



Sweden
Sverige



BUSINESS CLIMATE SURVEY FOR SWEDISH COMPANIES IN SINGAPORE 2025

A REPORT FROM TEAM SWEDEN IN SINGAPORE

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KEY CONTRIBUTORS TO THIS REPORT

Business Sweden in Singapore

FOREWORD

The Business Climate Survey, a long-standing initiative by Business Sweden, has provided a comprehensive assessment of Swedish companies operating in Singapore. This survey provides factual insights into the performance and challenges faced by Swedish enterprises, set against the backdrop of Singapore's macroeconomic outlook.

The small nation-state of Singapore aims to ensure its competitive edge while at the same time preserving its sovereignty and safety. As a result, it has maintained its neutrality while building solid ties with the international community. It has become a major force in both regional and international affairs because of its strategic location between the West and the East as a global and economic centre and because it is a key political actor in the region. This has made Singapore a natural home for Swedish businesses, providing them with easier market access, especially to the greater Asia-Pacific region, and a wide network of bilateral and multilateral trade agreements.

The 2025 Business Climate Survey showed a more muted opinion on Singapore's business environment, where Swedish businesses are shifting towards more prudent cost-savings and consolidation. While Swedish companies have generally performed well in the past year, investments are expected to be more reserved as companies look to ensure they are well-prepared to tackle the anticipated economic slowdown in the upcoming year. Singapore's status as a global trading hub is definitely affected by the ongoing US tariffs, and as such, businesses are expected to be more prudent in their approaches this year.

Despite headwinds in the economy, we believe that Singapore's business climate still provides opportunities for Swedish companies in Singapore. Sweden and Singapore share a dynamic partnership built on shared values and innovation. Today, Singapore hosts over 250 Swedish companies – one of the highest numbers in Asia-Pacific. This survey showcases the adaptability and resilience of Swedish companies in navigating Singapore's competitive business landscape. Swedish businesses have contributed significantly to Singapore's economy by fostering innovation and growth in a number of industries, including manufacturing, technology, healthcare, and sustainable solutions. Swedish businesses have become major players in the regional market by leveraging Singapore's strategic location, strong financial system, and business-friendly laws. In 2024, Singapore also hosted the first bilateral State Visit led by His Majesty King Carl XVI Gustaf, with a wide-ranging agenda that includes laying the ground for greater defence cooperation, trade promotion and knowledge exchange.

We would like to extend our gratitude to the 78 participating companies and respondents who shared their time and insights with us. Your contributions will support not only the success of this report but also Team Sweden's efforts to continue accelerating business growth and sustainable development. Thank you!



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+78 respondents in Singapore

Current business climate

Generally positive view on Singapore's current business climate

Industry turnover

55%

of Swedish companies expect their industry turnover to increase

Future investments

37%

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

Globally valued success factors

1. Partnerships/relationships
2. Sales competence
3. Brand awareness

Brand Sweden

83%

of Swedish companies abroad consider Brand Sweden beneficial for business

Local conditions with high satisfaction

1. Personal safety
2. Physical infrastructure
3. Financial system

Local conditions with least satisfaction

1. Labour market regulation
2. Specialists and key personnel
3. Work culture/business mindset

Environmental considerations

58%

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

Corruption

Low risk for corruption

Human rights violations and labour rights abuse

Low risk for human rights violations and labour rights abuse

ABOUT THE SURVEY

The eighth report conducted by Team Sweden

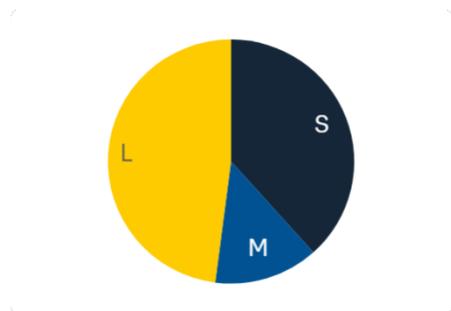
The 2025 Business Sweden Climate Survey was conducted by Business Sweden in Singapore for the eighth consecutive year. The aim of the survey is to provide a deeper view of Swedish companies' perspectives on Singapore's macroeconomic conditions, opportunities, challenges, and sustainability goals. The survey also takes a closer look at Swedish companies' operations, including business activities, industries, company size, and years of conducting business in Singapore.

The survey was conducted in Q1 2025, with a total of 78 respondents composed of executives representing Swedish companies operating in Singapore. The respondents comprised a mix of small, medium, and large companies. To be included in the sample selection, companies must either be of Swedish origin or owned by a Swedish juridical entity (e.g. private limited, branch office, joint venture, representative office) or an individual. Large companies, or those with a headcount of more than 1,000 global employees, represented 48 per cent of the sample, while medium-sized companies (250-1,000 global employees) comprised 14 per cent. Finally, 38 per cent were small companies with less than 250 employees.

The industries represented by the surveyed Swedish companies cover a wide spectrum and are grouped into three categories: professional services (46 per cent), industrial (44 per cent), and consumer companies (10 per cent). In terms of years of operations in Singapore, 43 per cent of respondents have more than two decades of business in Singapore, while 39 per cent established their business between 2005 and 2019, and the final 19 per cent set up their business within the last five years.

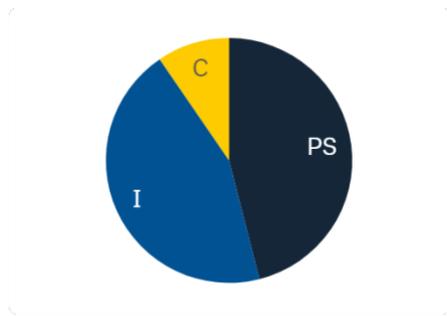
Most of the questions in this survey are similar to those used in previous surveys, which allows for comparisons with past editions. These are synchronised with other Business Climate Surveys carried out by Team Sweden in markets around the world to enable comparability wherever relevant. A global report will likewise be published. Some questions specific to the Singapore market have also been added to this year's survey in Singapore, including questions regarding companies' operations and focus within the region.

SIZE OF COMPANIES



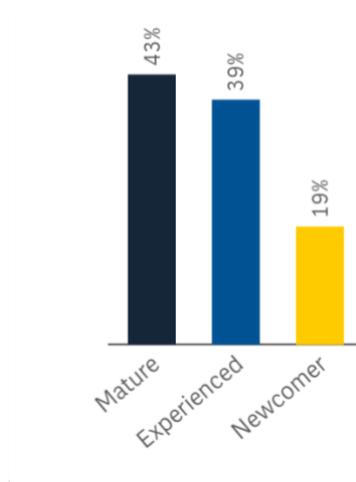
NOTE: Global employees. Large >1000. Medium 250-1000. Small 0-249

MAIN INDUSTRY



NOTE: Industrial 44%. Professional services 46%. Consumer 10%

AGE OF COMPANIES



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

ECONOMIC OUTLOOK

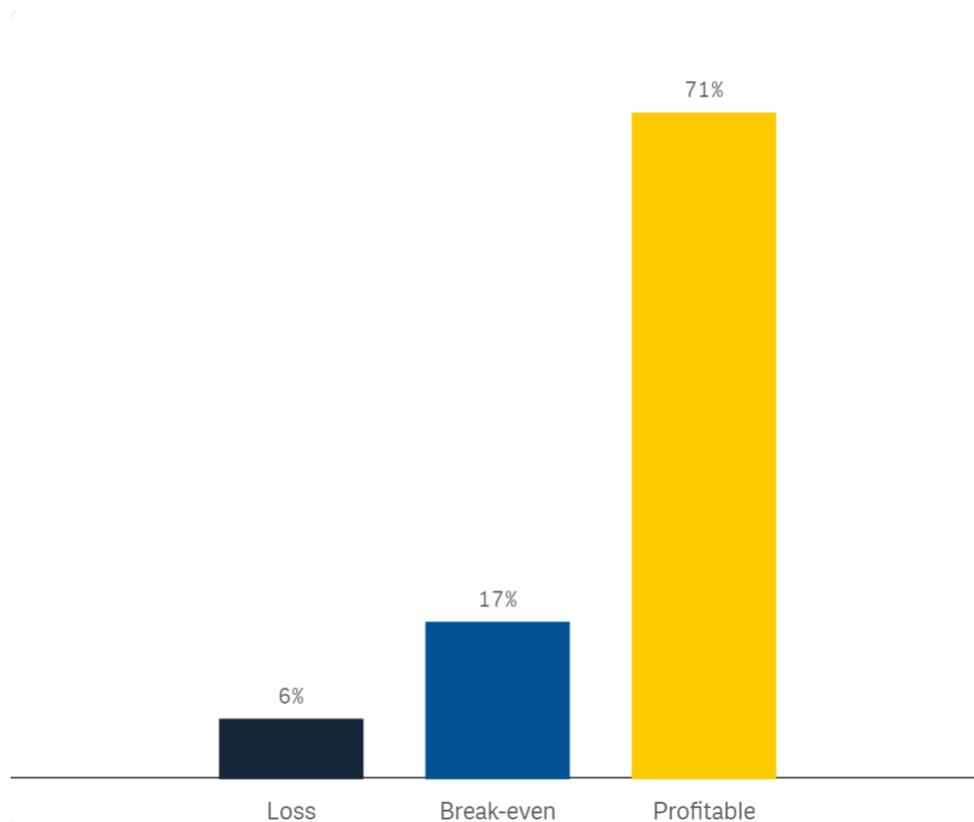
Most Swedish companies reported profits in 2024

Across the board, Swedish companies in Singapore have performed better in 2024 compared to 2023. A higher proportion of companies have reported profitability in 2024 as compared to the previous years, with 71 per cent reporting profits in comparison to 68 per cent in 2023. Companies reporting losses have also dropped from 15 per cent in 2023 to six per cent in 2024, while 17 per cent of companies reported break-even compared to 14 per cent in 2023.

