



100%

FACTS & FIGURES

About doing business
in the Gothenburg
region 2020/21



BUSINESS REGION
GÖTEBORG

Welcome to Gothenburg, Sweden, a hotspot for innovation and sustainable development, and one of Europe's fastest growing regions.

Gothenburg is a key hub for Swedish research and development and home to many world-leading companies and renowned academic institutions. In recent years, global companies such as Ericsson, the Volvo Group, AstraZeneca, Saab, SKF, Geely, Volvo Cars and many more, have invested heavily in Gothenburg to develop new products and services. This, combined with the successful collaborations between industry, the public sector and academia, has helped make Gothenburg leading within for example areas of automotive, life science, ICT and urban development.

The Gothenburg region is also in full swing with its greatest period of urban development, including major commercial, residential and infrastructure projects. The region is making space for 105,000 new homes and 120,000 new jobs. With construction plans worth SEK 1,000 billion (approximately EUR 100 billion), Gothenburg offers one of Europe's biggest centrally located urban investment opportunities.

In addition, Gothenburg has established trade routes direct to the large export markets. The city is home to Scandinavia's largest port and is Sweden's leading logistics hub.

On the following pages you will find a comprehensive compilation of official facts and statistics on the Gothenburg region's business environment. We hope it can help you to identify opportunities and do business in our region.

100 billion

euros will be invested by 2035

THE CORONA PANDEMIC

When this was written, we have had a few months of crisis handling of the corona pandemic. The virus has hit society hard, both financially and in terms of health and lives. At the same time, the region's business environment has experienced strong growth for several years, which meant that we went into the crisis from a robust position. In recent years, we have seen incredible developments within the automotive and life science clusters, among others, and had unparalleled volumes of urban development. And by all indications, these developments will continue, looking from a slightly longer perspective.

BUSINESS REGION GÖTEBORG

is responsible for the development of trade and industry in the City of Gothenburg and represents thirteen municipalities in the region.

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1.

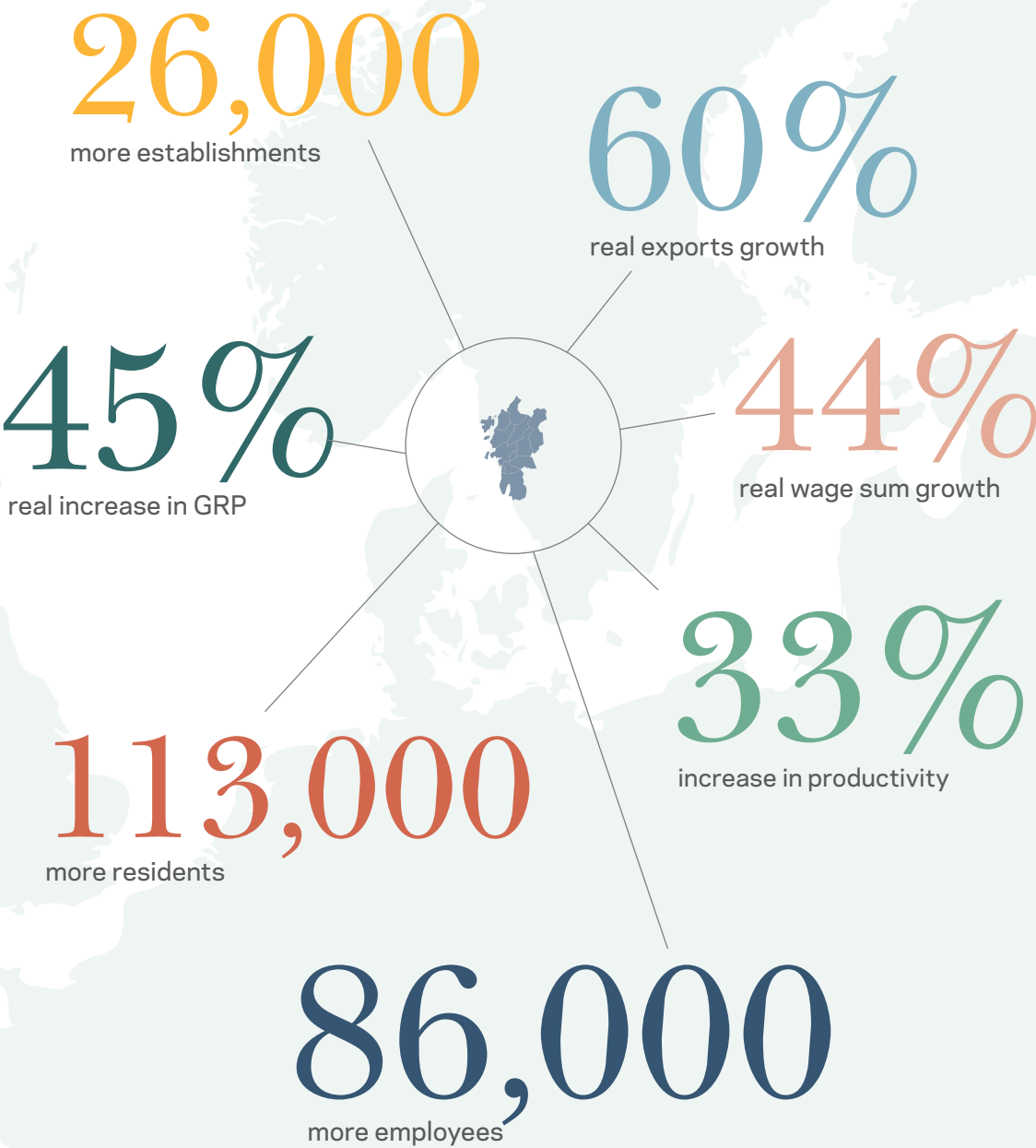


A region moving forward

Gothenburg is an attractive region which is experiencing growth through a number of exciting developments. This transformation is illustrated in both national and international comparisons.

