



Sweden
Sverige



BUSINESS CLIMATE SURVEY FOR SWEDISH COMPANIES IN CHILE 2025

A REPORT FROM TEAM SWEDEN IN CHILE

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FOREWORD

Sweden and Chile share a long-standing and multifaceted relationship rooted in over two centuries of diplomatic, economic, and social ties. Diplomatic relations were formally established over 200 years ago and have since evolved through periods of close cooperation, solidarity, and renewed partnership in recent decades. Based on shared values like democracy and mutual respect, the relationship has steadily deepened over time. Both countries have consistently demonstrated a strong commitment to open dialogue, mutual respect, and cooperation across a broad spectrum of areas. This enduring partnership is reflected in numerous bilateral agreements and joint initiatives, with particular emphasis in recent years on trade, sustainable development, innovation, and academic cooperation.

Today, both countries continue to strengthen their cooperation through agreements that promote green technologies, sustainable mining, transport and academic exchange. In 2024, a new bilateral roadmap was signed, emphasising intensified commercial ties and collaboration in key sectors such as the green transition and electromobility fields, where Swedish expertise and Chilean resources, like lithium, complement each other strongly.

Swedish companies have a strong and growing presence in Chile, active in sectors such as mining, transport, technology, and healthcare. Major Swedish multinationals – including AstraZeneca, Ericsson, H&M, Saab, Epiroc, Sandvik, Scania and Volvo, among others – operate successfully in the Chilean market, benefiting from Chile's stable business environment and its role as Sweden's third-largest trading partner in Latin America. The business landscape is further enriched by ongoing academic partnerships and a shared focus on sustainability and innovation.

This report aims to provide a comprehensive overview of the current business climate for Swedish companies in Chile, highlighting opportunities, challenges, and the evolving landscape of bilateral cooperation. We trust that the insights presented here will support Swedish enterprises in navigating and thriving within the dynamic Chilean market.

Team Sweden in Chile – comprising the Embassy of Sweden, Business Sweden, and the Swedish Chamber of Commerce – works closely to promote Swedish economic interests and facilitate business opportunities in the country. Through collaboration and dialogue, Team Sweden supports Swedish companies by providing market insights, networking platforms, and tailored assistance.

We would like to extend our sincere gratitude to all the Swedish companies that participated in this inaugural Business Climate Survey. Your valuable input and openness have been fundamental to the preparation of this report. We hope the findings and recommendations presented here will inspire further discussion, exploration, and collaboration between Swedish and Chilean businesses.

Sincerely, on behalf of Team Sweden in Chile,



Jesper Bernhardsson
Trade Commissioner
and Country Manager
Chile, Business Sweden

Inaugural survey in Chile

36 survey respondents

Current business climate

50%

of Swedish companies perceive a positive or neutral business climate in Chile 2024

Industry turnover

78%

of Swedish companies expect their industry turnover to increase

Future investments

58%

of Swedish companies plan to increase their investments slightly or significantly in the next 12 months

Globally valued success factors

1. Partnerships/relationships
2. Cost efficiency
3. Sales competence

Brand Sweden

86%

of Swedish companies in Chile consider Brand Sweden beneficial for business

Local conditions with high satisfaction

1. Market access
2. Infrastructure
3. Suppliers

Local conditions with least satisfaction

1. Licences
2. Labour market
3. Work culture

Environmental considerations

55%

of respondents believe environmental considerations factor in their customers' purchasing decisions

Corruption

Corruption is not perceived as a significant concern by Swedish companies in Chile.

Human rights violations and labour rights abuse

Swedish companies in Chile have not reported encountering any form of human rights violations or labour rights abuse in 2024.

ABOUT THE SURVEY

Business Climate Survey Chile 2025

During the first quarter of 2025, the first edition of the Business Climate survey for Swedish companies operating in Chile was conducted by Team Sweden in Chile, commissioned by the Swedish Embassy, Business Sweden and the Chamber of Commerce (Swedcham).

The Business Climate Survey provides a comprehensive analysis of the opportunities and challenges faced by Swedish companies in Chile. This report presents insights derived from the survey, including an evaluation of the current business environment, economic forecasts, and critical market factors, offering valuable information for established businesses and those considering entering the Chilean market.

Additionally, the survey serves as an important reference for bilateral trade discussions between Chile and Sweden, providing a deeper understanding of Swedish companies' activities and their perspectives on the Chilean business environment.

The survey was sent to 74 Swedish companies operating in Chile, with a response rate of 48 per cent, involving 36 participating companies. The respondents providing valuable insights included senior executives such as country and regional managers, as well as other key decision-makers within Swedish companies in Chile.

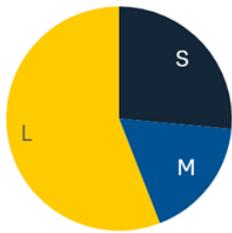
The respondents were categorised into three groups based on the size of their companies: 56 per cent were large companies, 26 per cent represented small businesses, and 18 per cent were medium-sized companies.

In the same manner, slightly more than half of the respondents, 53 per cent, operate in the industrial sector, 25 per cent are engaged in professional services, and 22 per cent in consumer goods. In terms of company maturity, 41 per cent were classified as 'mature', with established operations prior to 2003. Those established between 2004 and 2019 made up 53 per cent and were labelled 'experienced'. The remaining six per cent classified as 'newcomers' were established after 2020.

Finally, the report is structured into five sections. The first section provides an economic outlook based on Swedish companies' annual performance in Chile and their expectations for the year ahead. The second examines Swedish businesses' perceptions of the Chilean market and the factors influencing their operations positively or negatively. The third highlights key success factors for Swedish companies operating in Chile. The fourth focuses on sustainability considerations relevant to conducting business in Chile. Lastly, the fifth and ultimate section examines how Swedish businesses in Chile respond to external pressures, including the upcoming 2025 general elections, which may influence economic policies and business conditions. It also assesses the impact of Asian competitors on market positions and competitiveness, highlighting challenges and opportunities in this dynamic environment.

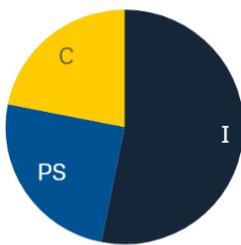
The inaugural Business Climate Survey for Swedish companies in Chile seeks to explore the opportunities and challenges that exist in the country.