Taking a deep dive into the respondents' respective industries shows improvement in two of the three types of industries in the survey. In last year's survey, 74 per cent of industrial companies reported themselves as profitable, which has grown slightly to 79 per cent in this year's survey. Consumer goods companies reported the highest increase in profitability, with only 50 per cent of companies reporting profitability in last year's survey compared to 67 per cent in this year's survey. Professional services companies reporting profitability encountered a slight drop from 68 per cent in last year's survey to 66 per cent in this year's survey.

This is backed by the stronger-than-expected growth of Singapore in the past year, which grew at a faster rate of 4.4 per cent compared to an earlier estimate of four per cent by the Ministry of Trade and Industry (MTI). This growth is also significantly greater than the 1.8 per cent growth seen in 2023, allowing Swedish companies in Singapore to reap the benefits and become more profitable.

HOW WOULD YOU DESCRIBE YOUR COMPANY'S FINANCIAL PERFORMANCE IN SINGAPORE IN THE PAST YEAR?



NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

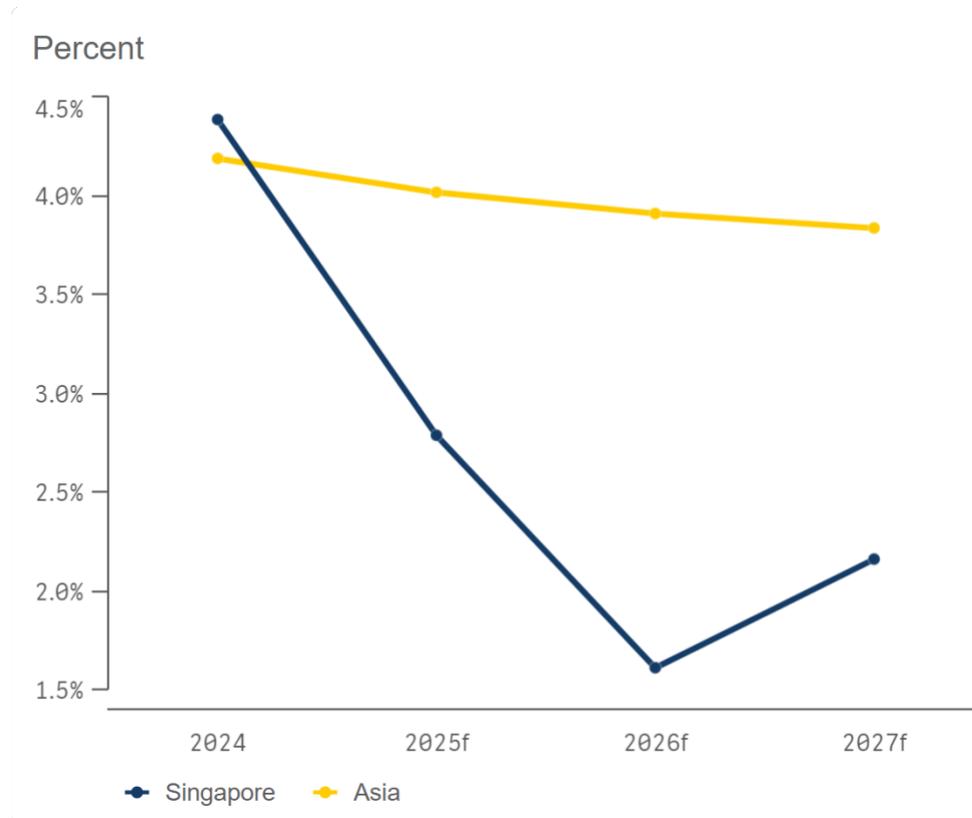
Singapore's growth is expected to slow down in 2025

The stronger annual growth came as a result of stronger-than-expected growth across all four quarters of 2024, where upward revisions were made to the GDP forecast. This marked Singapore's fastest growth since 2021 and is boosted by strong performances from the wholesale trade, finance and insurance, and manufacturing sectors.

However, GDP growth is expected to slow down in 2025 due to global uncertainties and increasing barriers to trade because of geopolitical conflicts and increased uncertainty over US trade policies. Singapore is affected by US tariffs both directly and indirectly by the tariffs on Singapore's major trading partners, which could lead to a wider slowdown in global economic growth and trade. As a result of the tariffs implemented by the US in April, the GDP growth in Singapore has been downgraded to 0-2.0 per cent, down from an already conservative forecast of 1.0-3.0 per cent at the start of the year. The tariffs imposed and the ongoing trade war between the two largest economies of the world, the USA and China, are expected to have a strong impact on global trade and global economic growth. As a global trading hub heavily reliant on international trade, Singapore is expected to face strong headwinds in the year ahead.

It's also anticipated that business and consumer sentiments will be tempered due to the increased uncertainty surrounding the global stage, which could result in less domestic investment and spending. Many businesses and households may adopt a 'wait-and-see' approach before making any spending decisions. Separately, MTI observed that the overall unemployment rate in Singapore was 2.0 per cent in 2024, compared to 1.9 per cent in 2023, while real median income rose 3.4 per cent in 2024.

PROJECTED GDP GROWTH IN SINGAPORE



NOTE: Constant prices.

SOURCE: Oxford Economics 11 March 2025

In reaction to the extensive new US tariffs, the Singaporean government has established a national task force to assist workers and enterprises. The task force is currently determining the specifics of its makeup and main responsibilities, but one of its main goals will probably be information exchange and communication to make sure that Singaporean workers and companies are in agreement on the difficulties they confront and any possible solutions. As of April 2025, the task force includes five Cabinet ministers, along with representatives of Singapore's economic and tripartite agencies.

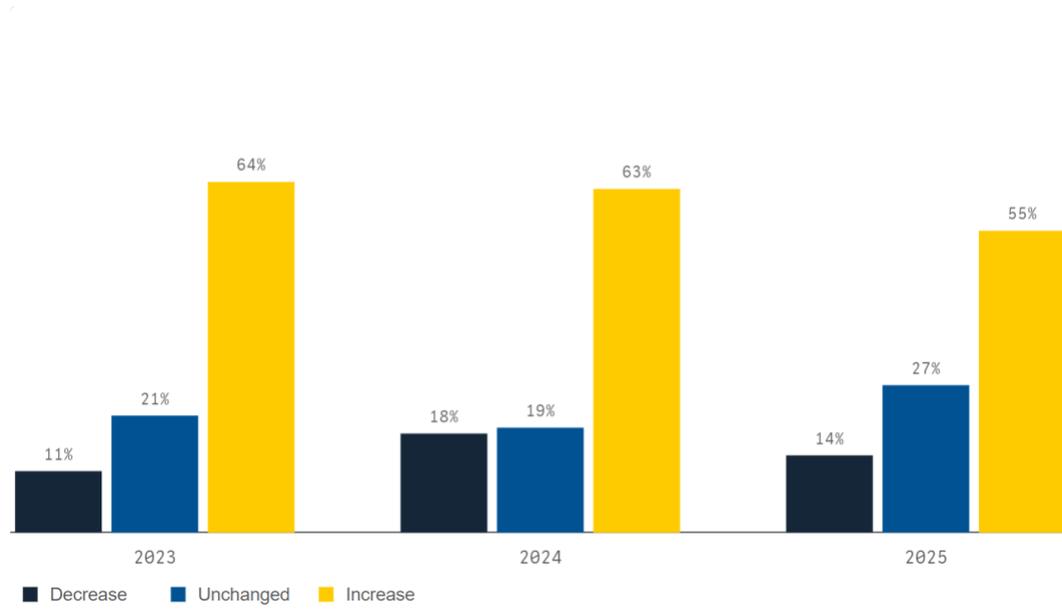
Even though Singapore faces comparatively stronger headwinds due to the export-reliant sectors, the government is shoring up efforts to ensure Singapore remains an attractive destination for businesses. With ambitious strategic upgrades to existing infrastructure, such as the Tuas Mega Port and Changi Airport Terminal 5, the government is also looking to further cement Singapore's position as a world-class transport hub. With a business-friendly environment, minimal corruption, and a relatively skilled labour force, Singapore will remain a highly attractive destination for international businesses looking to tap into the exciting opportunities in Southeast Asia and the wider Asia-Pacific region, even in the midst of the ongoing global economic slowdown.

