LOGISTICS AND SUPPLY CHAIN IN SWEDEN
SECTOR OVERVIEW
The quality choice for logistics and supply chain in Northern Europe
Establishing a position in Sweden means a triple market presence in Scandinavia, Northern Europe, and the European Union, home to some 500 million consumers. This, combined with being the largest market in Scandinavia, makes Sweden the ideal location for centralised market operations in Northern Europe.

With 9.5 million of Scandinavia’s almost 26.5 million consumers and the highest GDP, Sweden is by far the largest market. Sweden receives more than 50 percent of inbound foreign direct investment (FDI) into the region. The country is also the most common choice for regional headquarters. Two-thirds of the Fortune 100 companies that operate regional headquarters do so from a base in Sweden.

SOPHISTICATED CONDITIONS FOR DOING BUSINESS

There are several reasons why Sweden is attractive to foreign business. For one, investors gain access to sophisticated products and technologies, skills, innovations, and first-rate infrastructure.

Additional advantages include a qualified work force, extensive R&D facilities, an advanced test market, and demanding customers and suppliers providing the foundation for business operations of the highest calibre. The Swedish business climate and growth prospects earn high rankings in most internationally recognised studies and surveys. Fortune 500 has put Stockholm on the map as one out of 15 best cities worldwide for business, when looking for smart labour, solid infrastructure and potential customers.

A COMPETITIVE BUSINESS PLATFORM

Sweden offers high language skills, low employee turnover and high computer literacy, all contributing to a competitive business platform. The high quality of available staff, coupled with the high quality of life offered in Sweden, makes Sweden a global magnet as a location for regional head office and centralised logistics operations.

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<thead>
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<th>Centralized distribution centers in Sweden for Northern Europe</th>
<th>Examples</th>
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<tbody>
<tr>
<td>Great location for global and regional headquarters</td>
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<td>Excellent infrastructure</td>
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<td>Source: Stockholm Business Region, Öresundinstitutet, 2016</td>
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<td>Source: Business Sweden, 2016</td>
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<table>
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<th>World wide ranking</th>
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<tbody>
<tr>
<td>1 Germany</td>
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<tr>
<td>2 The Netherlands</td>
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<tr>
<td>3 Belgium</td>
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<tr>
<td>4 United Kingdom</td>
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<tr>
<td>5 Singapore</td>
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<tr>
<td>6 Sweden</td>
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<tr>
<td>7 Norway</td>
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<tr>
<td>8 Luxembourg</td>
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<td>9 US</td>
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<td>10 Japan</td>
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SWEDEN – TOP CHOICE FOR CENTRALISED LOGISTICS

SECTOR OVERVIEW

As companies increasingly consolidate their operations to cover natural economic regions from central locations, centralised distribution for Northern Europe has become a priority. There are positive forecasts for economic growth and an increase of trade flows in this area.

Chosen by Dell, Goodyear Dunlop, Honda, Philips, Toyota and many others, Sweden is uniquely positioned to serve countries in the area.

Sweden is the largest domestic market in the Scandinavian region. Most multinationals find their largest customer base here, and it is also where regional purchasing decisions are often made.

FAST-TRACK SYSTEM FOR RAPID HANDLING

The large economy and diversified, international industry have helped build excellent infrastructure for distribution, communications and financial services. For instance, the fast-track system implemented by the Swedish Customs allows high-volume transporters cost-efficient and rapid customs handling. Sweden is one of the world’s leading IT countries, and Swedish companies integrate highly advanced IT solutions into their logistics activities. Systems for radio frequency identification and traceability are today used in all industry sectors.

CUSTOMER FOCUS AND LANGUAGE PROFICIENCY

The Swedish business culture is characterised by the delegation of responsibility throughout company organisations. Couple this with excellent English language skills and the result is high productivity and professional management of customer relations.

Companies in a wide range of industry sectors have already chosen Sweden to strengthen competitive advantage through centralised logistics. Cost savings and improved customer service levels are among the gains that await you - should you decide to make Sweden your logistics hub.

WHY SWEDEN?

- 24-hour service to major destinations in Northern Europe
- The largest domestic market in Scandinavia
- A wide selection of multi-modal logistics hubs
- Sophisticated third-party logistics providers
- Strong growth for distance selling
- Cutting-edge IT solutions
- Efficient customs handling

Key facts

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<tr>
<td>Population</td>
<td>9.8 million</td>
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<tr>
<td>GDP</td>
<td>3.9 percent</td>
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<tr>
<td>GDP per capita</td>
<td>SEK 404,100</td>
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<tr>
<td>Inflation rate</td>
<td>0.1 percent</td>
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<tr>
<td>Currency</td>
<td>Swedish krona (SEK)</td>
</tr>
<tr>
<td>Rate of exchange</td>
<td>~€9.27</td>
</tr>
</tbody>
</table>

Source: Statistics Sweden, 2015
SUPPLY CHAIN
SECTOR OVERVIEW

HIGH FREQUENCY, AROUND THE CLOCK
From Sweden, all major cities in Sweden, Denmark, Norway and Finland plus the coastal regions of Poland and Germany can be served in less than 12 hours. Estonia, Latvia, Lithuania and western Russia are served within 24 hours. By air, all major destinations in the region can be reached within two hours.