SIZE OF COMPANIES



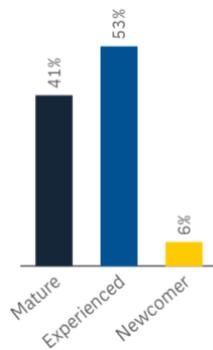
NOTE: Global employees. Large >1000, 56%. Medium 250-1000, 18%. Small 0-249, 26%

MAIN INDUSTRY



NOTE: Industrial 53%. Professional services 25%. Consumer 22%

AGE OF COMPANIES



NOTE: Mature (-2003). Experienced (2004-2019). Newcomer (2020-)

ECONOMIC OUTLOOK

Chile's economy is stable, expecting a steady GDP growth in the next three years

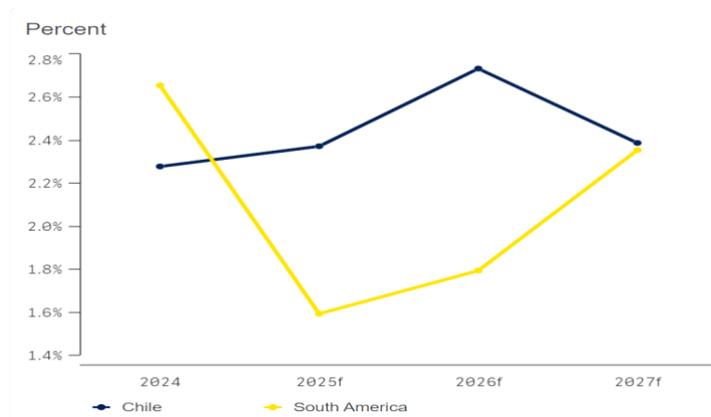
Chile's economy continues to demonstrate stability and moderate growth, with a growth rate expected to be between 1.75 per cent and 2.75 per cent by the end of 2025, distinguishing itself as one of Latin America's most resilient economies. The mining sector, particularly copper and lithium production, remains a cornerstone of the economy, driven by sustained global demand for these critical minerals essential to the green transition. This steady export growth is complemented by advancements in renewable energy, further solidifying Chile's position as a leader in Latin America's energy transformation.

Chile's economic resilience is underpinned by its diversified exports and institutional stability, making it relatively less volatile compared to many of its regional peers. Unlike many economies in the region that depend heavily on cyclical commodities, Chile benefits from sustained long-term demand for minerals essential to green technologies. While Chile has historically maintained sound fiscal policies, its current challenge lies in exercising greater fiscal responsibility to create space for more effective government spending. The country's regulatory framework continues to attract foreign investment and helps mitigate risks associated with political instability, often seen in neighbouring countries. Inflation has been brought under control through timely monetary policy adjustments. Tariffs and external trade uncertainties, however, remain factors to watch. According to the Central Bank's latest IPOM report, inflation is projected to return to the three per cent target by 2026, although these external risks could influence the pace of recovery.

Chile's long-term GDP growth is expected to remain moderate, with forecasts indicating a slight decline in the coming years. This outlook reflects persistent structural challenges, including stagnant productivity and limited investment momentum. Addressing these issues requires boosting productivity, improving the investment climate, and tackling social challenges such as crime and inequality. Progress will depend on coordinated policy efforts and structural reforms tailored to Chile's unique economic and social context. At the same time, the country's ambitious decarbonisation goals present a promising opportunity for economic revitalisation through the growth of green industries. Expansion in renewable energy, green hydrogen, and sustainable infrastructure is expected to generate significant new employment. However, to fully realise this potential, Chile must also overcome social barriers, notably its low female workforce participation – the lowest in Latin America. Enhancing gender inclusion is not only essential for equity but also a key driver of innovation and sustained growth in the emerging green economy.

In summary, while Chile's growth is expected to continue, albeit at a moderate pace, addressing these structural challenges will be crucial for sustaining economic stability and competitiveness in the region.

PROJECTED GDP GROWTH IN CHILE



NOTE: Constant prices.

SOURCE: Oxford Economics, GDP, constant prices and exchange rate, USD. Last update 11 March 2025

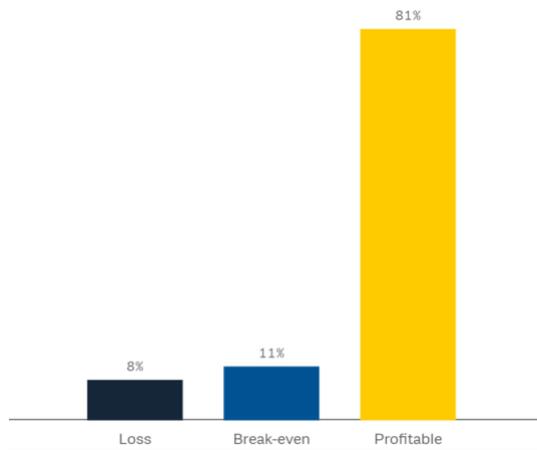
Most companies remain positive about their turnover in the upcoming year

The financial performance of Swedish companies in Chile during 2024 has been remarkably strong, with 81 per cent of respondents reporting profitability. This success is driven by Chile's improving macroeconomic conditions, strategic sectoral alignment, and the ability of Swedish firms to capitalise on opportunities in key industries like mining and renewable energy. Swedish firms, known for their advanced machinery and technology solutions, are well-positioned to support Chile's mining operations.

Chile's economic rebound in 2024 was fuelled by stronger private consumption, a recovery in the mining sector, and easing inflationary pressures. Inflation, which peaked at over 13 per cent in 2022, declined to around 4.7 per cent by February 2025, with the Central Bank of Chile actively steering monetary policy to achieve a return to its three per cent target by 2026. The Central Bank's actions have had a long-term impact on interest rates, which inevitably influence private sector investment and consumption decisions. This monetary policy stance has supported household purchasing power and reduced input costs for businesses, while the depreciation of the Chilean peso has enhanced the competitiveness of exports globally.

In summary, the profitability of Swedish companies in Chile reflects the country's improving macroeconomic conditions, stable institutional framework, and alignment with global trends in mining and sustainability.