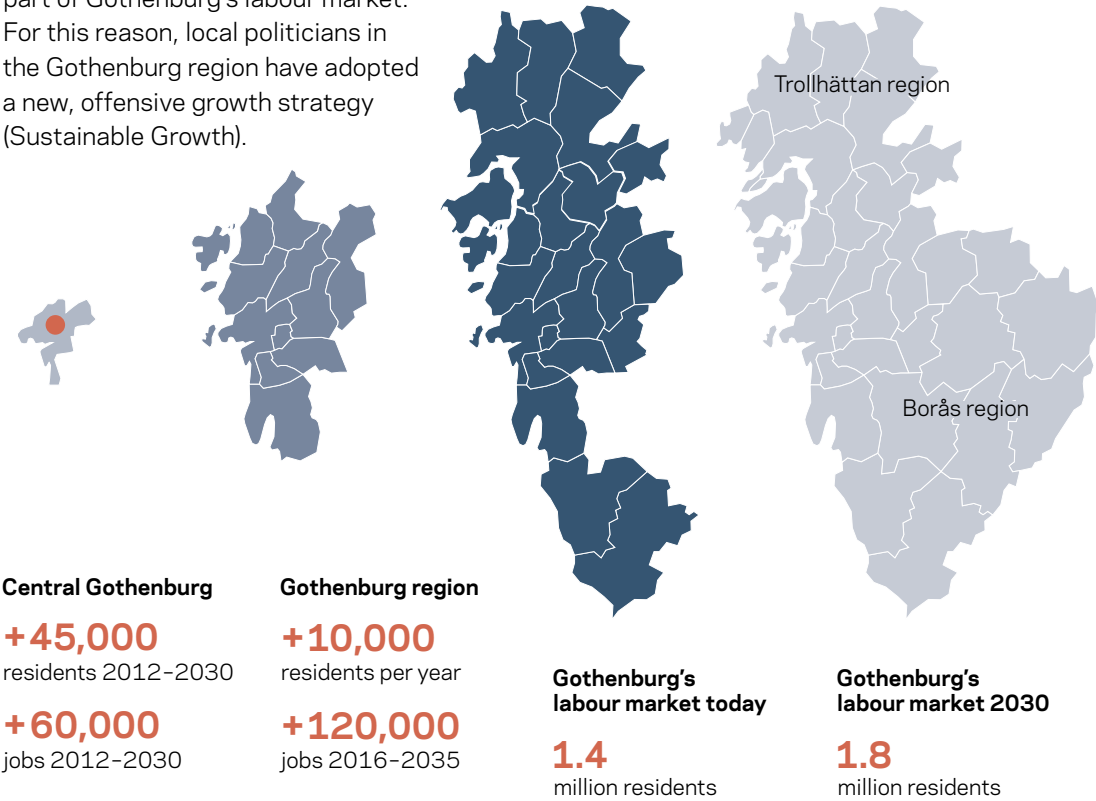
! Unless otherwise specified, the statistics in this and the chapters to come refer to the 13 member municipalities in the Gothenburg region's municipal association: Ale, Alingsås, Gothenburg, Härryda, Kungälv, Lerum, Lilla Edet, Mölndal, Partille, Stenungsund, Tjörn and Öckerö.

Growth in the Gothenburg region since the year 2010



Growth strategy – to strengthen central Gothenburg and expand the labour market

The Gothenburg region is growing more rapidly than anyone could have predicted. In addition, major investments are being made in infrastructure and urban development, which in turn has increased the number of commuters and new residents. By around 2030, it is likely that Borås will also be a part of Gothenburg's labour market. For this reason, local politicians in the Gothenburg region have adopted a new, offensive growth strategy (Sustainable Growth).



A local labour market is a division of Sweden based on commuting patterns. When commuting between municipalities reaches the extent that these municipalities can be seen to be dependent on one another, they form a labour market region.



THE FOLLOWING 27 MUNICIPALITIES ARE INCLUDED IN GOTHENBURG'S LABOUR MARKET:
Ale, Alingsås, Bollebygd, Falkenberg, Färgelanda, Grästorps, Gothenburg, Härryda, Kungälv, Lerum, Lilla Edet, Lysekil, Mellerud, Munkedal, Mölndal, Orust, Partille, Sotenäs, Stenungsund, Tjörn, Trollhättan, Uddevalla, Varberg, Vargårda, Vänersborg and Öckerö

The Gothenburg region – a leading research region which is highly competitive on the international stage

GLOBAL RANKING: R&D SHARE OF GDP

1, 2 ... **3** ... 195, 196

Sweden

33%

of Sweden's total R&D investments within the private sector are made in the Gothenburg region*

OF SWEDEN'S TOTAL PRIVATE R&D INVESTMENTS IN EACH SECTOR, THE GOTHENBURG REGION'S COMPANIES ACCOUNTS FOR:

Automotive **61%**

Chemicals, hygiene products and pharmaceuticals **42%**

Knowledge-intensive business services **27%**

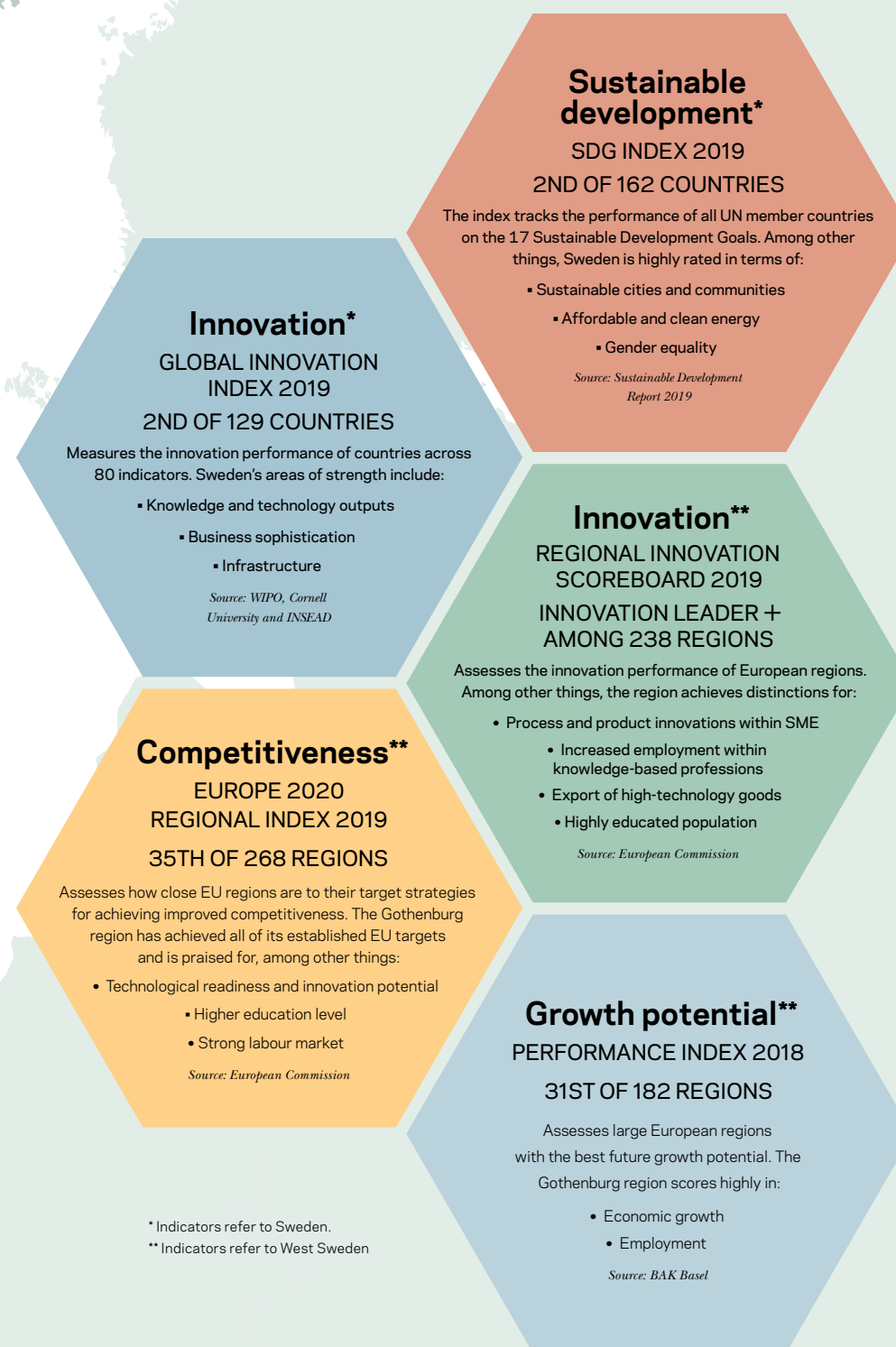
* Refers to companies' R&D investments in Västra Götaland County in 2019. Source: Statistics Sweden



Photo: Bengt Kjellin / BRG

SWEDEN'S LEADING REGION FOR BUSINESS R&D

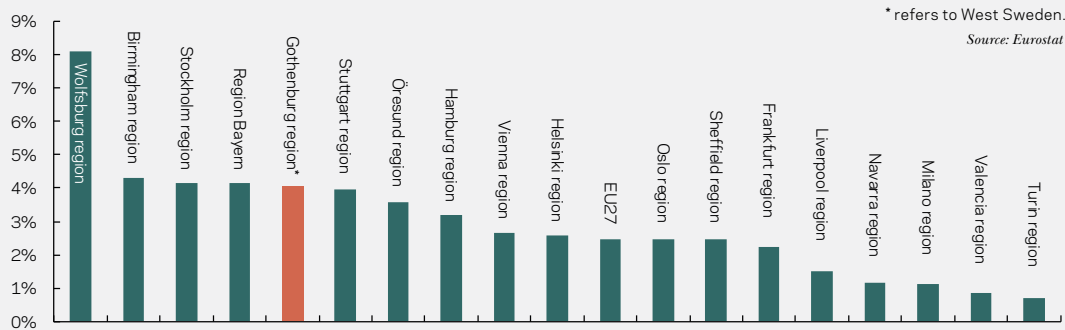
Businesses in the Gothenburg region invest more in R&D than anywhere else in Sweden. This confirms the strength the region's companies possess - to produce leading innovations on the global market. Firms choose to invest in the region as there is access to relevant expertise, a growing market and strong clusters.



A strong growth engine

Swedish regions show strong economic growth among selected benchmark regions in Europe. Top of the list is the Wolfsburg region, with an annual growth rate of just over 8 per cent. In the Gothenburg region the economic growth over the period was just above 4 per cent.

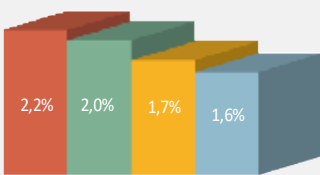
ANNUAL GROWTH IN GROSS REGIONAL PRODUCT IN BENCHMARKING REGIONS 2010-2017



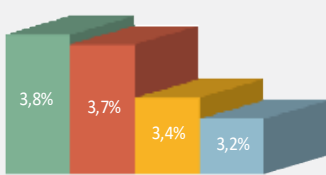
Growth in Swedish metropolitan regions

The metropolitan regions drive growth in Sweden. Among the metropolitan regions, the Gothenburg region exhibits the strongest growth in employment and in gross regional product. When it comes to growth in total wage sum, the Stockholm region sees the strongest growth, closely followed by the Gothenburg region. The three metropolitan regions are clearly growing better than Sweden as a whole.