A majority of Swedish companies still expect turnover growth, but less than in previous years

Compared to previous years, most Swedish companies still expect an increase in profitability in their industries. However, this sentiment has also fallen sharply compared to the past two years, with only slightly more than half of the respondents (55 per cent) expecting an increase. Companies have become more cautious in their expectations, with 27 per cent now anticipating no change in industry turnover – a notable increase. This outlook likely reflects the forecasted slowdown in Singapore's GDP growth. Interestingly, few expect conditions to deteriorate in 2025, as only 14 per cent foresee a decline in industry turnover.

A closer look at the sectors reveals that Swedish consumer companies in Singapore are relatively optimistic, with 50 per cent of respondents expecting industry growth, while the other half anticipates no change. This contrasts with the outlook of professional services and industrial companies. Although both sectors generally expect growth, a notable portion of respondents foresee a decline in industry development – 17 per cent for professional services and 18 per cent for industrial companies.

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



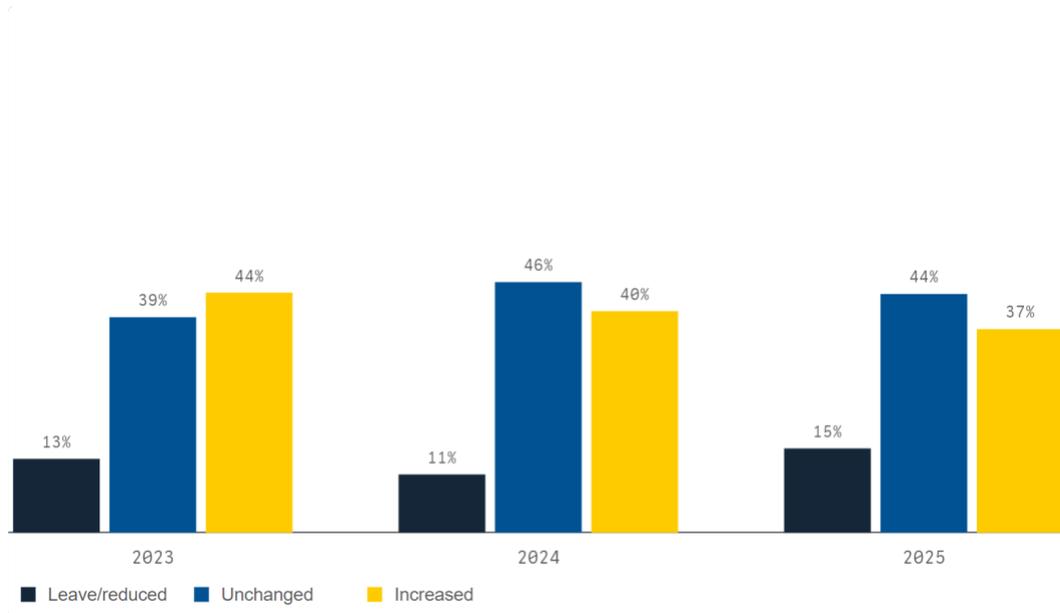
NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

Investments by Swedish companies to remain strong, although some decrease is anticipated

Swedish companies are still expecting to continue their Singapore investments in 2025, although the proportion has fallen compared to previous years. Almost half (44 per cent) of surveyed companies have expressed that they are keeping their investments unchanged, while 37 per cent of companies have indicated an expectation of increased investments in 2025, a fall of three per cent when compared to the survey in 2024. In contrast, 15 per cent of companies have indicated that they would be reducing their investments or even leaving the market, a jump of four per cent compared to 2024. A deeper dive into the size of the companies showed that reducing investments or leaving the markets are only considered by small (14 per cent) and large (20 per cent) companies, with medium companies opting to either keep investments unchanged (60 per cent) or increase their investments (40 per cent).

Despite the lower forecast for economic growth in Singapore, Southeast Asia continues to have high growth potential due to its mix of rapidly developing and large economies. With Swedish companies continuing to recognise the abundance of opportunities in the region, they expect to invest significantly in their desired countries of operations and in Singapore as their regional base. These investment patterns have continued from previous surveys.

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

NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Singapore 2025

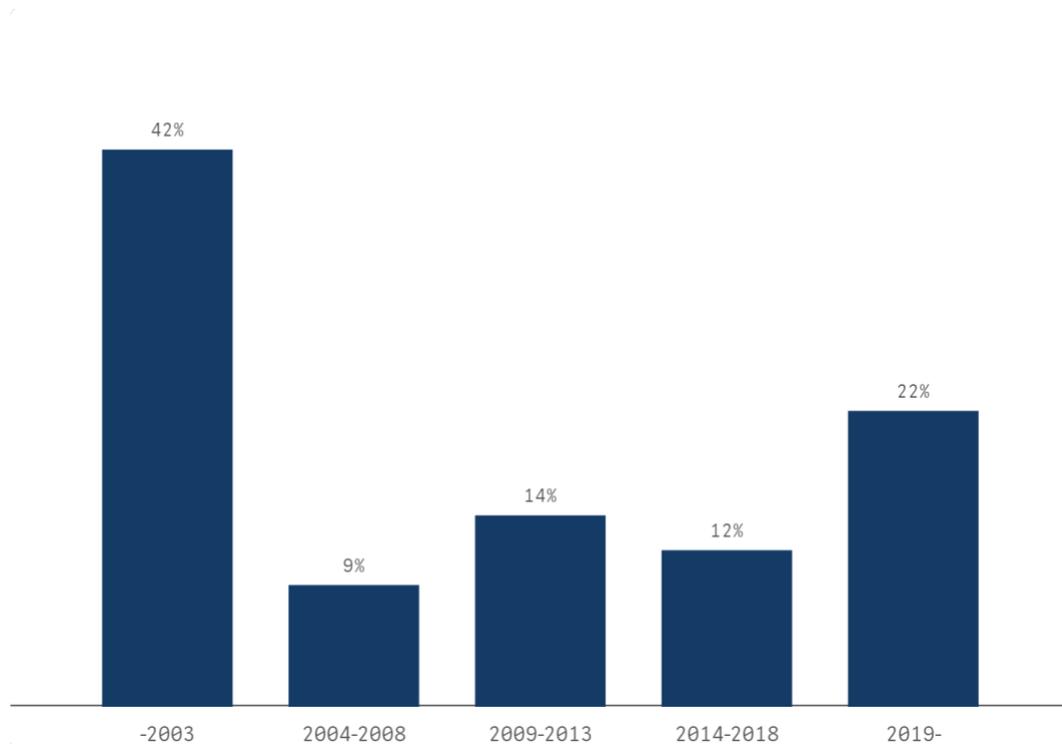
THE MARKET

Sweden and Singapore – a relationship close to six decades in the making

In 1966, the first Ambassador of Sweden took up residence in the country, one year after Singapore became independent. Since then, relations between the two nations have flourished, especially when it comes to business and industry ties. Partnerships between Singaporean and Swedish companies in areas such as defence, telecommunications, the sciences, medicine, and sustainability are now more common than before. Foreign direct investments have grown at an average of 26 per cent annually from 2017 to 2022 and are expected to continue growing. Leading brands like Ericsson, IKEA, and Volvo have now also become household names in Singapore.

While most Swedish companies in Singapore were established more than 20 years ago, the next biggest groups of companies have established operations in Singapore only within the last five years, showing a welcoming trend of Swedish presence in Singapore. This trend is expected to carry on in the foreseeable future with increased governmental support. Vinnova, the Swedish Innovation Agency, set up a presence in Singapore in November 2024, while the Singaporean statutory board Enterprise Singapore launched a new acceleration programme in the same month, the Global Innovation Alliance, to provide increased access between Swedish and Singaporean businesses. Similarly, Swedish businesses have increased presence in Singapore, such as AstraZeneca's announced USD 1.5 billion manufacturing plant in Singapore, its first end-to-end antibody-drug conjugates production site globally.

IN WHAT YEAR DID YOUR COMPANY ESTABLISH OPERATIONS IN SINGAPORE?