HOW WOULD YOU DESCRIBE YOUR COMPANY'S FINANCIAL PERFORMANCE IN CHILE IN 2024?



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

Companies anticipate growth but are scaling back investments

In the coming year, Swedish companies in Chile exhibit tempered optimism regarding their turnover prospects. Notably, industrial companies and newcomers to the market display higher optimism, with 100 per cent of the newcomers expecting an increase in turnover. However, this optimism is not mirrored in their investment plans, as only 50 per cent of these companies anticipate an increase in investments.

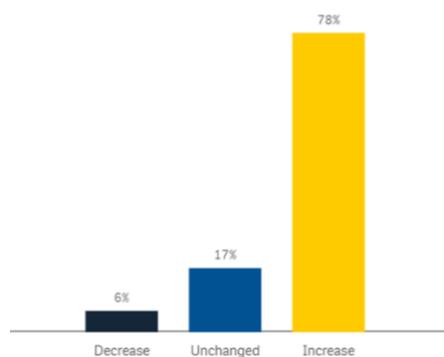
Across company sizes, small, medium, and large enterprises share similar outlooks, though medium-sized companies show slightly less optimism. Despite this, medium-sized companies are more likely to increase investments, with 67 per cent planning to do so, compared to small and large companies.

In terms of the broader investment landscape in Chile, the outlook is somewhat mixed. Only 58 per cent of companies expect to increase their investments over the next 12 months, while 31 per cent anticipate no change, and six per cent plan to leave or reduce their investments. This cautious approach reflects the current economic climate, where despite significant investments in sectors like mining, overall business confidence is tempered by regulatory and economic uncertainties. Rising interest rates have increased the cost of capital, while uncertainty about tariffs and trade policies has added to investment hesitancy.

Mature companies in the market are the most optimistic about investments, with 71 per cent expecting an increase over the next year. This contrasts with newcomers, who are more optimistic about turnover growth, with 100 per cent expecting an increase.

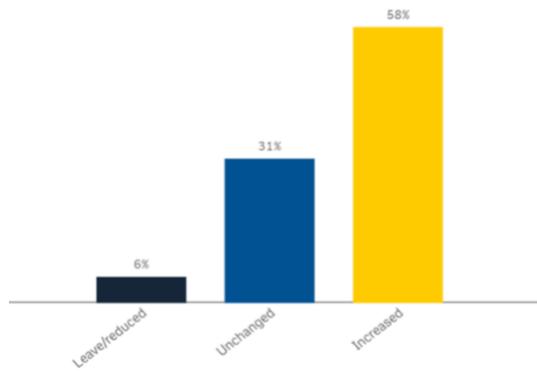
Overall, while Swedish companies in Chile remain cautiously optimistic, there is a noticeable disparity between their expectations for turnover and investment.

COMPARED TO THE DEVELOPMENT IN THE PAST 12 MONTHS, WHAT ARE YOUR EXPECTATIONS FOR THE COMING 12 MONTHS FOR YOUR INDUSTRY IN CHILE REGARDING TURNOVER?



NOTE: Decrease and increase represent aggregations of slight/significant development changes. The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

WHAT ARE YOUR COMPANY'S INVESTMENT PLANS FOR THE COMING 12 MONTHS IN CHILE, COMPARED TO THE PAST 12 MONTHS?

NOTE: Reduced and increased represent aggregations of slight/significant development changes. The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.
SOURCE: Business Climate Survey for Swedish companies in Chile 2025

THE MARKET

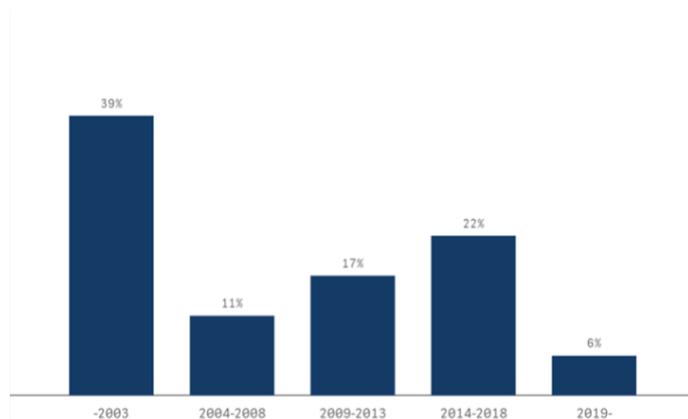
Swedish companies have a long-standing and evolving role in Chile's economic development

Swedish companies have built a strong and lasting presence in Chile, with many having operated in the country for several decades. Established players like Atlas Copco, ABB, and SKF, which have all been in the market for between 70 to 100 years, have laid a solid foundation across sectors such as mining, electrification, and industrial manufacturing and played a key role in electrification and automation projects that support the country's infrastructure and industrial growth. Volvo's connection to Chile dates back to 1938 with the import of its first truck, and in 2025, Scania is celebrating its 30th anniversary in the market as a subsidiary.

Alongside these long-standing companies, newer and younger Swedish firms continue to see value in the Chilean market, especially in areas like digitalisation, technology, and sustainable infrastructure. Recent Swedish trade missions and investments highlight growing interest in electromobility, airport infrastructure, and green hydrogen development, reflecting Chile's commitment to sustainable development. However, while Swedish companies have maintained a strong presence, there has been a slight decrease in the number of new Swedish entrants over the past five years compared to earlier periods. This trend likely reflects a combination of factors, including the maturation of the market, the lingering effects of the pandemic, and the ongoing impact of fiscal and monetary policies, which continue to influence investment dynamics in Chile.

Despite this slight slowdown, Swedish firms remain confident in Chile's potential, driven by the country's stable political climate, competitive economy, and openness to innovation. The broad engagement of Swedish companies – from traditional industrial sectors to emerging tech and service providers – continues to promote knowledge transfer, job creation, and sustainable growth, reinforcing the durable and mutually beneficial economic ties between Sweden and Chile.

IN WHAT YEAR DID YOUR COMPANY ESTABLISH OPERATIONS IN CHILE?