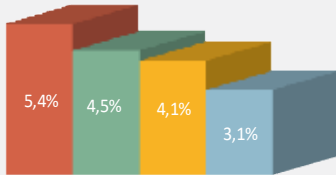
Gothenburg region
Stockholm region
Malmö region
Sweden



Employment
Annual growth in number of employees 2010-2018



Total wage sum
Annual real growth in total wage sum 2010-2019



Gross regional product
Annual real growth in gross regional product 2010-2017

Source: Statistics Sweden

Sweden's leading logistics hub

That Scandinavia's largest port is located here is just one of the reasons the Gothenburg region is such a prominent logistics hub. Some of the reasons the region is ranked as Sweden's number one logistics location are:

- Direct ocean freight services to 130 destinations.
- An effective rail freight system to other parts of Sweden and Norway
- New large logistics facilities
- Short distances between the import dock to warehouses result in low logistics costs
- Access to leading competence within logistics
- Advanced and rapidly growing transport infrastructure with an environmental focus
- National centre for R&D within sustainable logistics solutions and transportation

Source: Intelligent Logistik



Photo: Port of Gothenburg

SWEDEN'S TOP 10 LOGISTICS REGIONS 2020*

RANKING*	REGION
1	(1) Gothenburg region
2	(3) Helsingborg region
3	(2) Örebro region
4	(4) Östgöta region
5	(5) Jönköping region
6	(8) Malmö region
7	(7) Stockholm North
8	(6) Eskilstuna region
9	(12) Mid Sweden
10	(10) Halmstad region

Source: Intelligent Logistik

NORDIC COMPARISON OF CARGO HANDLED IN 2018**

RANKING / CITY / (COUNTRY)	VOLUME OF GOODS, 1,000 TONNES
1 Gothenburg (Sweden)	40,635
2 Helsinki (Finland)	14,737
3 Aarhus (Denmark)	8,496
4 Copenhagen (Denmark)	6,399
5 Oslo (Norway)	6,106
6 Stockholm (Sweden)	4,927

Source: Eurostat

* Figure in parentheses indicates ranking in Logistikläget 2019.
** Statistics refer solely to full service ports.

2.



Rich exchange with the world

Shipping and international trade have been integral to the Gothenburg region for almost 400 years. Of course, the traded content has changed somewhat over the years, but the flow of goods continues to play a critical role for the development and growth of the region's companies. Exports have risen sharply in recent years and every fifth employee in the Gothenburg region works in a foreign-owned company. At the same time, new records are being set for number of guest nights spent in the region.

Export of goods from companies in the region

Companies in the Gothenburg region have a high export intensity. In 2019 the value of exported goods was approximately SEK 243 billion. The region's total exports make up 81 per cent of Västra Götaland County's total export value and one sixth of Sweden's total export value. Some important destinations, include USA, Norway, Germany and China.

Source: Statistics Sweden

The region's **4,200**

export companies constitute approximately two thirds of Västra Götaland County's total export companies and just over 8 per cent of all of Sweden's export companies

Import of goods from companies in the region

Companies in the Gothenburg region also import a lot of goods from abroad. In 2019, the value of imported goods was approximately SEK 192 billion. The region's total imports make up 77 per cent of Västra Götaland County's total import value and 13 per cent of Sweden's total import value. Some important origins, among others, are Germany, the Netherlands, China, Denmark and Norway.

Source: Statistics Sweden

The composition of exports and imports

The majority of the region's exported goods comprise of vehicles and other means of transport – an industry which is also the largest in terms of import value. In absolute terms, exports of goods within automotive corresponded to approximately SEK152 billion. The product groups 'Other machines and manufactured goods', 'Computers, electronics and optical products' and 'Chemicals, pharmaceuticals, rubber and plastics' account for substantial shares of the goods exchanged with trading partners.

Source: Statistics Sweden

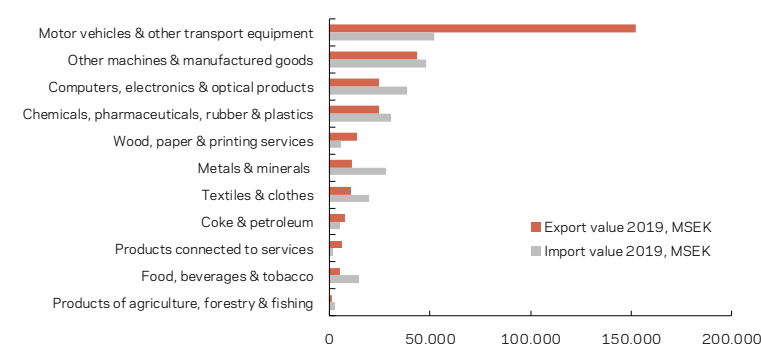
KEY EXPORT DESTINATIONS 2019

RANK	COUNTRY	VALUE OF EXPORTED GOODS, MSEK
1	USA	38,161
2	Norway	30,432
3	Germany	26,691
4	China	20,695
5	UK	16,721
6	Denmark	12,585
7	France	12,023
8	Finland	11,802
9	Netherlands	8,668
10	Japan	5,480
Västra Götaland County total		300,770
Gothenburg region total		243,370
Gothenburg region's share of Swedish exports		16 %

KEY IMPORT ORIGINS 2019

RANK	COUNTRY	VALUE OF IMPORTED GOODS, MSEK
1	Germany	43,700
2	Netherlands	18,880
3	China	17,231
4	Denmark	15,632
5	Norway	15,345
6	France	9,554
7	UK	9,436
8	USA	6,477
9	Japan	6,367
10	Finland	5,143
Västra Götaland County total		247,782
Gothenburg region total		192,135
Gothenburg region's share of Swedish imports		13 %

EXPORTS AND IMPORTS OF GOODS, BY PRODUCT GROUP 2019

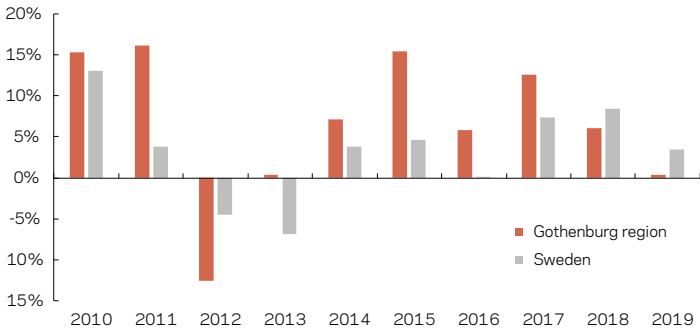


Strong exports growth from the Gothenburg region over time

Since 2010, the business environment in the Gothenburg region has seen strong exports growth. During the boom, 2014-2018, the region recorded strong real value increases in goods exports. This development was, however, followed by only a marginal increase in export value in 2019.