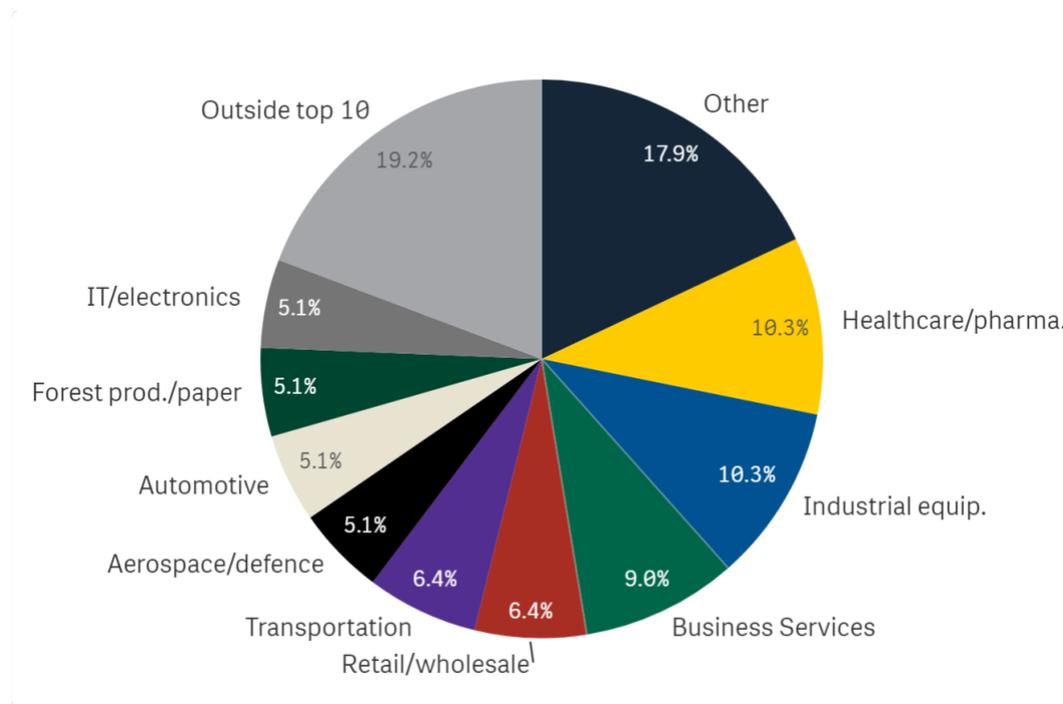


NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

Swedish companies in Singapore operate across a wide range of industries. The top 10 industries for Swedish companies in Singapore tend to be geared towards manufacturing and trade-related services sectors, which reflects the general market demand and growth areas in Singapore. The 'Other' segment comprises companies that do not have a specific category available for them to select in the survey. Of the companies surveyed, 19.2 per cent are in the 'Outside top 10' category, consisting of segments including energy and electricity, consumer goods, and telecommunications. Overall, the survey showcases the diversity of Swedish companies located in Singapore.

WHAT IS YOUR COMPANY'S MAIN INDUSTRY IN SINGAPORE?

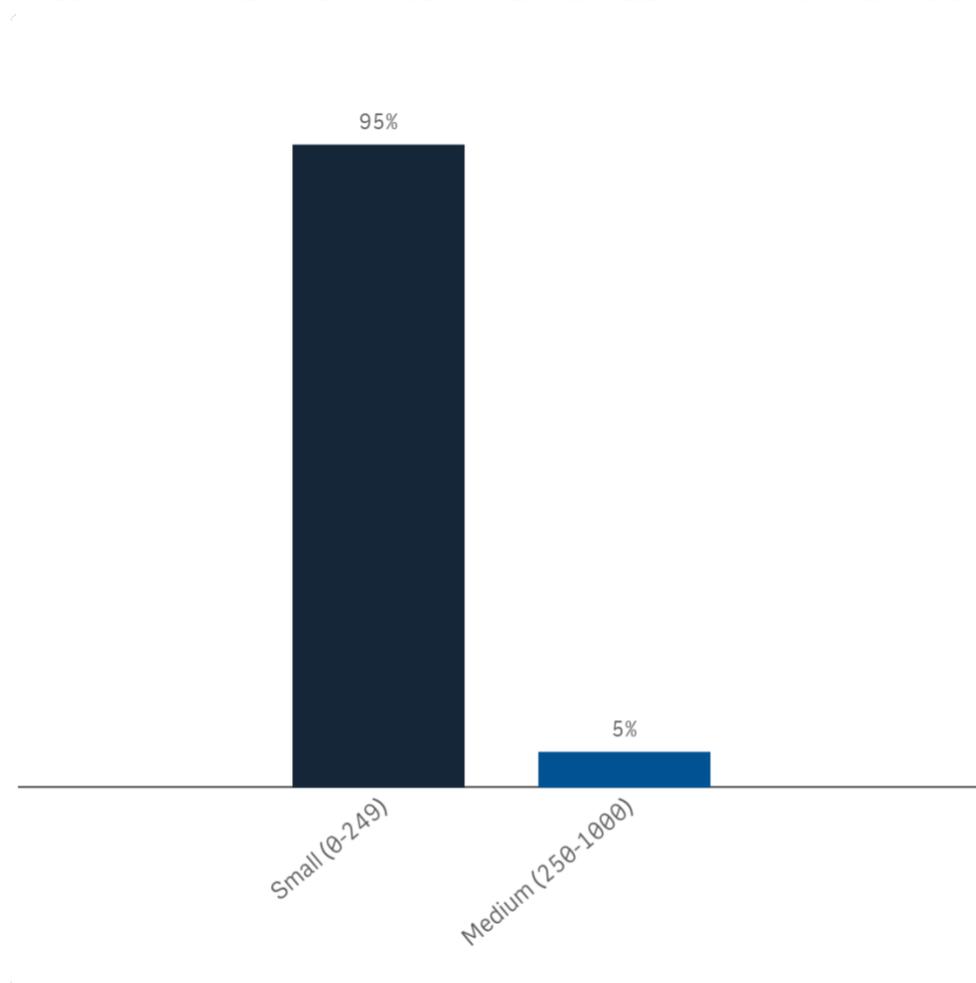


NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

An overwhelming majority of Swedish companies in Singapore have a relatively small footprint in Singapore, regardless of the overall size of the company, from small startups to large multinational corporations. Ninety-five per cent of companies surveyed mentioned that they have less than 249 employees working in their Singapore operations, while the remaining five per cent of companies surveyed are medium-sized with employees in Singapore numbering between 250 to 1000. This number is not necessarily surprising as Singapore has usually served as the regional headquarters for many companies from around the world, with a leaner employee base.

SWEDISH FIRMS' LOCAL NUMBER OF EMPLOYEES IN SINGAPORE IN 2025



NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

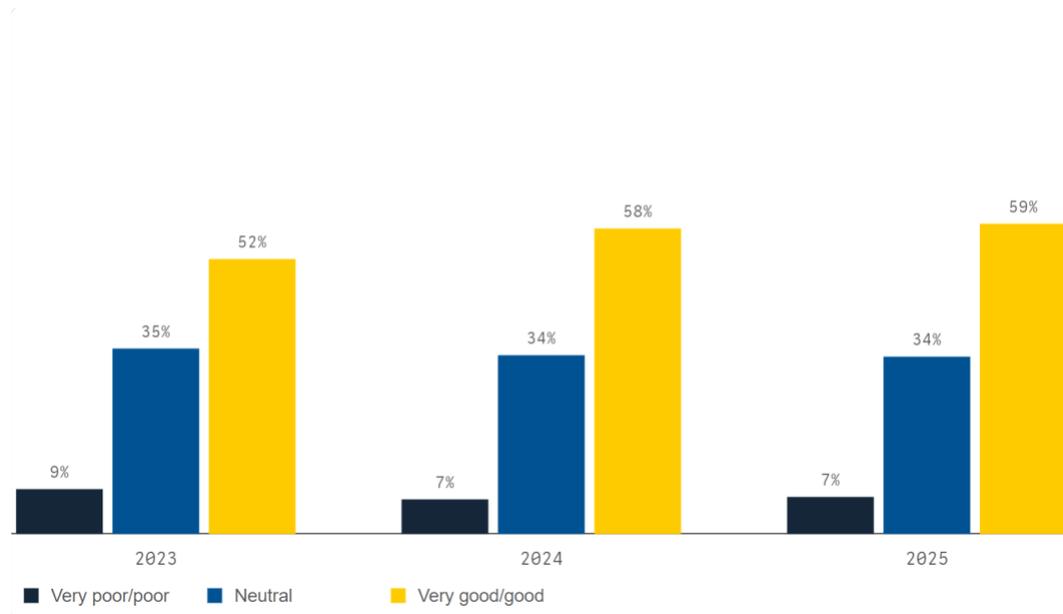
SOURCE: Business Climate Survey for Swedish companies in Singapore 2025.

Continued optimism around Singapore's business climate

Compared to past years, the perception of the current business climate in Singapore by Swedish companies has continued to remain optimistic: 59 per cent of companies have a good or very good perspective, a slight increase compared to 2024. Meanwhile, 34 per cent have a neutral view, similar to last year, and seven per cent have a poor or very poor perspective on Singapore's business climate, also similar to the previous year. Overall, perceptions have not changed much when compared to the past two years of surveys.

A closer look at the survey results shows an interesting view. The majority of professional services (67 per cent) and industrial (63 per cent) companies have very good or good perceptions of the current business climate in Singapore. For consumer companies, the majority of them have neutral (67 per cent) perceptions of the business climate. Additionally, while small (8 per cent) and large (6 per cent) sized companies have very poor or poor perceptions of Singapore's business climate, medium-sized companies do not have a negative perception of Singapore's business climate.

HOW DO YOU PERCEIVE THE CURRENT BUSINESS CLIMATE IN SINGAPORE?



NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

Singapore has a strong infrastructure and business-friendly environment, although challenges remain regarding access to skilled labour

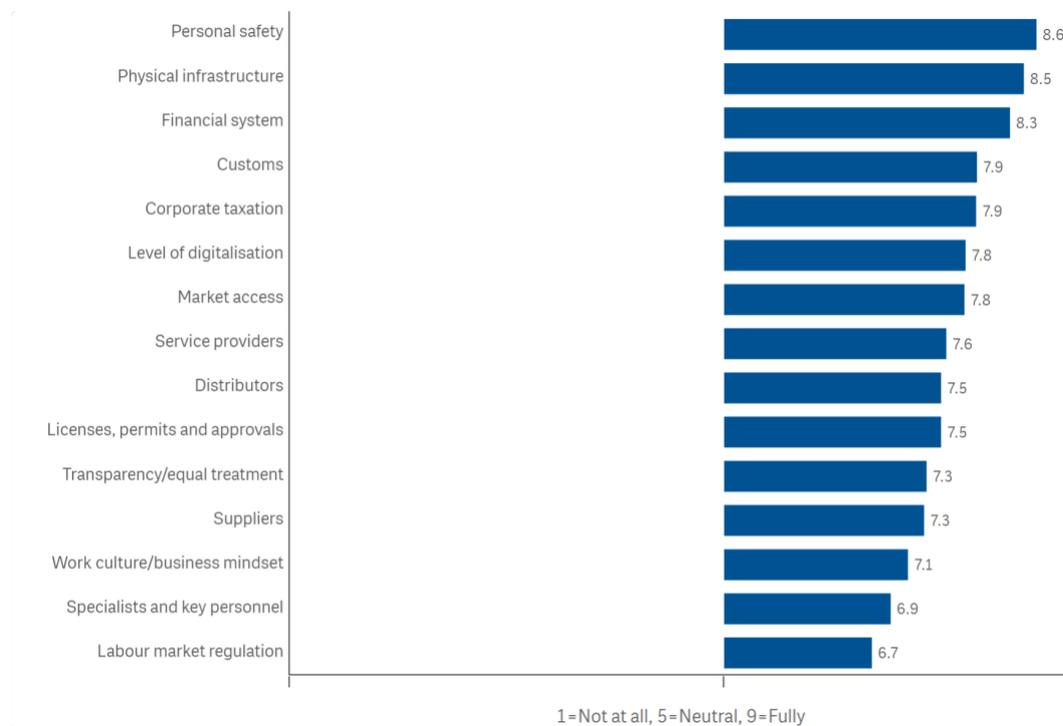
Swedish companies in Singapore view personal safety, physical infrastructure, financial system, customs, and corporate taxation as the top five factors that meet their needs in Singapore. Excellence in these areas is also reflected in the initiatives of the Singaporean government, which has prioritised these areas to create a robust and efficient environment for businesses to operate in. However, consistent with previous years' reports, areas such as labour market regulation, access to specialists and key personnel, and work culture/business mindset still rank on the lower end of the business conditions in the survey.

This is perhaps exacerbated by the work visa application development in Singapore, where in 2023, a new points system (the Complementarity Assessment Framework) was introduced for employment pass applicants in Singapore, with more stringent criteria, including higher qualifying salary thresholds.

The Singapore government has also recognised the relative lack of access to a skilled labour force and has put in place a series of measures to tackle the situation. These include SGD 100 million in governmental spending to support companies' upscaling and skills training, as well as initiatives such as SkillsFuture.

It should also generally be noted that the lowest score ranked in the survey was 6.7, which showed that across all factors, the Swedish companies in Singapore generally still view the listed conditions as favourable to meeting their needs in Singapore.

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



NOTE: The number of respondents for this question was 78.
SOURCE: Business Climate Survey for Swedish companies in Singapore 2025.

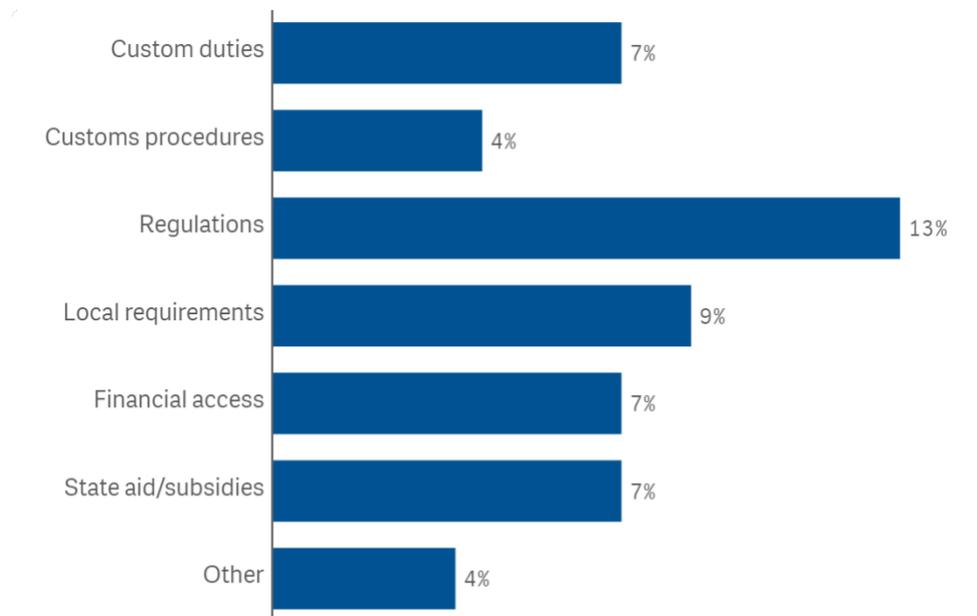
Singapore has generally low trade barriers to conducting business

Singapore's status as a trade hub supports Swedish companies' drive to access dynamic, growing markets in the region. Signed in 2018, the European Union-Singapore Free Trade Agreement has benefited both countries. Since then, all tariffs have been removed, alongside reduced technical barriers, easier procurement processes, and additional intellectual property rights protection.

Prior to the agreement, exports from Sweden to Singapore in 2017 were valued at SEK 6.445 billion. In 2024 alone, Sweden exported approximately SEK 13 billion to Singapore, with Singapore seen as Sweden's ninth biggest trading partner outside the European Union.

These numbers show that Swedish companies in Singapore have not experienced any trade barriers that have had a noticeably negative impact on their business operations. Based on the results of this year's survey, less than 10 per cent of companies have experienced difficulties with customs duties and procedures in Singapore. Meanwhile, 13 per cent of companies have said that they faced issues with regulations, which is slightly higher than during 2023 (12 per cent), and there's been a decrease in companies experiencing difficulties when it comes to accessing financial subsidies (seven per cent, down from eight per cent in 2023), but an increase in barriers when receiving governmental aid (seven per cent, up from two per cent in 2023).

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



NOTE: The number of respondents for this question was 78.

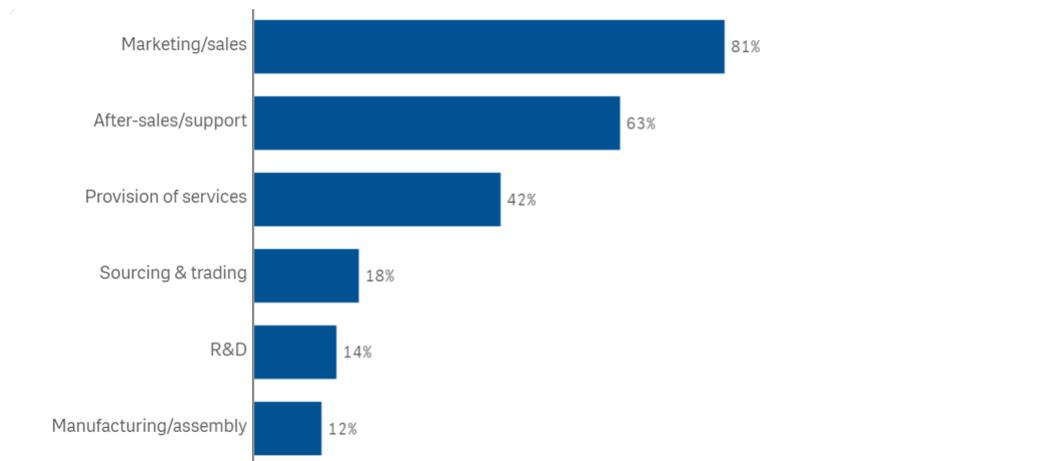
SOURCE: Business Climate Survey for Swedish companies in Singapore 2025.

HOW SWEDISH COMPANIES SUCCEED IN SINGAPORE

Swedish companies' operations in Singapore are mainly marketing and sales, and regional HQ activities

Over the years, Swedish companies operating in Singapore have seen largely unchanged areas of operations, with a majority of the companies reporting that their activities revolve around marketing and sales activities or related activities such as after-sales and support. Compared to last year, marketing and sales (79 per cent to 81 per cent), after-sales and support (54 per cent to 63 per cent), provision of services (35 per cent to 42 per cent), and manufacturing and assembly (9 per cent to 12 per cent) activities have seen an increase in the percentage of the respondents' operations in Singapore. R&D activities have remained constant at 14 per cent. Only sourcing and trading activities have seen a slight decrease when compared to last year (20 per cent to 18 per cent).

