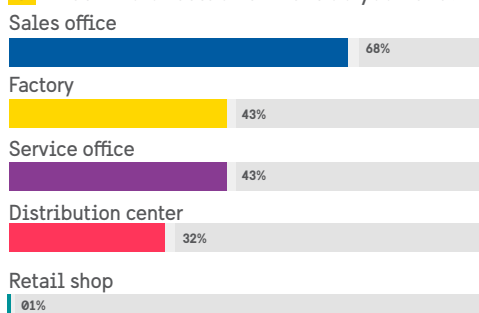
5 How many employment opportunities would you estimate that your company creates directly and indirectly in the country?



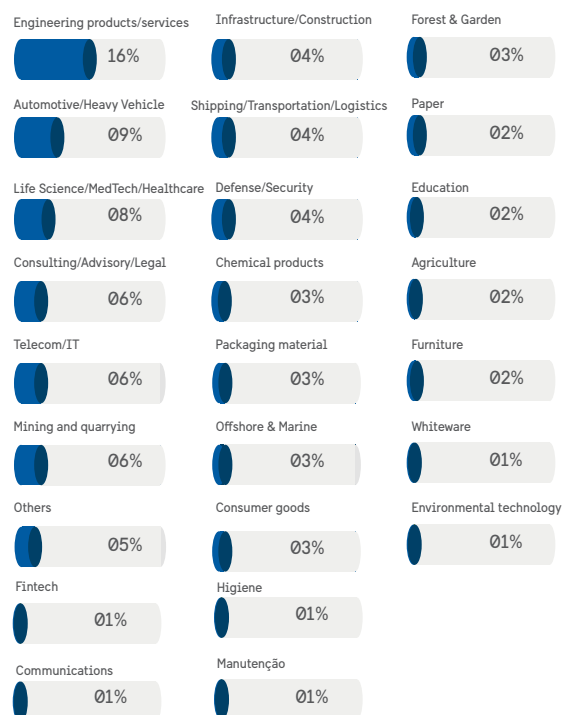
6 Global number of employees of your company:



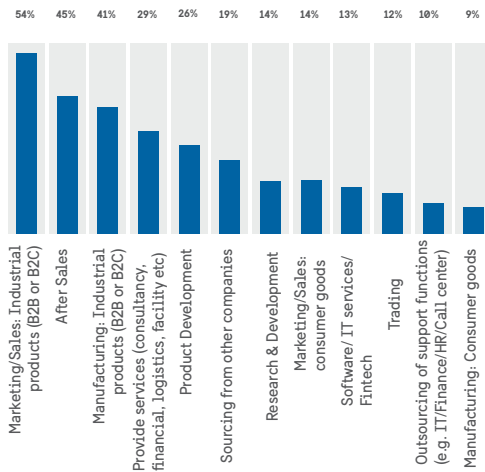
8 What kind of establishment do you have?



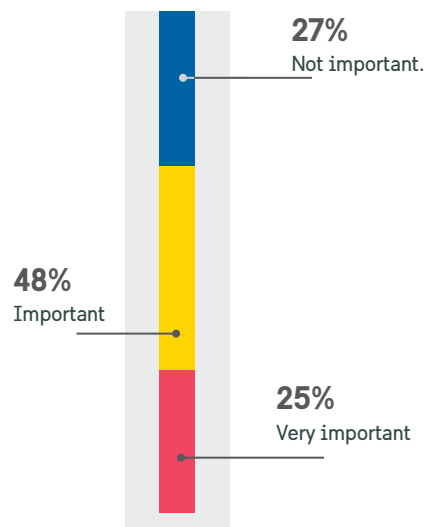
7 Business diversity



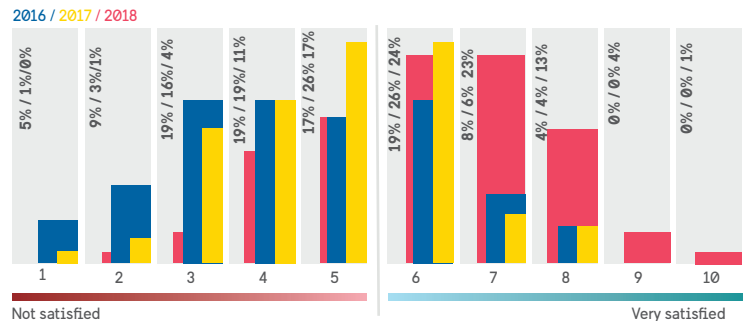
9 What operations do you carry out?