Source: Statistics Sweden

ANNUAL REAL GROWTH IN GOODS EXPORTS IN THE GOTHENBURG REGION AND SWEDEN 2010-2019

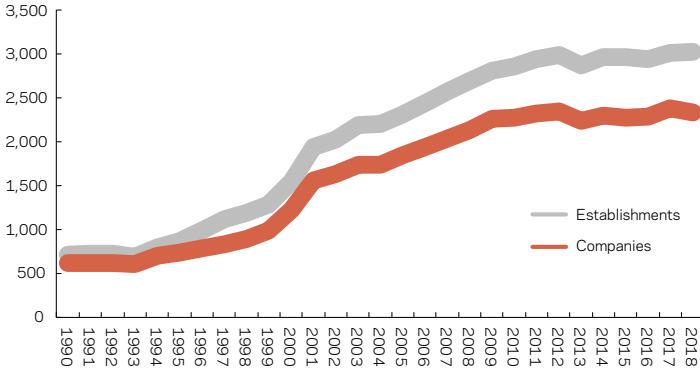


Many foreign-owned companies in the region

Since 1990, the number of foreign-owned companies in the Gothenburg region has grown steadily. In 2018 there were approximately 2,300 foreign-owned companies in the Gothenburg region. These foreign-owned companies accounted for approximately 3,000 establishments in the Gothenburg region.

Source: Statistics Sweden

NUMBER OF FOREIGN-OWNED COMPANIES AND ESTABLISHMENTS IN THE GOTHENBURG REGION 1990-2018

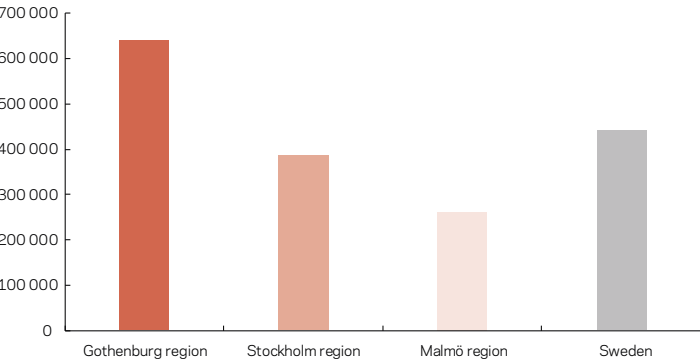


The highest value of goods exports per employee

That the Gothenburg region's companies are export-intensive can be ascertained by studying exports per employee in the private sector. In 2019, the value of exports from companies in the Gothenburg region corresponded to SEK 639,000 per employee in the private sector. This is substantially higher compared to the other two metropolitan regions and Sweden as a whole.

Source: Statistics Sweden

EXPORTS IN SEK PER EMPLOYEE IN THE PRIVATE SECTOR IN METROPOLITAN REGIONS AND SWEDEN 2019

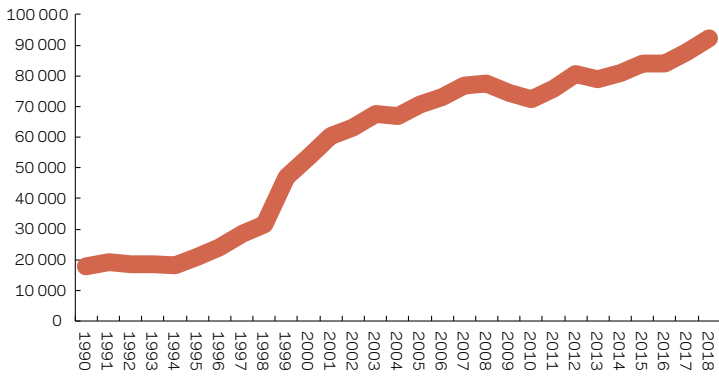


Employees in foreign-owned companies

The number of employees in foreign-owned companies has more than quadrupled in the period 1990-2018. In 2018, some 92,000 people were employed by foreign-owned companies in the Gothenburg region. Of these, Chinese companies employ the most, followed by companies from the USA, Norway and Germany.

Source: Statistics Sweden

NUMBER OF EMPLOYEES IN FOREIGN-OWNED COMPANIES IN THE GOTHENBURG REGION 1990-2018



Norway top of the list

The list of countries with foreign ownership in the Gothenburg region is dominated by the northern parts of Western Europe. Norway tops the list as the country of ownership for the most foreign-owned companies, followed by Germany and Denmark.

Source: Statistics Sweden

TOP 10 FOREIGN OWNERS OF COMPANIES IN THE GOTHENBURG REGION

RANK*	COUNTRY	NUMBER OF COMPANIES 2017	NUMBER OF COMPANIES 2018	CHANGE 2017-2018
1 (1)	Norway	410	415	5
2 (2)	Germany	268	268	0
3 (3)	Denmark	241	244	3
4 (4)	USA	224	222	-2
5 (5)	UK	202	207	5
6 (7)	Netherlands	128	121	-7
7 (8)	Finland	120	111	-9
8 (6)	Luxembourg	136	106	-30
9 (9)	France	102	105	3
10 (10)	Switzerland	81	75	-6
Gothenburg region total		2,378	2,337	-41

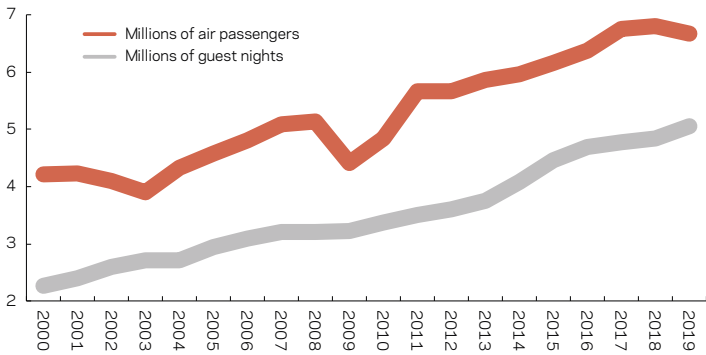
* Figure in parentheses refers to rank in 2017.