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

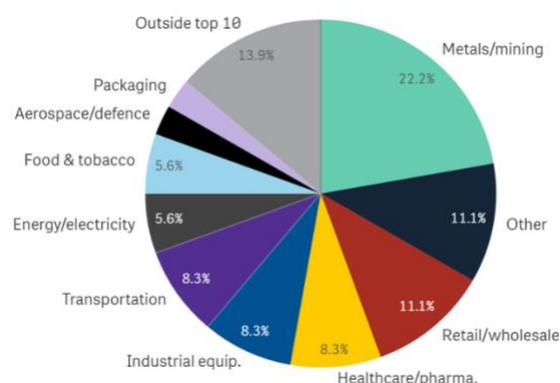
Swedish companies have made a significant and multifaceted contribution to the Chilean economy, engaging across a wide range of industries and business functions. According to the Business Climate Survey, Swedish firms in Chile are particularly active in marketing and sales, with 78.4 per cent of companies involved in these activities. Provision of services (51.4 per cent) and after-sales support (59.5 per cent) are also major areas of operation, highlighting the strong customer-oriented approach of Swedish businesses in the country. Additionally, sourcing and trading account for 24.3

per cent of operations, manufacturing and assembly for 13.5 per cent, and research and development for 5.4 per cent, reflecting a balanced presence across the value chain.

In terms of industry sectors, metals and mining represent the largest share, with 22.2 per cent of Swedish companies operating in this field. This aligns with Chile's global status as a leading mining country and underscores the importance of Swedish expertise in providing advanced mining equipment, technological solutions, and sustainable practices that enhance productivity, safety, and environmental responsibility in the sector.

The retail and wholesale sector accounts for 11.1 per cent of Swedish company activity, driven by Chile's growing consumer market and rising purchasing power. Swedish firms are leveraging this through strong marketing, sales, and distribution efforts. Healthcare and pharmaceuticals, transport, and industrial equipment each represent 8.3 per cent of Swedish business presence. In healthcare, Swedish pharmaceutical companies contribute innovative treatments and advanced medical solutions. In transport, Swedish companies support sustainable mobility initiatives and infrastructure projects, aligning with Chile's ambitious National Sustainable Mobility Strategy aimed at greener urban transport by 2050. Industrial equipment suppliers provide cutting-edge machinery and automation technologies that boost manufacturing efficiency and competitiveness in Chile.

WHAT IS YOUR COMPANY'S MAIN INDUSTRY IN CHILE?

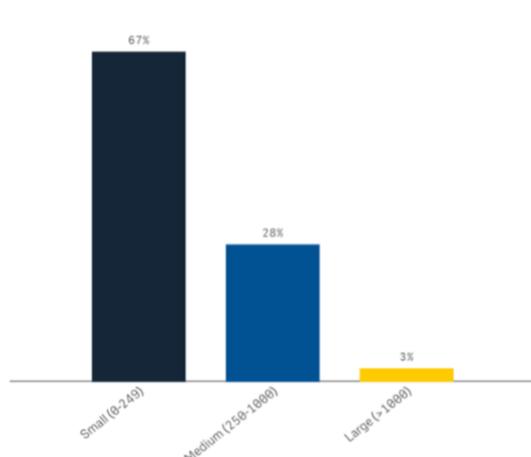


NOTE: The number of respondents for this question was 36.
SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

In Chile, the majority of Swedish companies surveyed are small, with 67 per cent employing fewer than 250 local workers. These smaller firms are known for their agility and adaptability, playing a vital role in driving innovation, fostering entrepreneurship, and creating jobs within the Chilean economy. Medium-sized companies, which make up 28 per cent of the Swedish business presence, typically employ between 250 and 1,000 workers. These firms have the capacity to undertake larger projects and contribute significantly to various sectors by offering specialised services, advanced technologies, and employment opportunities that support economic growth and diversification. Large Swedish companies represent a smaller share of three per cent locally but remain important players in Chile's market.

Interestingly, among the responding Swedish companies, over half (56 per cent) are large on a global scale, with more than 1,000 employees worldwide. However, their local workforce in Chile is much smaller, reflecting a common pattern where global headquarters maintain extensive workforces while local operations are more focused and leaner. This dynamic illustrates how Swedish multinationals leverage their global scale and resources while maintaining agile local teams tailored to Chile's market size and needs.

SWEDISH FIRMS' LOCAL NUMBER OF EMPLOYEES IN CHILE IN 2025



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.

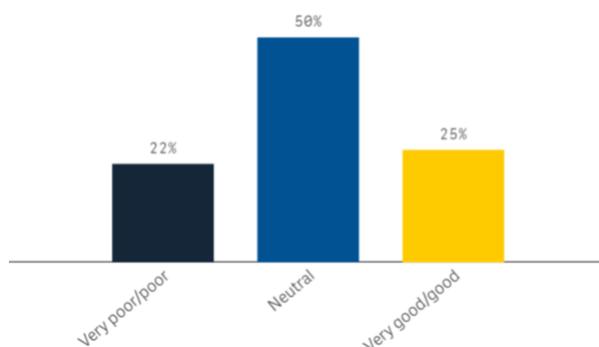
SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

A stable but varied business climate in Chile: optimism of new entrants contrasts with caution of established firms

Swedish companies' perceptions of the business climate in Chile present a nuanced picture. According to recent survey results, half of the Swedish companies operating in Chile view the business climate as neutral, while 25 per cent have a positive outlook. However, 22 per cent perceive the climate as poor or very poor. When looking more closely at company size, medium-sized firms show a notably more cautious stance: 50 per cent of them rate the business climate as very poor or poor, with the remaining half seeing it as neutral. In contrast, newcomers to the Chilean market express the most optimism, with 100 per cent of these younger companies perceiving the business climate as good or very good.

This distribution of sentiment highlights a market environment that is generally stable but with challenges that may affect more established or mid-sized companies differently than newer entrants. The positive outlook among newcomers may reflect their agility, innovative approaches, or entry into emerging sectors such as digitalisation, sustainable infrastructure, and green technologies, which align well with Chile's evolving economic priorities.

HOW DO YOU PERCEIVE THE CURRENT BUSINESS CLIMATE IN CHILE?