10 How important is Brazil for the overall group turnover?



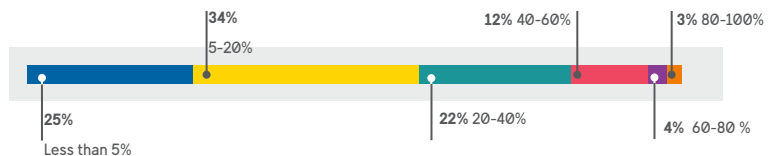
11 How do you consider the present business climate?



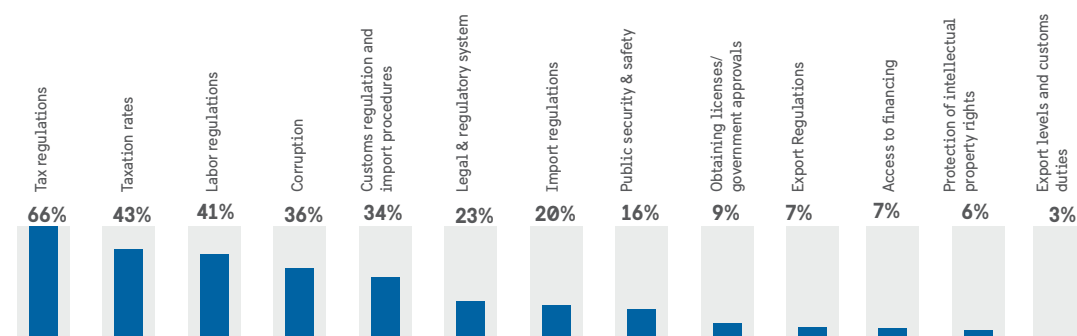
12 Which factors do you consider most challenging for your business?



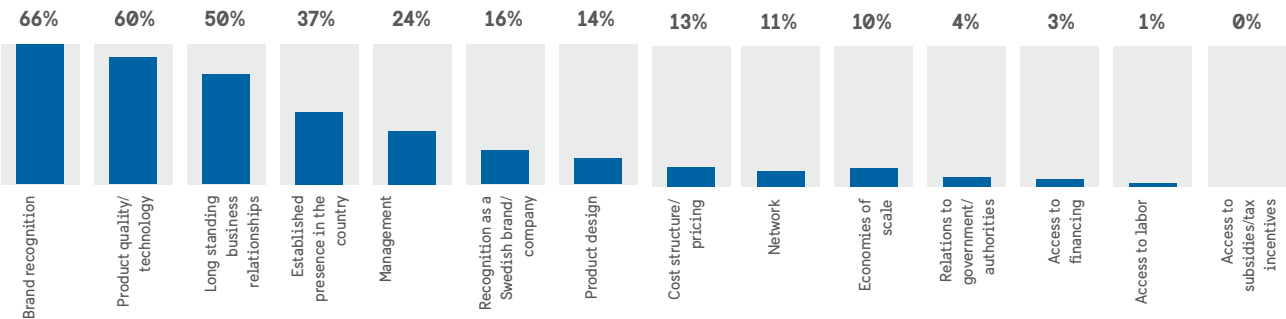
14 Please estimate your current market share in Brazil



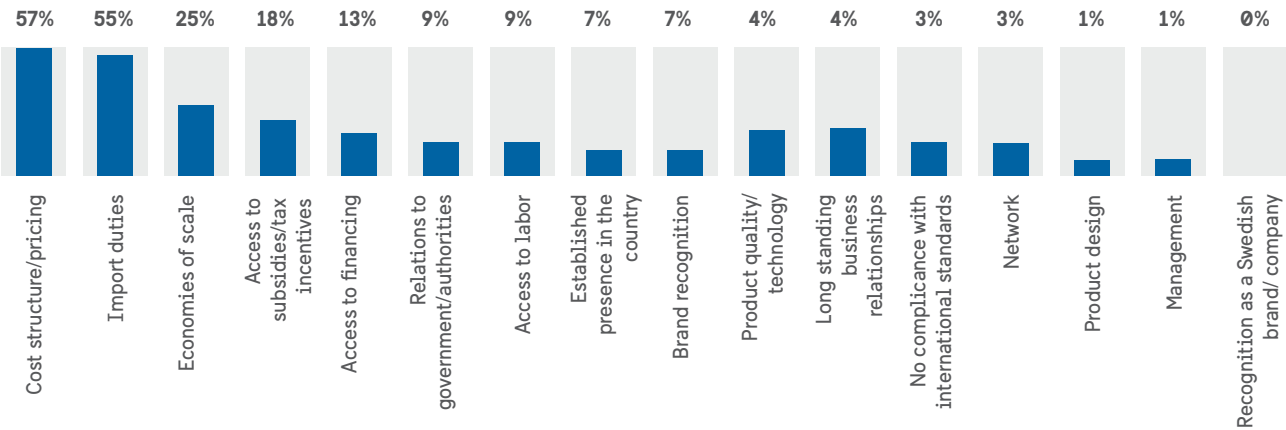
13 Which of the factors would you rank as the most important ones which, if addressed, could substantially improve the business climate in the country?