Guest nights in the region break 5 million mark

Many people travel to and from the Gothenburg region and in 2019 Göteborg Landvetter Airport had approximately 6.7 million air passengers. The region's hotels, holiday cottages and hostels experienced a strong 2019, once again recording a record number of overnight stays, of more than 5 million. Norwegians are the most numerous visitors, followed by German, British, American, Danish and Chinese travellers.

Source: Swedish Transport Agency and Statistics Sweden

NUMBER OF AIR PASSENGERS AND GUEST NIGHTS IN THE GOTHENBURG REGION 2000-2019



More than 5 million commercial-guest nights were spent in the Gothenburg region in 2019.



Photo: Happy Visuals/Gothenburg & Co

Growing international population in the region

In 2019, the Gothenburg region had about 219,000 foreign-born residents (21 per cent of the region's population). Compared with the previous year, this is an increase of about 8,400 foreign-born residents, equivalent to an increase of 4 per cent. Iran, Iraq and Syria top the list of countries of birth among the Gothenburg region's foreign-born population.

Source: Statistics Sweden

FOREIGN-BORN RESIDENTS IN THE GOTHENBURG REGION 2019

COUNTRY OF ORIGIN	NUMBER 2018	NUMBER 2019	CHANGE 2018-2019 IN NUMBER IN PER CENT	
Iran	16,325	16,858	533	3,3%
Iraq	16,457	16,672	215	1,3%
Syria	11,774	12,266	492	4,2%
Finland	10,439	10,149	-290	-2,8%
Somalia	9,856	10,114	258	2,6%
Poland	9,495	9,738	243	2,6%
Bosnia and Herzegovina	9,112	9,259	147	1,6%
Former Yugoslavia	8,148	8,059	-89	-1,1%
Turkey	5,600	5,908	308	5,5%
Afghanistan	4,492	5,196	704	15,7%
Gothenburg region	210,825	219,222	8,397	4,0%

3.



Growth and labour market

The business environment in the Gothenburg region is characterised by global, knowledge-intensive manufacturing companies such as Volvo, SKF and AstraZeneca. The total wage sum in the Gothenburg region is growing at a faster rate than Sweden. Above all, this growth is most prominent within construction and services. Overall, employment in the region is growing at a faster rate than the national average. A rapidly expanding knowledge-intensive business services sector supports the manufacturing companies, and the region's business environment is gaining further nuance through growing businesses in information and communication, construction and real estate.

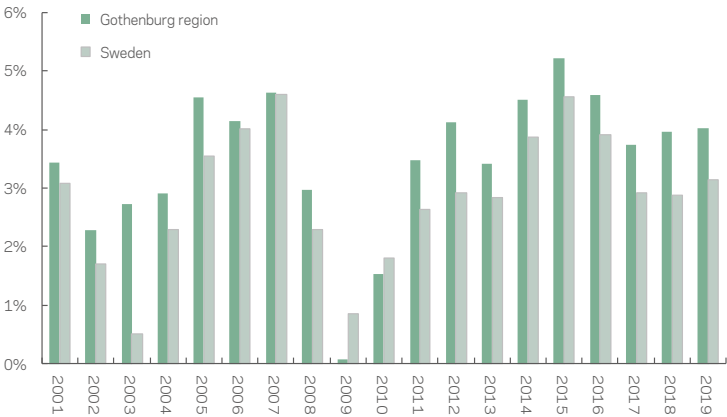
Photo: Superstudio / Göteborg & Co

The Gothenburg region - a Swedish growth engine

In 2019, total wage sum in the Gothenburg region grew by 4 per cent in real terms. The Gothenburg region experienced a higher rate of real growth in total wage sum than Sweden as a whole, which increased by 3.1 per cent.

Source: Statistics Sweden

ANNUAL REAL GROWTH IN TOTAL WAGE SUM 2001-2019



A good measure of regional growth is to assess the development of the total wage sum. The wage sum can go up as a result of increased productivity or by more people being employed.

Construction and services have grown the most

The average annual growth in total wage sum in the Gothenburg region during the period 2010-2019 was 3.7 per cent. In terms of individual sectors, the largest growth has been seen in the construction sector, followed by the services sector.

Source: Statistics Sweden

AVERAGE ANNUAL REAL GROWTH IN TOTAL WAGE SUM BY SECTOR IN THE GOTHENBURG REGION 2010-2019

6.2%

CONSTRUCTION

4.6%

SERVICES

3.6%

PUBLIC SECTOR

2.6%

MANUFACTURING

Business services the largest employer

Business services is the sector with the most employees in the Gothenburg region, followed by healthcare and care. Compared to Sweden as a whole, the Gothenburg region has a much larger share of employees in business services and manufacturing. However, among the larger sectors the Gothenburg region has a much smaller proportion of employees in healthcare and care.

Source: Statistics Sweden



81,365

employees in business services in the Gothenburg region in 2018

EMPLOYED +16 YEARS OF AGE, BY SECTOR 2018

SECTOR	GOTHENBURG REGION	%	SWEDEN	%
Business services	81,365	15.1	605,090	12.2
Healthcare and care	78,166	14.5	806,629	16.2
Commerce	68,248	12.6	591,639	11.9
Manufacturing and mining	66,654	12.3	559,267	11.2
Education	55,099	10.2	540,718	10.9
Construction	36,462	6.8	363,517	7.3
Public administration	29,663	5.5	305,145	6.1
Transportation	28,623	5.3	233,920	4.7
Information and communication	26,721	4.9	209,651	4.2
Personal and cultural services	22,388	4.1	214,640	4.3
Hotels and restaurants	18,981	3.5	168,913	3.4
Property	9,599	1.8	81,529	1.6
Financial services and insurance	7,642	1.4	96,138	1.9
Energy and the environment	4,512	0.8	51,274	1.0
Unknown	3,469	0.6	51,171	1.0
Agriculture, forestry and fishing	2,459	0.5	92,678	1.9
Sum	540,051		4,971,919	