OPERATIONS OF SWEDISH FIRMS IN THE MARKET

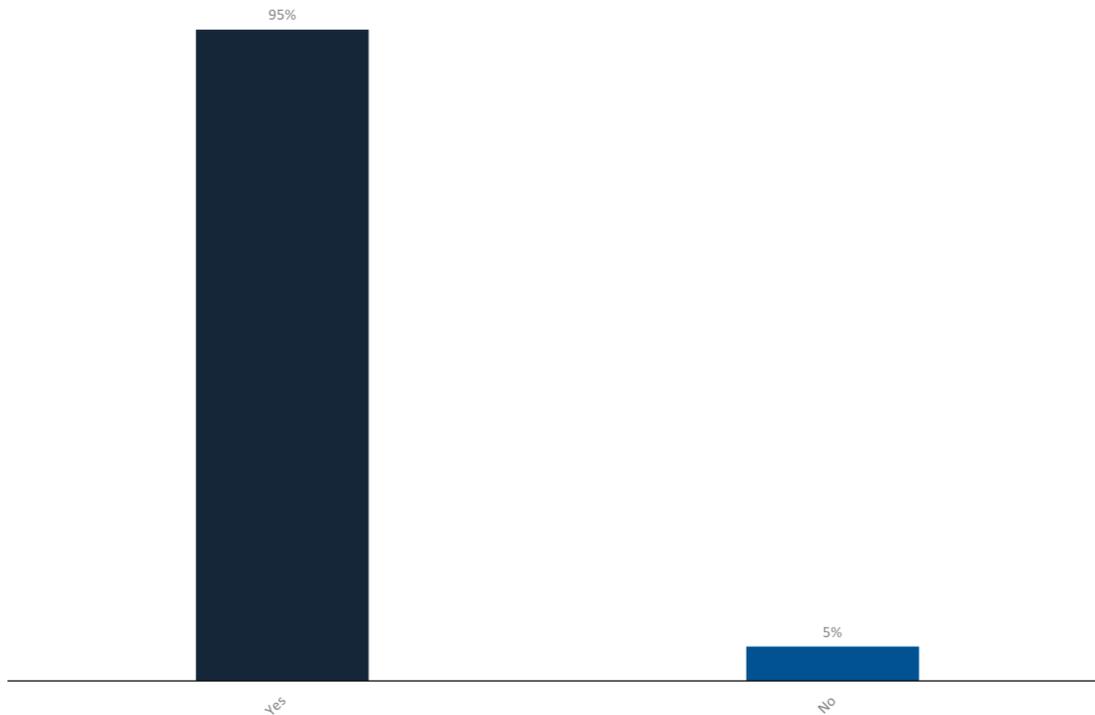


NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

Additionally, companies have also indicated in the survey that for almost all of them, their operations in Singapore also include typical headquarters-related business activities such as auditing, human resources, and financial reporting activities, where typically regional leadership sits and operates out of Singapore.

COMPANY'S REGIONAL LEADERSHIP SITS IN SINGAPORE?



NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

Swedish companies say partnerships/relationships and sales competence are key to competitiveness

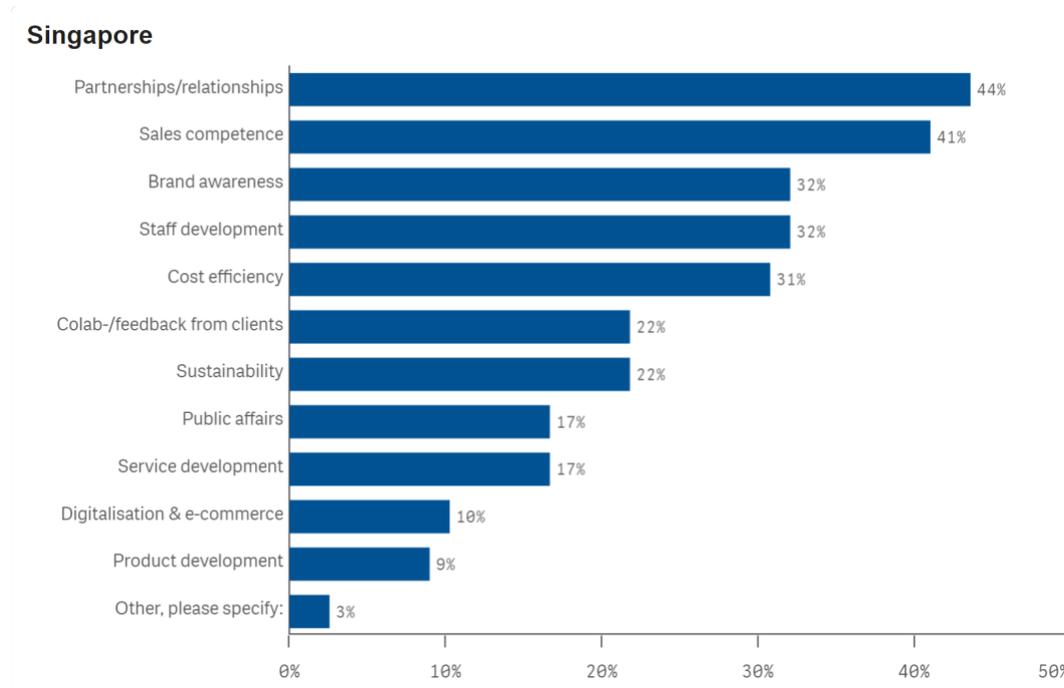
Partnerships and relationships have been seen as a top factor for business competitiveness by Swedish companies for the past few years. This year, almost half (44 per cent) of respondents highlighted the importance of this factor, showing the competitive nature of Singapore's business environment and emphasising the strong ties required both towards customers and local stakeholders in allowing the Swedish companies to establish a strong market position to succeed in Singapore.

Sales competence has seen an increase in importance from last year (36 per cent to 41 per cent), while brand awareness has suffered a big drop (45 per cent to 32 per cent). This reflects how – although traditionally important in ensuring customers recognise a company – brand awareness in a competitive and fast-paced market like Singapore now requires sales competence to translate into actual sales and achieve tangible business outcomes.

Staff development has received a significant boost from last year's survey, jumping from 19 per cent to 32 per cent. This highlights the increasing importance companies have placed on ensuring that their staff have the necessary skillset and growth to stay competitive in Singapore's rapidly

evolving business landscape, which could allow Swedish companies to be adaptable, innovative, and, most importantly, succeed against the numerous other competitors in Singapore.

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



NOTE: The number of respondents for this question was 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

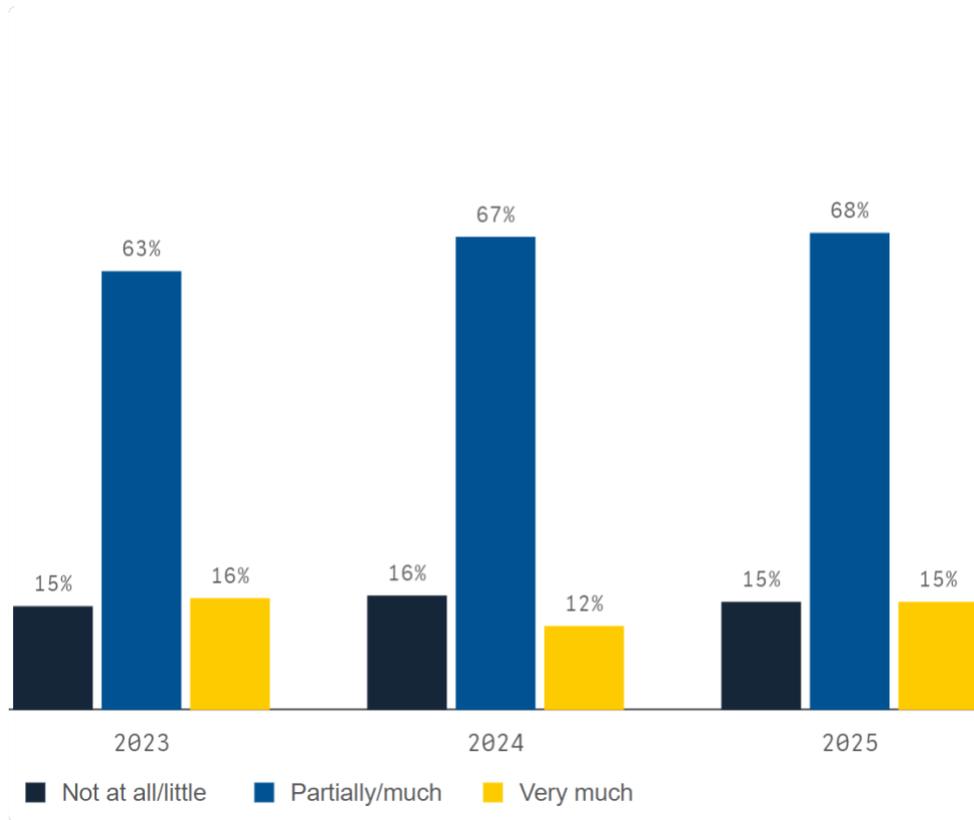
The 'Swedish brand' creates some impact for companies in Singapore, albeit not very much

When asking any local in Singapore what they know about Sweden, most will say Scandinavian design or fashionable clothes before citing famous brands like H&M, IKEA, and Volvo. Indeed, Singapore and Sweden are both global economic powerhouses, possessing strengths in manufacturing, innovation, and technology. How, then, does a company's Swedish origins support its business and operations?