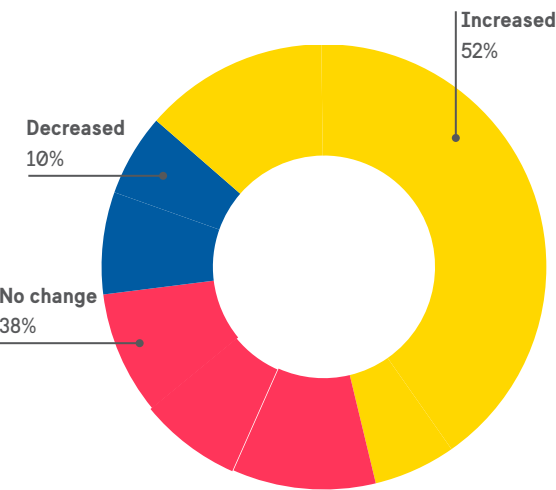
16 What do you perceive to be your company's biggest competitive advantages in Brazil?



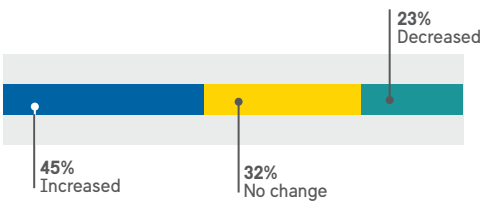
17 What do you perceive to be your company's biggest disadvantages among the competitors in Brazil? Choose from 3 to 5 options:



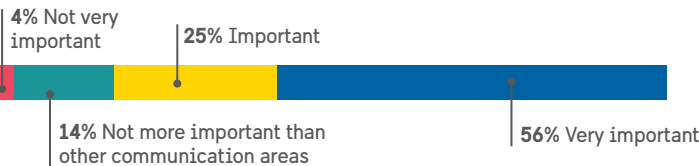
15 How has your market share changed compared to last year?



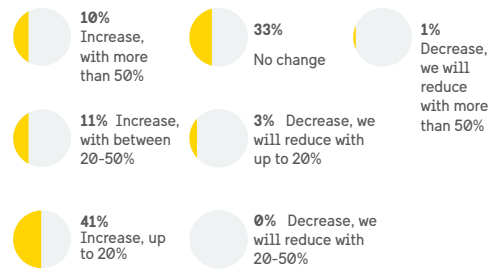
18 How has the number of employees changed compared to last year?



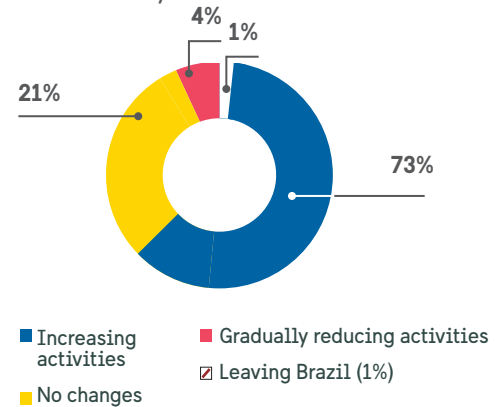
19 How important is it for your company to work with Reputation Management to develop the business in Brazil?



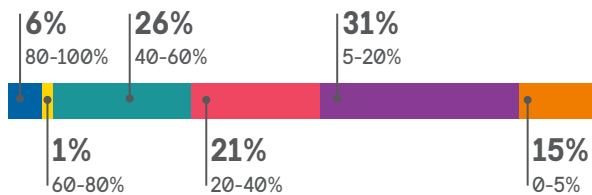
20 Are you planning to increase or decrease the number of employees over the next three years?