NOTE: The number of respondents for this question was 32. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

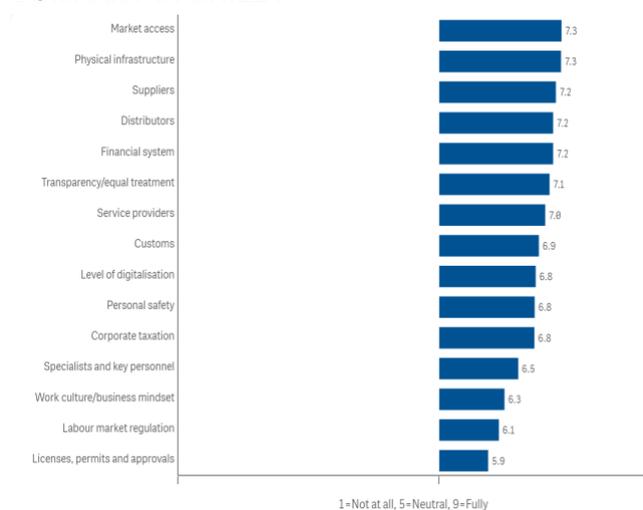
Market access and infrastructure lead as key strengths, while regulatory complexity remains a challenge

When assessing the opportunities for Swedish companies in Chile, several strengths of the local business environment stand out. Surveyed companies highlighted market access, the quality of infrastructure, and the reliability of suppliers and distributors, as well as the financial system, as the most favourable aspects for doing business in Chile. These factors contribute to making Chile one of the most open and accessible markets in South America, supported by a transparent political framework, robust free-trade agreements, and a mature financial sector. Such advantages make it easier for Swedish firms to enter the market, establish partnerships, and efficiently manage supply chains, which is particularly valuable in key industries like mining, forestry, agriculture, and technology.

However, Swedish companies also identify notable challenges within the Chilean business environment. The most significant obstacles are related to work culture – such as a clash of business mindsets and a shortage of specialists or key personnel – labour market regulations and the complexity of obtaining licences, permits, and approvals. Labour market regulations are often perceived as rigid, affecting the allocation of talent and flexibility for businesses, while bureaucratic hurdles in licensing and compliance can slow down operations and increase costs. Additionally, companies report that cultural differences, such as communication styles and decision-making processes, can create gaps between expectations and outcomes, underscoring the importance of local knowledge and reliable partnerships.

These insights reflect both the opportunities and the complexities of operating in Chile. While the country offers a stable macroeconomic environment, competitive infrastructure, and a well-developed financial system, Swedish companies must also navigate regulatory challenges and adapt to local business practices.

HOW WELL DO THE FOLLOWING CONDITIONS MEET THE NEEDS OF YOUR COMPANY IN CHILE?



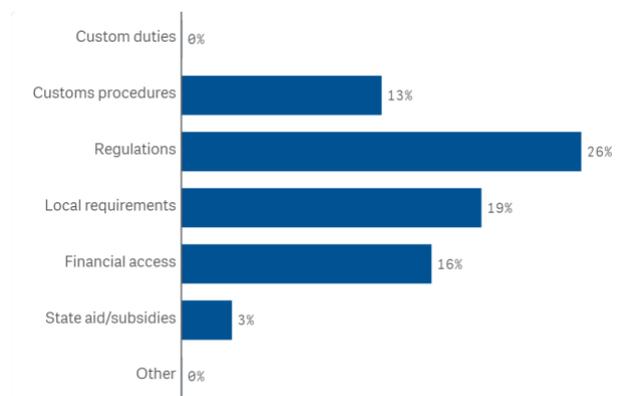
NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

Regulatory complexity and local requirements are the trade barriers that pose the greatest challenges for Swedish companies in Chile

Swedish companies in Chile report facing several trade barriers that have negatively impacted their operations over the past year. The most common challenge is regulations, cited by 26 per cent of respondents, followed by local requirements at 19 per cent and access to finance at 16 per cent. Customs procedures affected 13 per cent of companies, while only three per cent reported issues with state aid or subsidies. These results highlight that, despite Chile's open economy and strong trade agreements, regulatory complexity and local compliance remain significant hurdles. Recent trade agreements, such as the updated EU-Chile Interim Trade Agreement, aim to ease customs processes, but navigating regulations and local standards still requires careful attention. Access to finance also poses challenges for some Swedish firms, underscoring the need for strong financial support systems.

HAS YOUR COMPANY IN THE PAST YEAR ENCOUNTERED TRADE BARRIERS IN CHILE WITH A NOTICEABLY NEGATIVE IMPACT ON OPERATIONS, IN ANY OF THE FOLLOWING AREAS?



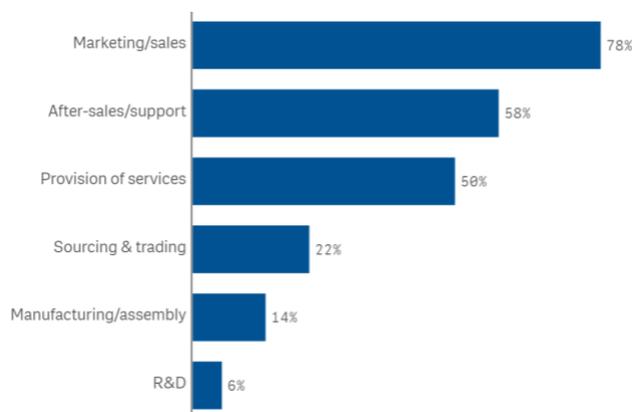
NOTE: The number of respondents for this question was 36.
SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

HOW SWEDISH COMPANIES SUCCEED IN CHILE

Nearly 80% of Swedish companies in Chile focus on marketing and sales

A key factor behind the success of Swedish companies in Chile is their strong focus on marketing and sales activities, with 78 per cent of surveyed firms actively engaged in these areas. This emphasis on market presence allows them to build close relationships with local customers and partners, adapting their offerings to meet Chile's evolving needs. After-sales support is also a major component of their operations, with 58 per cent providing robust service and support infrastructures that enhance customer satisfaction and long-term loyalty. Additionally, half of the Swedish companies offer a range of services locally, reflecting their commitment to delivering tailored solutions beyond just product sales. While a smaller share of companies is involved in sourcing and trading (22 per cent) or manufacturing and assembly (14 per cent), these activities remain important for supporting local supply chains and production capabilities. Research and development, though representing a modest six per cent, signals ongoing investment in innovation and adaptation to Chile's market conditions. This diverse operational footprint demonstrates Swedish companies' strategic approach to the Chilean market: leveraging strong sales and service networks while gradually expanding local production and innovation capacities. Their presence aligns well with Chile's economic priorities in sectors such as mining, sustainable infrastructure, and digitalisation, where Swedish expertise in technology and sustainability is highly valued.