This year, only 43 per cent of respondents stated that the Swedish brand has a positive impact (Much/Very much) on their business, a decline from the 54 per cent seen last year. Close to half of the companies surveyed (40 per cent) see a partial contribution by the Swedish brand, while 15 per cent see little to not much benefits from the Swedish brand. Looking at the size of the companies, 50 per cent of small and medium-sized companies view the Swedish brand as a positive contribution, while only 35 per cent of large companies feel so. Sixty per cent of experienced companies that have been in Singapore for 15-20 years feel a positive contribution of the Swedish brand, while it plays less significance for mature companies that have been in Singapore for over 20 years (34 per cent) and newcomer companies (30 per cent).

Generally, the trend suggests that across the board, the impact of the Swedish brand in Singapore is more muted as compared to previous years, with the biggest portion of companies (40 per cent) feeling that the Swedish brand only contributes partially to their business in Singapore. Overall, though, the Swedish brand does still provide a net positive in Singapore, albeit at a smaller impact as compared to previous years.

TO WHAT EXTENT WOULD YOU ESTIMATE THAT THE “SWEDISH BRAND” CONTRIBUTES TO YOUR BUSINESS IN SINGAPORE?



NOTE: The number of respondents for this question was 78. “Don’t know/Not applicable” responses are included but not shown in this figure.
 SOURCE: Business Climate Survey for Swedish companies in Singapore 2025.

ACTING SUSTAINABLY

Singapore's increased emphasis on sustainability enables opportunities for Swedish companies

Since its independence in 1965, Singapore has made huge advancements in its journey from a small fishing village to the modern metropolis it is today. The city-state has transitioned from a country with high levels of pollution, improper sanitation, and a lack of natural resources into a prosperous city with carefully diversified sources of water and energy, powerful foresight, political leadership, as well as strong contributions from citizens from all walks of life. Singaporeans today are able to enjoy clean air, proper water and sanitation services, lush greenery, and safe common spaces.

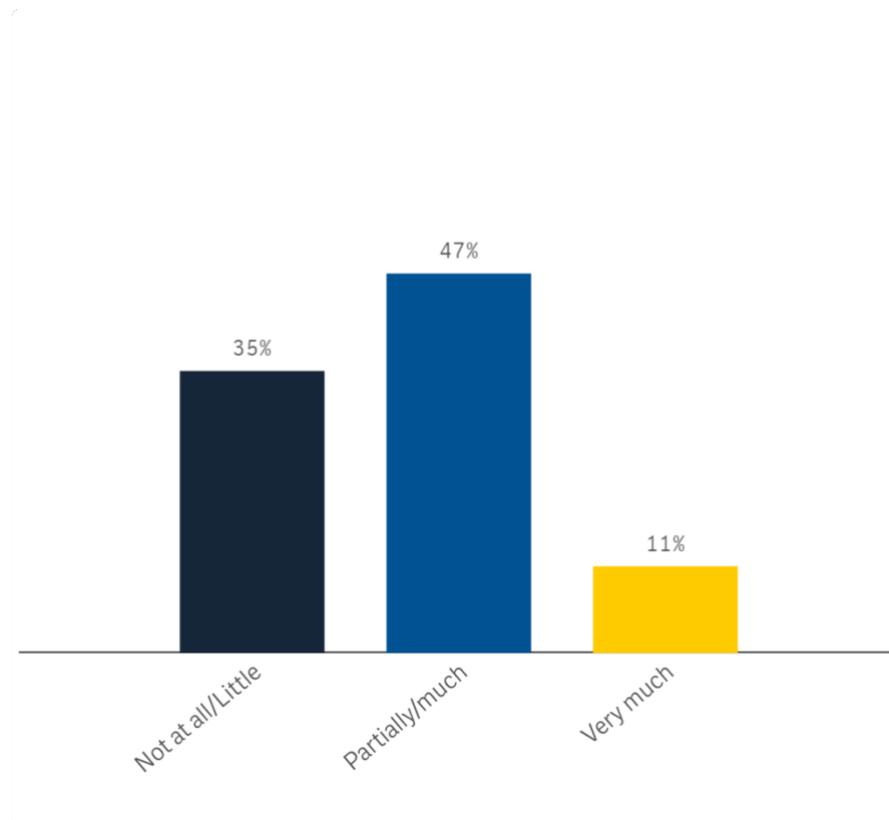
The government has also promoted sustainability to the forefront. In 2021, the government announced the Singapore Green Plan 2030, a whole-of-nation initiative to drive the green transition. In addition, the Singapore Zero Waste Masterplan was also announced to map out key strategies to build a sustainable, resource-efficient, and climate-resilient nation. A new carbon tax has been launched to shape business and consumer habits, while additional investments have also been made into research and development initiatives, including solar panel projects and partnerships with neighbouring countries for alternative sources of energy.

In contrast to Singapore's emerging status in sustainability, Sweden is widely recognised as a world-leading sustainability nation, frequently topping environmental and sustainability indexes. Singapore's new focus on sustainability and developing Singapore's circular economy may create more opportunities for Swedish companies, especially with many firms leading in sustainable development within their sectors. This is where Swedish business brings substantial value, offering high-quality, sustainable solutions with world-class levels of green innovation.

Singaporean customers are less involved in considering environmental aspects in their purchasing decisions

There has been a slight drop in customers who consider environmental aspects partially/much (54 per cent to 47 per cent). Customers who value environmental aspects very much remain constant at 11 per cent, while those who view it very little/little increased by two per cent compared to last year. Overall, this shows that customers who are strongly subscribed to the environmental aspects when making purchases are unlikely to waver moving forward. On the flip side, customers who have shown less interest in environmental aspects are more prone to other factors affecting their purchasing decisions. For large companies where Singaporean customers have the most touchpoints, they have reported that close to half of their customers (49 per cent) do not really consider environmental aspects in their purchasing decisions. As such, Singapore's consumer interest in sustainability is still not on the same level as seen in the Nordics.

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



NOTE: The number of respondents for this question was 74. "Don't know/Not applicable" responses are included but not shown in this figure.

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

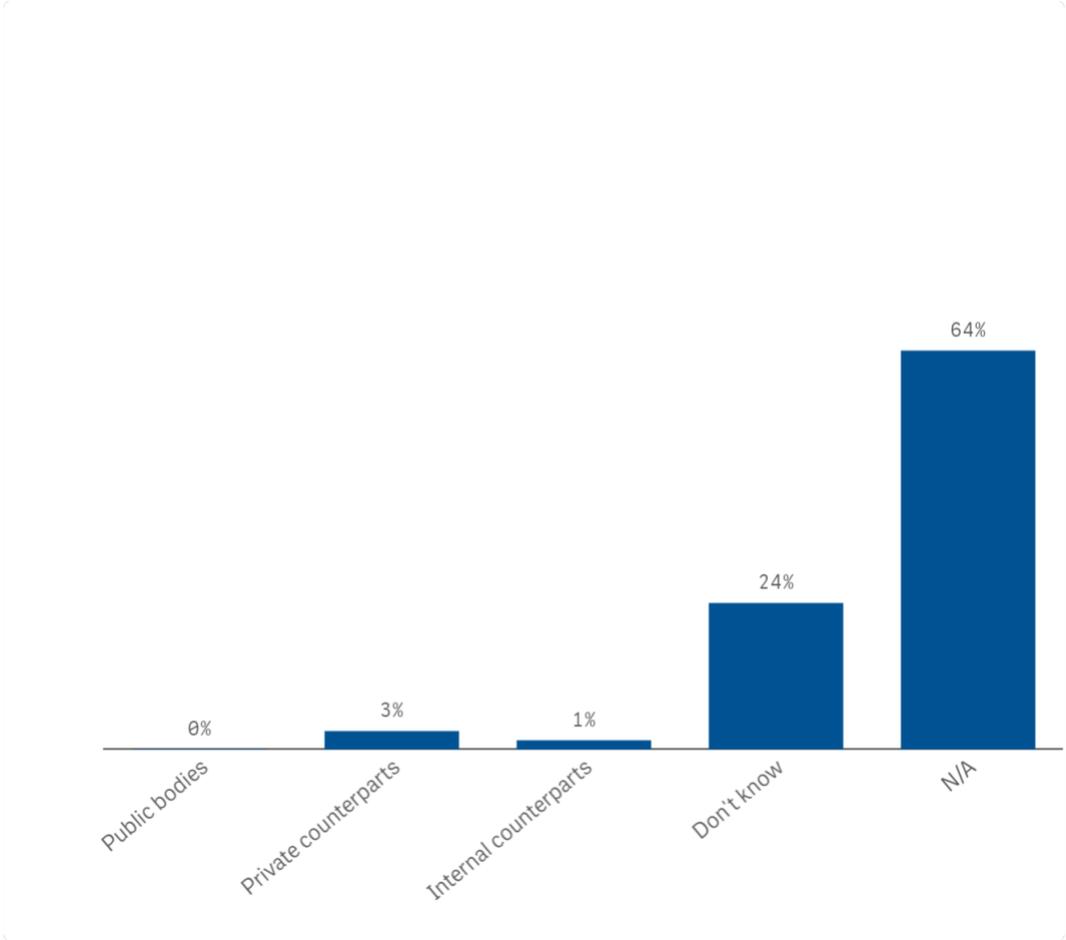
Singapore's zero tolerance on corruption

Singapore has always taken a firm stance against corrupt practices. This can be attributed to the stability of Singapore's political system – a lack of fractious partisan politics that have reduced any ability for persons to find loopholes or ways to circumvent laws and processes. Nonetheless, there have been rare instances of corruption in Singapore recently, such as the case against former Singapore Minister S Iswaran in 2024 or the SEK 20 billion money laundering case in 2023, involving funds obtained from outside criminal activities. However, these issues were also highlighted appropriately and resolved promptly, while business procedures and processes were reviewed and tightened accordingly to prevent future reoccurrences.