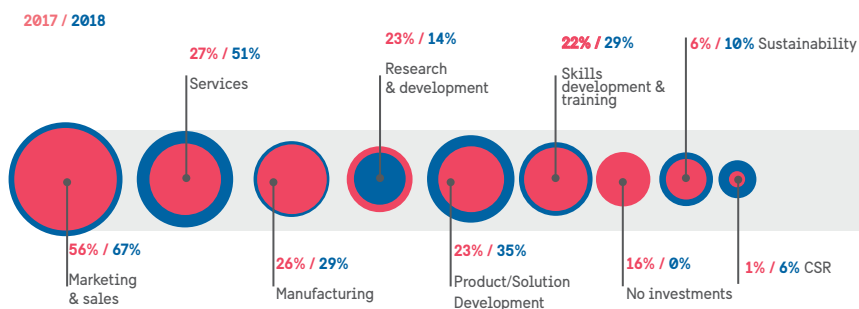
21 What are your company's investment plans in Brazil for the next three years?



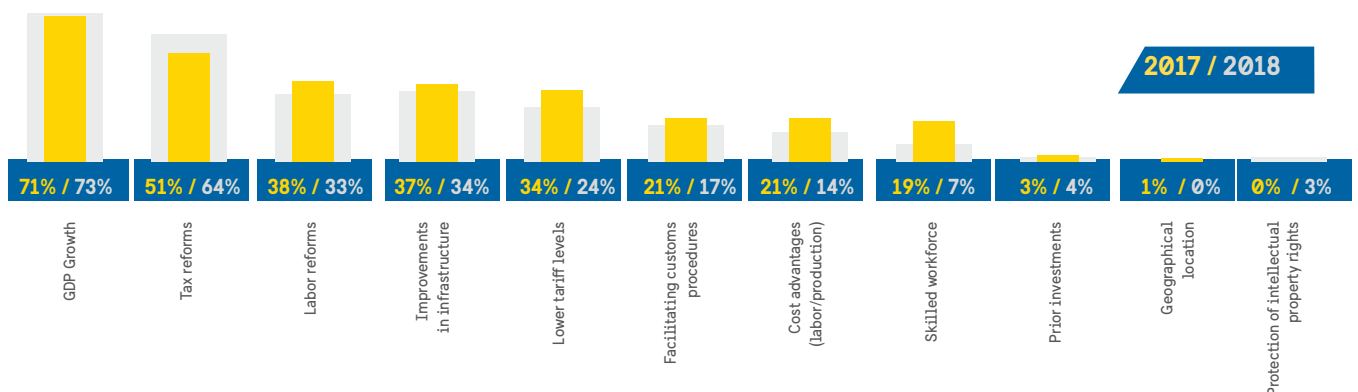
23 How do you foresee your market share in three years from now?



22 In which business areas did you invest last year?



24 What are the key external factors that would contribute to opportunities for your company in Brazil in the short term?

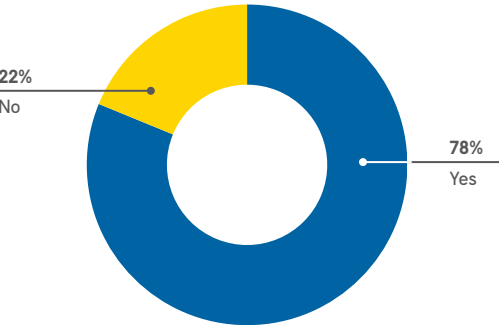


25 What is your most prioritized strategic initiative to succeed in Brazil over the coming 3 years?

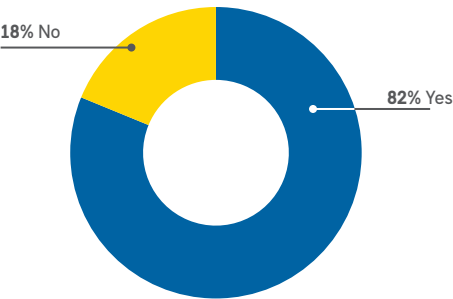
TOP WORDS



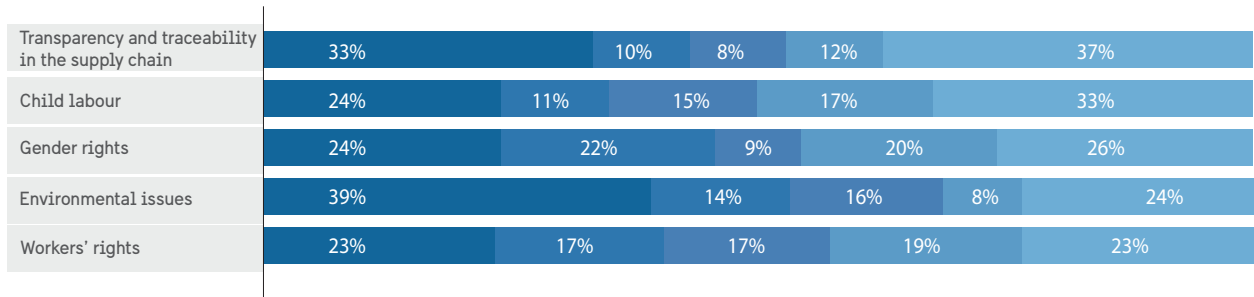
26 Is CSR work part of your Company Balanced Scorecard?