Stronger employment growth in the Gothenburg region

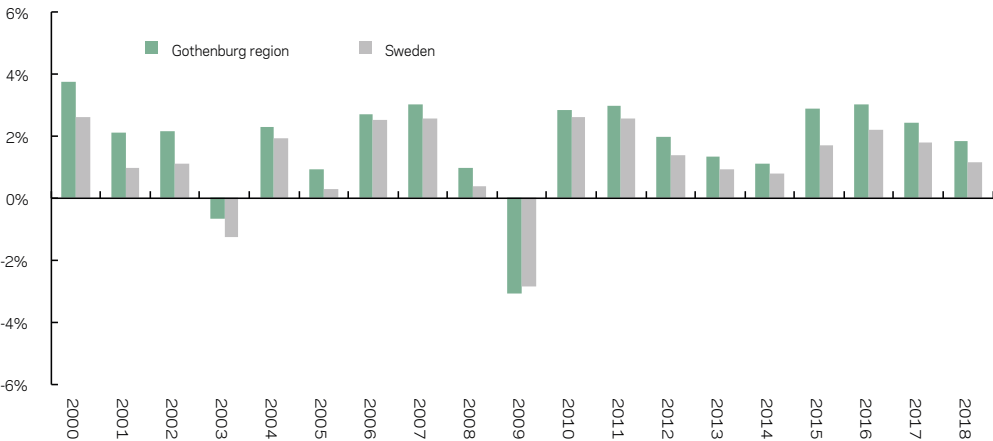
In 2018, more than 540,000 people were working in the Gothenburg region. This represents an increase of 35 per cent since the year 2000, or 141,000 people.

Source: Statistics Sweden

540,051

the number of people employed in the Gothenburg region in 2018

EMPLOYMENT GROWTH IN THE GOTHENBURG REGION AND SWEDEN 2000-2018

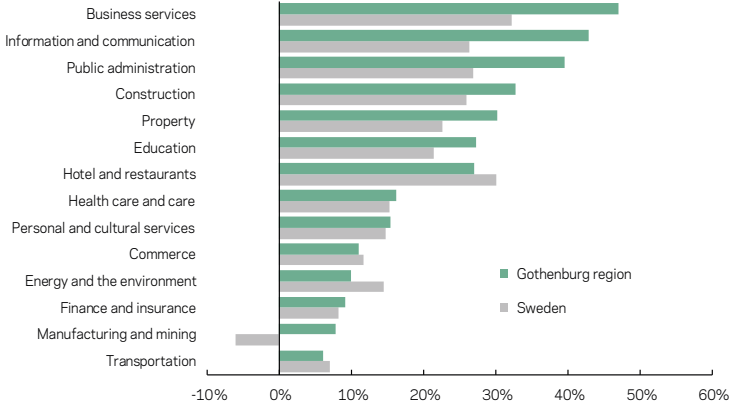


Greatest job growth in business services

All sectors in the Gothenburg region have seen an increase in the number of employees. Swedish manufacturing and mining has experienced negative growth, while the Gothenburg region's manufacturing and mining industry is heading in the other direction. However, business services has experienced the most growth in the Gothenburg region. Compared to Sweden as a whole, the Gothenburg region has clearly experienced more growth in employment within information and communication, business services and manufacturing.

Source: Statistics Sweden

PERCENTAGE CHANGE IN EMPLOYMENT BY SECTOR 2009-2018

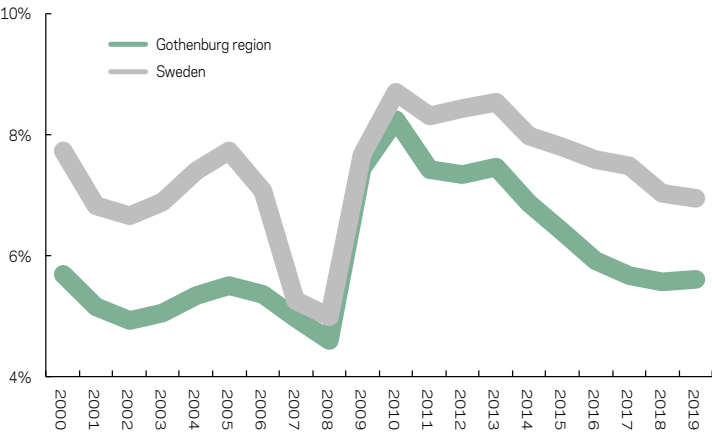


Lowest unemployment among metropolitan regions

Unemployment in the Gothenburg region averaged 5.6 per cent in 2019, the lowest among the country's metropolitan regions, and some 1.5 percentage points lower than the national average.

Source: Swedish Public Employment Service and Statistics Sweden

UNEMPLOYMENT AMONG PERSONS 16-64 YEAR OLD, ANNUAL AVERAGE 2000-2019

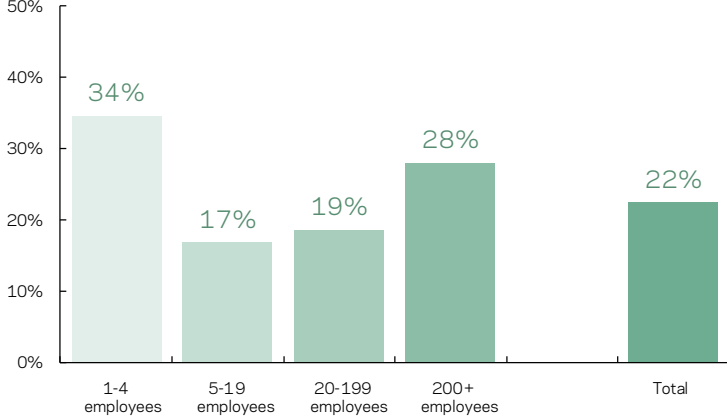


Most rapid employment growth in small companies

During the period 2009-2019, employees in companies with 1-4 employees increased by 34 per cent. The other size categories also demonstrate strong growth in terms of employees. However, in absolute terms, the two largest size categories report the largest increase. Some 70,000 people were hired by companies in these two size categories during the period 2009-2019.