Therefore, Singapore remains the only Asian country ranked within the top ten of Transparency International's 2024 Corruption Perceptions Index, coming in third place, the joint highest position the nation has been in since the Index was launched. Strict anti-corruption laws and robust enforcement, coupled with a modern economy and efficient bureaucracy, have contributed to the country's success on the anti-corruption front.

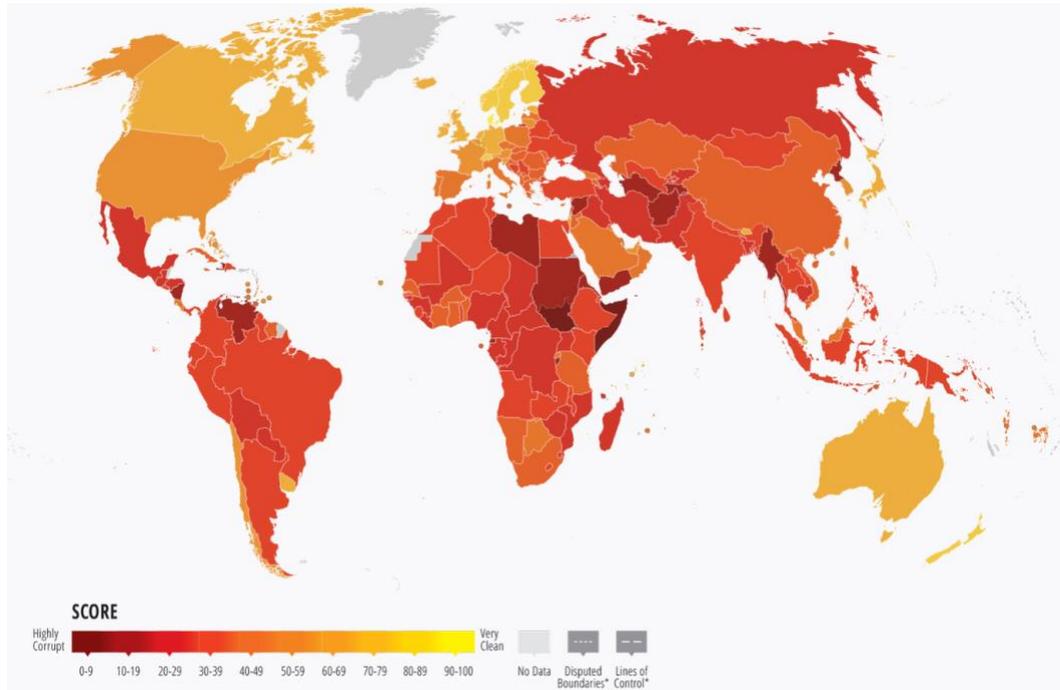
The survey results also reveal that only four per cent of the companies have been exposed to some form of corruption – most of which came from private counterparts. None of the companies reported being exposed to corruption from public bodies.

HAS YOUR COMPANY IN SINGAPORE 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 78. "Don't know/Not applicable" responses are included but not shown in this figure.

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

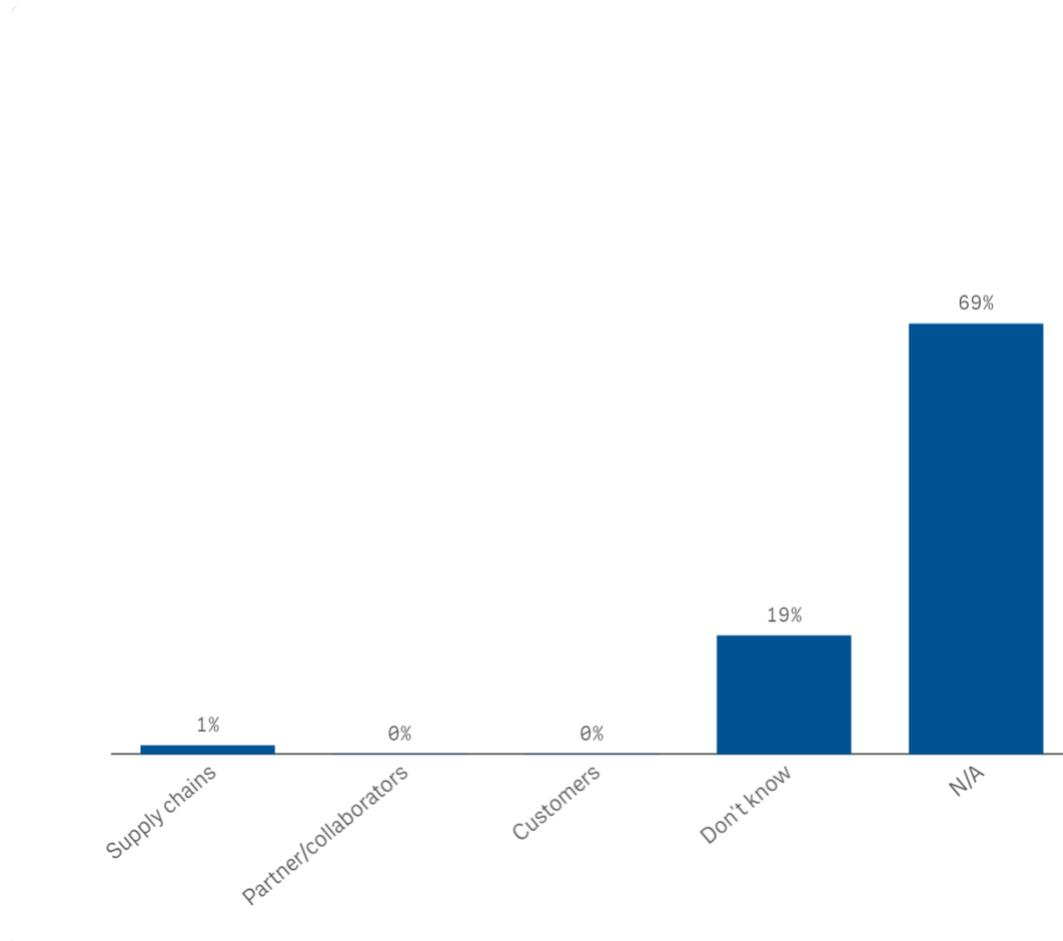
CORRUPTION PERCEPTION INDEX 2024

SOURCE: Transparency International.

Encountering human and labour rights violations are very rare in Singapore

Only one per cent of respondents have encountered some form of human rights violations and/or labour rights abuse in the area of supply chains in the past year. Team Sweden encourages Swedish companies to report any violations, irregularities, or crimes encountered to the Ministry of Manpower in Singapore or the Swedish Embassy.

HAS YOUR COMPANY IN SINGAPORE 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 78. Don't know/Not applicable" responses are included but not shown in this figure.

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

CONCLUSION

The sentiments of Swedish companies operating in Singapore are largely similar to those of the international business community, whereby Singapore is highly appreciated as a country where it is easy to do business. Its strong financial sector, robust infrastructure, and stable political and regulatory space allow for a strong sense of predictability for companies in terms of business planning. Its well-connected transport hubs also allow Singapore to be a good gateway to the wider Southeast Asia and Asia-Pacific regions. Additionally, there is generally a decent pool of skilled personnel in the country, which has made companies keen to set up regional headquarters in Singapore. This is also apparent for Swedish companies, who have generally been increasing their presence in Singapore and, at the same time, are increasing attention to diversifying supply chains in the region.

Although these factors contribute to why companies tend to establish their regional bases in Singapore, their position is not unthreatened. The Swedish corporate community has persistent concerns about the cost of doing business and perceived difficulties in accessing skilled labour – especially those with sufficient regional experience. Even though access to skilled personnel is overall better in Singapore compared to the rest of the region, it is still far from sufficient. Moreover, governmental limitations on employing foreign talent also contribute to these perceptions.

Singapore's strength as a well-connected business hub is also not without risks. When looking at the results of the Business Climate Survey in 2025, they seem to align with the market forecasts for Singapore going forward in the year ahead. While sentiments and confidence in the country are still relatively strong, it is also more muted compared to previous years. With the uncertainty in global economic markets due to concerns about how US trade policies could affect trade globally, businesses in Singapore are also gearing up for an economic slowdown in the year ahead. For Swedish companies operating in Singapore, partnerships and a sharp focus on continuing to generate business opportunities in the region should be essential to push through the short-to-medium-term obstacles and current challenges.

Team Sweden in Singapore has always been committed to supporting Swedish companies in Singapore and assisting firms on their growth journeys across the globe. We would be pleased to answer any questions and welcome hearing from you should you have any concerns.

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