OPERATIONS OF SWEDISH FIRMS IN THE MARKET



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.

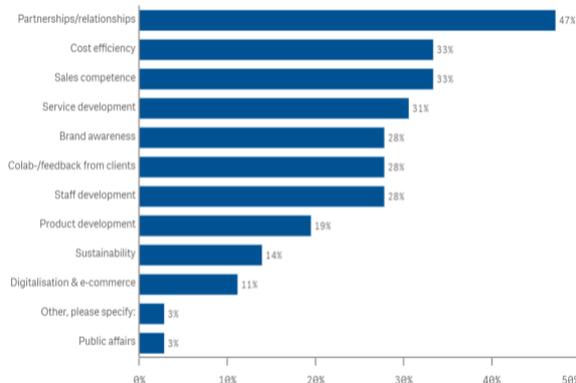
SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

In the Chilean market, partnerships and relationships are considered the most crucial success factors, closely followed by cost efficiency and sales competence in a tie

In Chile, Swedish companies identify partnerships and relationships as the most important factors in maintaining competitiveness, with 47 per cent highlighting their critical role. This emphasis reflects the value placed on building strong local networks and trusted collaborations to navigate the market effectively. Cost efficiency and sales competence are also seen as key success drivers, each noted by 33 per cent of respondents, underscoring the importance of managing resources wisely while maintaining a skilled and capable sales force. Service development follows closely at 31 per cent, reflecting ongoing efforts to enhance customer experience and tailor offerings to local needs. Brand awareness, cited by 28 per cent, remains a relevant factor in standing out within competitive sectors.

Interestingly, sustainability and digitalisation – often considered global priorities – are viewed as less critical in Chile’s current competitive landscape, with only 14 per cent and 11 per cent, respectively, ranking them as important. This may indicate that while these areas are gaining traction, Swedish companies currently prioritise relationship-building, operational efficiency, and sales capabilities to secure their market position.

TO DATE, WHICH OF THE FOLLOWING AREAS HAVE BEEN IMPORTANT IN MAINTAINING COMPETITIVENESS IN CHILE?



NOTE: The number of respondents for this question was 36. “Don’t know/Not applicable” responses are included but not shown in this figure.

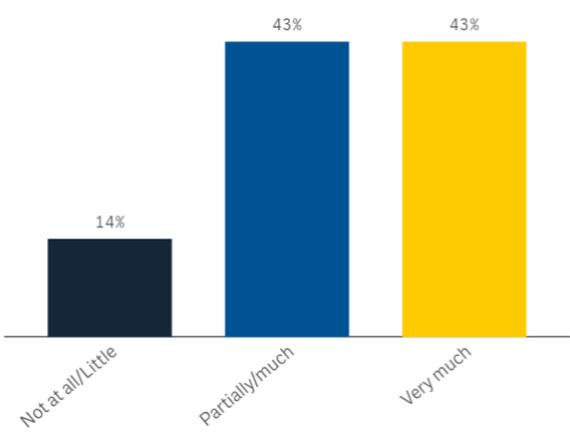
SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

The ‘Swedish brand’ is a key driver of business success for Swedish companies in Chile

The importance of the Swedish brand in the Chilean market remains strong, with 86 per cent of Swedish companies recognising its positive impact on their business success. Among these, 43 per cent say the brand has contributed very much, while another 43 per cent consider its influence to be partial or significant. Only 14 per cent of companies feel the Swedish brand has little or no effect locally. This strong perception is ingrained in the reputation Swedish companies have built in Chile for delivering high-quality products and services, combined with a commitment to innovation, sustainability, and social responsibility. Beyond product excellence, Swedish firms have fostered lasting partnerships with local stakeholders, strengthening trust and credibility in the market. These factors together make the Swedish brand a valuable asset for companies aiming to establish and

expand their presence in Chile, supporting their continued growth and influence in the country's dynamic economy.

TO WHAT EXTENT WOULD YOU ESTIMATE THAT THE "SWEDISH BRAND" CONTRIBUTES TO YOUR BUSINESS IN CHILE?



NOTE: The number of respondents for this question was 35. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

ACTING SUSTAINABLY

Growing customer focus on environmental factors amidst traditional competitive drivers in Chile

In Chile, environmental considerations are increasingly influencing customer purchasing decisions, though the extent varies across sectors and company profiles. According to Swedish companies operating in Chile, 26 per cent of customers consider environmental aspects “very much” when making purchases, while 44 per cent take these factors into account partially or to a moderate degree. Meanwhile, 26 per cent of customers are perceived to consider environmental issues little or not at all.

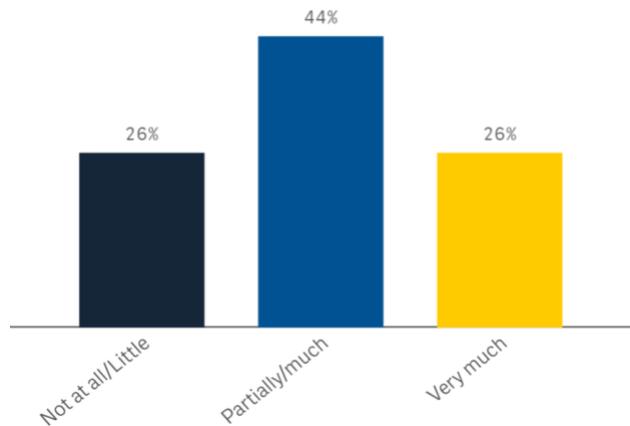
Notably, newcomers to the Chilean market stand out, with 100 per cent of these companies reporting that their customers place very high importance on environmental factors. In contrast, none of the companies within professional services reported customers considering environmental aspects “very much”, though 86 per cent indicated a partial or moderate level of concern in this sector.