29 Is it important for your company to brand itself as “Swedish” or “Sweden related” to the local market?



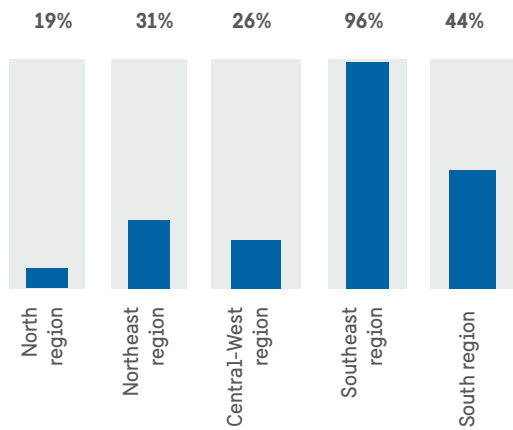
27 In which areas do you work most actively?



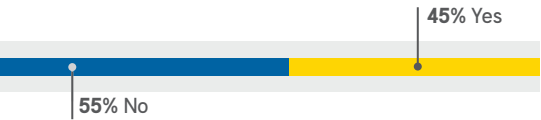
28 What is Swedish business known for in Brazil in your opinion?



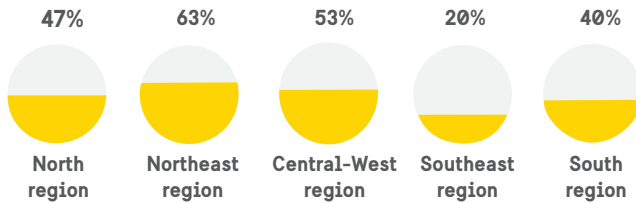
30 In which regions is your company mainly present?



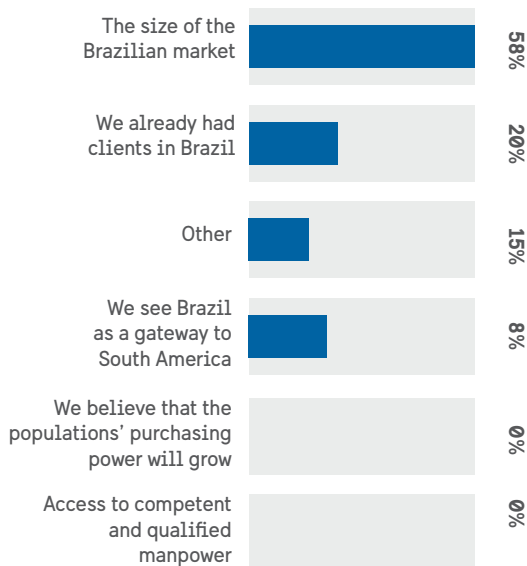
31 Are you considering expanding your business in other regions within the next 3 years?



32 If yes to above question, in which of the following regions are you considering expanding your business?



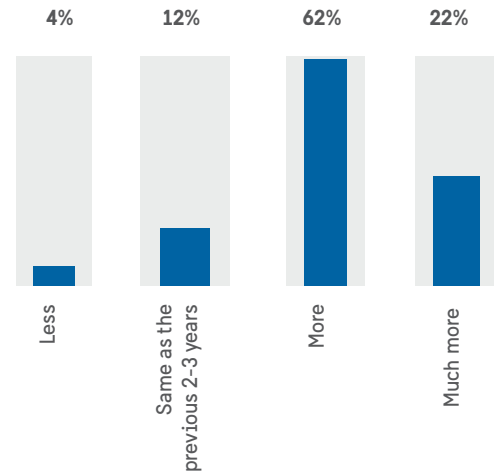
34 Why did you choose to set up business in Brazil?



36 What advice would you give to a Swedish start-up in Brazil?



33 As from January 2019 we will have a new government lead by President-elect Jair Bolsonaro. In your opinion, how will this affect foreign investments in Brazil over the coming three years?



35 What barriers did you encounter to get started?