Infrastructure investments have provided Sweden with an outstanding capacity to assure fast, frequent and timely deliveries. Road and rail capacity to and from Sweden is supported by several high frequency ferry connections and an extensive port network.

Stockholm Arlanda airport is one of Europe's best air cargo airports, according to the Air Cargo Excellence survey, measuring performance, value, facilities and operations.

ADVANCED DISTRIBUTION NETWORK
Logistics providers and their customers in Sweden are running solutions that fully integrate the flow of information with money and goods, including suppliers, consumers, logistics providers and banks.

The Swedish distribution network comprises a large number of freight-forwarding and full-service third-party logistics (3PL) providers. Driven by demands from diversified and multinational industries, Sweden's logistics sector has become one of the most capable in Europe.

Early globalization of Swedish manufacturers put high requirements on efficient transport and communications systems.

SEVEN IN TEN SWEDES SHOP ONLINE
Swedish e-commerce selling grew by 14 percent in 2015, corresponding to sales of SEK 50 billion. Clothing, home electronics, books and pharmaceutical products are the most favoured items when Swedes shop online. Payment method and security are key concerns in modern distance selling. Ever more rapid delivery times have become an important factor for being competitive in an increasingly mature market with more and more players. An important component of Swedish e-commerce is shopping from abroad, USA, UK and Germany being the largest markets.

CUTTING-EDGE IT AND LANGUAGE SKILLS
Logistic providers and goods owners capitalise on state of the art telecommunications, internet technology and widespread use of ICT and EDI. This in order to enable just-in-time delivery and seamless flow of materials and information along supply chains. For ten consecutive years, Sweden has been ranked by the World Economic Forum as one of the world’s leading countries to apply ICT in order to promote economic growth and well-being. Besides having a highly computer-literate work force, Swedes also have excellent language skills.

Over 85 percent of Sweden's population speak English, substantially, facilitating cross-border business and customer relations. Swedes also know many other European languages, particularly German and French as well as the languages spoken in Norway, Finland, Denmark and the Baltic States.

EFFICIENT CUSTOMS HANDLING
The Swedish Customs have introduced solutions to enable companies’ easier and more rapid customs handling. The “Stairway concept” allocates goods owners in five categories, depending on their compliance with Swedish Customs’ standards and procedures. From step three and up, companies are assured a non-interrupted flow of goods. IKEA made a 50 percent saving in their customs administrations budget in their first full year of applying the “Stairway concept”.

ADVANCED BUYERS
Swedish industrial buyers such as AstraZeneca, Atlas Copco, Electrolux, Ericsson, SKF, Saab, Scania and Volvo promote advanced use of IT in logistics solutions.

This has helped foster the creation of large suppliers of solutions and software for supply chain management, such as IBS, IFS, Intentia, IMI and WM-data.
Swedish distribution and logistics sites are utilised both by goods owners that want to consolidate Scandinavian distribution operations to one country or seek to expand in Northern Europe from one logistics hub. The map highlights Sweden’s top logistics hubs, according to an analysis made by the industry magazine Intelligent Logistik 2015. All hubs are used for centralised distribution in Northern Europe.

Source: Intelligent Logistik 2015
OUR SERVICES

WE HELP YOU EXPAND YOUR BUSINESS IN SWEDEN

Business Sweden is the official Swedish trade and invest council. We facilitate foreign investment in Sweden and make it easier for Swedish companies to grow internationally.

Business Sweden supports international companies to connect with investment opportunities in Sweden – whether the interest is to gain access to the market or world-class R&D competence and innovation. We provide you with the information, guidance, solutions and network required to invest in Sweden.

EXPERIENCED STAFF

Business Sweden’s industry specialists facilitate for international companies in the process of establishing in Sweden and finding partners for collaboration or investment. Our strength lies in an experienced team of international trade and investment professionals in sectors where Sweden enjoys competitive advantages such as environmental technologies, ICT, life sciences, material technologies and transportation systems. A network of regional partners across Sweden ensures local support.

OUR SERVICES

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Business Sweden is the official Swedish trade and invest council. We facilitate foreign investment in Sweden and make it easier for Swedish companies to grow internationally.

Business Sweden has a simple process for supporting your future business with Sweden and our offer is based on your company’s specific needs. Our working process consists of a number of steps, including the following services:

- **Information sharing.** Based on your investment needs, we share insights on Swedish business sectors, the Swedish market, the investment climate, R&D, specific competence clusters and investment costs.
- **Network access.** We introduce you to all necessary public and private service providers, authorities and organisations.
- **Investment opportunity search.** Based on your priorities we scan, identify and present business opportunities in Sweden. We give you advice on key industry stakeholders and help you identify your next investment step.
- **Matchmaking support.** We introduce you to various opportunities of strategic partnerships, investments and other types of cooperation.
- **Establishment information.** We provide you with information on how to set up and run a business in Sweden including rules and regulations, legal entities, employment, taxes and more.
- **Location management.** Based on your requirements, we support you in identifying sites for your operations in Sweden.

For more information, please contact:
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