As mentioned earlier, sustainability ranks relatively low as a factor for maintaining competitiveness in Chile, with only 14 per cent of Swedish companies identifying it as important. This interesting contrast suggests that while environmental concerns are gaining traction among consumers and policymakers, traditional business drivers such as partnerships, cost efficiency, and sales competence currently dominate the competitive landscape.

At the same time, Chile is actively advancing its green transition, leveraging abundant renewable energy resources and critical minerals to position itself as a leader in sustainable industries. However, fiscal constraints limit the government’s spending capacity, which influences procurement decisions to favour companies offering the lowest prices. This pricing focus can place Swedish companies, known for their high-quality and innovative solutions, in a challenging position when competing in public tenders. Despite these challenges, government policies and investments aimed at promoting clean energy and sustainable practices signal that environmental considerations will remain central to Chile’s economic future.

For Swedish companies, this evolving context presents both challenges and opportunities. While sustainability may not yet be the foremost competitive factor, growing customer demand – especially among newer market entrants – signals a shift towards greater environmental awareness. Companies that align their offerings with these emerging expectations will be well-positioned to strengthen their market presence and contribute to Chile’s sustainable development.

TO WHAT EXTENT DO CUSTOMERS IN CHILE CONSIDER ENVIRONMENTAL ASPECTS OF A PRODUCT OR SERVICE IN THEIR PURCHASING DECISION?

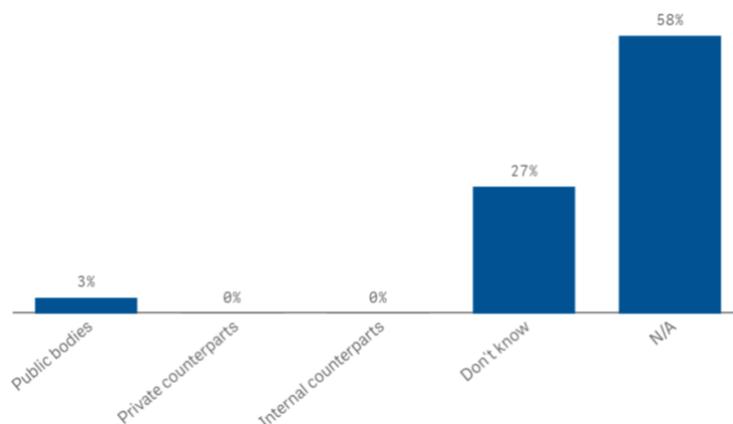


NOTE: The number of respondents for this question was 34. “Don’t know/Not applicable” responses are included but not shown in this figure.
 SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

Only one company reports having been exposed to corruption in Chile in 2024

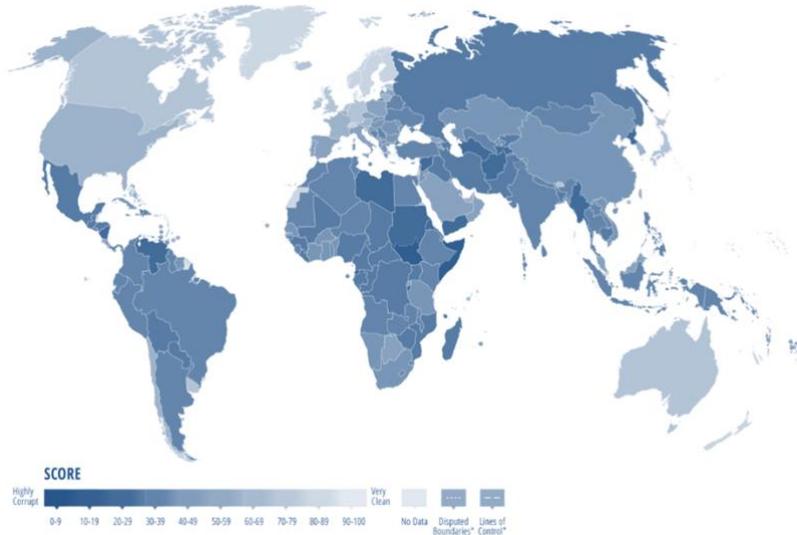
The Corruption Perceptions Index (CPI) is a prestigious global benchmark that evaluates how corrupt a country’s public sector is perceived to be. Drawing on the expertise of business leaders and specialists, it provides a comprehensive snapshot of corruption levels worldwide. In the recently published Corruption Perceptions Index for 2024, Chile scored 63 points out of 100, ranking it as the 32nd least corrupt country globally out of 180 nations. This places Chile among the top performers in Latin America, where it is recognised as having the second-best corruption perception. When asked whether they had been exposed to corruption in 2024, the largest share of Swedish companies in Chile – 58 per cent – answered “Not applicable”, while 27 per cent responded “Don’t know”, suggesting that corruption is not considered a major issue in the country. Only one respondent, representing three per cent, indicated exposure to corruption, which they reported originated from public bodies.

HAS YOUR COMPANY IN CHILE BEEN EXPOSED TO CORRUPTION SUCH AS, BUT NOT LIMITED TO, ATTEMPTS OF BRIBERY OR FRAUD IN CONTACTS WITH ANY OF THE FOLLOWING AREAS?



NOTE: The number of respondents for this question was 36.
 SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

CORRUPTION PERCEPTION INDEX 2024

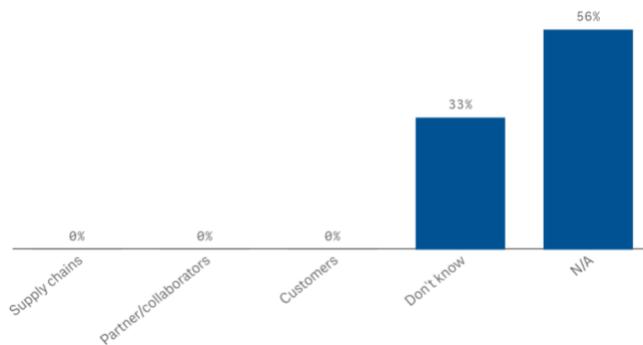


NOTE: Corruption Perception Index 2024
 SOURCE: Transparency International.

Minimal exposure to issues of human rights violations or labour rights abuse reported

Swedish companies in Chile generally perceive a low risk of encountering human rights violations or labour rights abuses in their business contacts. Among surveyed firms, 33 per cent answered “Don’t know” when asked about such issues, and 56 per cent replied “Not applicable”, indicating limited direct exposure. This aligns with Chile’s efforts to strengthen human rights practices in business. While challenges remain in the broader social context, Swedish companies report minimal risks in their immediate operations and supply chains, reflecting a relatively stable and regulated market environment.

HAS YOUR COMPANY IN CHILE ENCOUNTERED ANY FORM OF HUMAN RIGHTS VIOLATIONS AND/OR LABOUR RIGHTS ABUSE IN CONTACTS WITH ANY OF THE FOLLOWING AREAS?



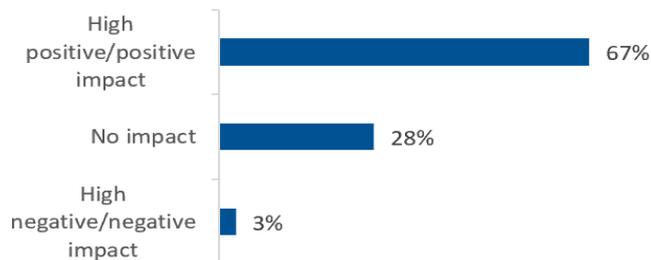
NOTE: The number of respondents for this question was 36.
 SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

MARKET-SPECIFIC QUESTIONS

The majority of Swedish companies expect Chile's upcoming elections to positively impact business conditions

The upcoming elections in Chile are viewed with considerable optimism by Swedish companies operating in the country. A strong majority – 67 per cent – anticipate a positive or highly positive impact on their business conditions as a result of the electoral process. Given Chile's recent history of social and political unrest, companies may see the elections as an opportunity for a more predictable and supportive environment, which is essential for long-term planning, particularly in sectors such as mining, infrastructure, and technology. Meanwhile, 28 per cent of companies expect the elections to have no significant impact on their operations, reflecting either a wait-and-see approach or confidence in their ability to navigate changing political landscapes. Only a small minority of three per cent foresee a negative or highly negative impact, suggesting limited concern over potential adverse policy shifts. Overall, the elections are regarded as a key event with the potential to shape Chile's business climate in the near future.

TO WHAT EXTENT DO YOU ANTICIPATE THE UPCOMING ELECTIONS IN CHILE WILL IMPACT YOUR BUSINESS CONDITIONS?



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.

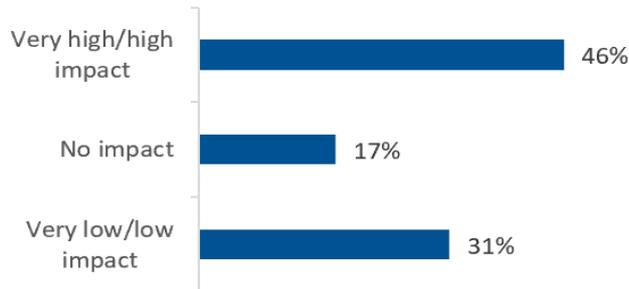
SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

Nearly half of the businesses report a significant impact from Asian competitors in Chile over the past two years

Swedish companies report that competition from Asian firms has notably influenced their market position in Chile over the past two years. Nearly half (46 per cent) of respondents indicate that Asian competitors have had a high or very high impact, reflecting intensified competition in sectors such as manufacturing, consumer goods, technology, and infrastructure-related industries. This increased presence of Asian companies may be driven by competitive pricing, efficient supply chains, and aggressive market entry strategies, which challenge Swedish firms to differentiate themselves through quality, innovation, and service. Conversely, thirty-one per cent of companies perceive a very low or low impact from Asian competitors, suggesting that in certain niches or specialised segments, Swedish companies maintain a strong foothold. Additionally, seventeen per cent of respondents report no impact, which could be due to operating in markets or sectors less

affected by Asian competition. These mixed perceptions highlight the varied competitive landscape Swedish companies face in Chile, depending on their industry focus and customer base.

TO WHAT EXTENT DO YOU CONSIDER THAT ASIAN COMPETITORS HAVE IMPACTED YOUR MARKET POSITION IN CHILE IN THE LAST 2 YEARS?

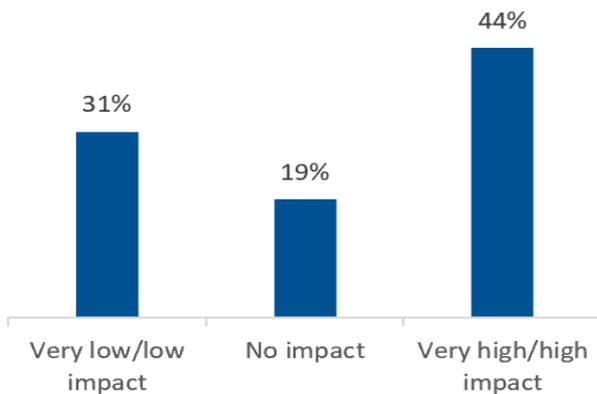


NOTE: The number of respondents for this question was 35. "Don't know/Not applicable" responses are included but not shown in this figure.
 SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

Swedish companies brace for ongoing competitive pressure from Asian firms in the Chilean market

Looking ahead, Swedish companies anticipate that Asian competitors will continue to play a significant role in shaping their market position and overall competitiveness in Chile. Forty-four per cent expect a very high or high impact in the coming years, closely aligning with recent experiences. This expectation underscores the need for Swedish firms to remain agile and innovative, leveraging their strengths in quality, sustainability, and advanced technologies, as well as adopting a more aggressive approach to pricing in order to stay competitive. At the same time, thirty-one per cent foresee a low impact, which may reflect confidence in their established market niches or customer loyalty. Additionally, nineteen per cent believe Asian competitors will have no impact on their future market position, possibly due to specialisation or unique value propositions that are less vulnerable to price-driven competition. This outlook suggests that, while Asian competition is a critical factor, Swedish companies see opportunities to differentiate and grow by focusing on their core competencies and adapting to evolving market dynamics.

TO WHAT EXTENT DO YOU CONSIDER THAT ASIAN COMPETITORS WILL IMPACT YOUR MARKET POSITION AND COMPETITIVENESS IN CHILE?



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in this figure.
 SOURCE: Business Climate Survey for Swedish companies in Chile 2025.

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