Source: Statistics Sweden

PERCENTAGE CHANGE IN EMPLOYEES, BY SIZE CATEGORY 2009-2019



119,737

establishments in the Gothenburg region in 2019

Small companies account for the majority of the region's establishments

The Gothenburg region's numerous small companies provide the majority of the region's establishments. The sector with the largest number of establishments, more than 27,000, is business services, with a clear majority made up of smaller establishments. Commerce and personal and cultural services also have many establishments in the region.

Source: Statistics Sweden

ESTABLISHMENTS IN THE GOTHENBURG REGION IN 2019, BY SECTOR AND SIZE CATEGORY

SECTOR	ESTABLISHMENTS WITH NO EMPLOYEES	1-4 EMPLOYEES	5-19 EMPLOYEES	20-199 EMPLOYEES	200+ EMPLOYEES	TOTAL
Business services	16,934	8,047	1,551	668	57	27,257
Commerce	7,436	4,302	2,466	635	17	14,856
Personal and cultural services	11,470	2,397	603	153	7	14,630
Property	9,287	1,342	242	83	4	10,958
Construction	4,696	3,304	1,135	386	9	9,530
Agriculture, forestry and fishing	8,026	240	44	5	0	8,315
Information and communication	4,709	2,452	450	235	16	7,862
Healthcare and care	2,708	1,379	885	540	52	5,564
Manufacturing and mining	2,742	1,071	586	273	30	4,702
Education	2,517	535	877	616	19	4,564
Hotels and restaurants	1,168	1,353	836	197	2	3,556
Transportation	1,564	1,098	474	241	23	3,400
Financial services and insurance	2,263	623	160	46	7	3,099
Unknown	627	66	3	0	0	696
Energy and the environment	261	86	54	40	2	443
Public administration	18	38	58	156	35	305
Gothenburg region total	76,426	28,333	10,424	4,274	280	119,737

Office-based employees in the Gothenburg region will increase by 100,000 from today's 150,000 employees to around 250,000 employees in 2035

Source: Evidens



Photo: Mastphotos

4.



Business

The Gothenburg region is home to a broad and multifaceted business environment. 92 per cent of Sweden's industries are represented here, with a total of 750 industries identified in the region. Some of the world's leading companies within their sectors are headquartered in the region. The Gothenburg region is also characterised by a strong entrepreneurial spirit and some 7,500 companies were started in 2019.

Knowledge-intensive industries are largest

The majority of the largest companies in the Gothenburg region engage in research and development at a world-leading level. Volvo Cars, with its development and production in Torslanda, is the single largest private employer in the Gothenburg region. In total, the Volvo Group has around 12,000 employees in the Gothenburg region.

Source: Statistics Sweden

Home to Sweden's two largest companies

The list of the companies* reporting the highest turnover is topped by the Volvo Group and Volvo Cars, which are also the two companies with the highest turnover in Sweden. In third place is SKF, followed by the Stena Sphere and Carl Bennet.

* Only companies with their head office in the Gothenburg region.

Source: Largest Companies

Companies with the highest market value

One more way of assessing a company's size is to consider its market value*. Of the companies based in the Gothenburg region, the Volvo Group tops the list followed by the investment company Latour, the real estate company Balder and SKF.

* Only listed companies with their head office in the Gothenburg region.

Source: Avanza

LARGEST COMPANIES IN THE GOTHENBURG REGION BY NUMBER OF EMPLOYEES

RANK	COMPANY	NUMBER OF EMPLOYEES 2019
1	Volvo Cars	16,475
2	Samhall	3,775
3	Chalmers University of technology	3,325
4	Volvo Trucks*	3,075
5	Volvo Technology*	2,825
6	SKF	2,500
7	AstraZeneca	2,225
8	Postnord	2,025
9	Ericsson	1,775
10	Skanska	1,525

* Part of the Volvo Group, which employs in total approximately 12,000 people in the Gothenburg region.

LARGEST COMPANIES IN THE GOTHENBURG REGION BY TURNOVER

RANK	COMPANY	TURNOVER 31-12-2018, MSEK
1	Volvo Group	390,835
2	Volvo Cars	252,653
3	SKF	85,713
4	Stena Sphere*	60,649
5	Carl Bennet**	55,005
6	Bilia	28,382
7	Cellmark	28,362
8	Ekman & Co	17,397
9	Capio	16,608
10	Optigroup	16,398

* Reported here as group including Stena, Stena Metall, Stena Sessan and Concordia Maritime.

** Reported here as a group including Getinge, Lifco, Elanders, Dragesholm and Symbrio.

LARGEST LISTED COMPANIES IN THE GOTHENBURG REGION BY MARKET VALUE

RANK	COMPANY	MARKET VALUE 31-12-2019, MSEK
1	Volvo Group	322,821
2	Latour	99,687
3	Balder	85,464
4	SKF	75,789
5	Castellum	62,945
6	Getinge	46,507
7	Wallenstam	40,326
8	Vitrolife	17,802
9	Platzner	12,209
10	Bilia	9,586

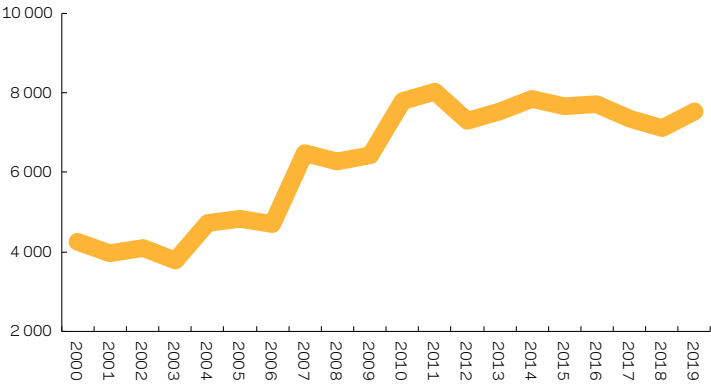
Every tenth newly started company is established in the Gothenburg region

The Gothenburg region is making great efforts to facilitate the start-up process for entrepreneurs. Since 2000, the number of newly started companies has nearly doubled. In 2019, over 7,500 new companies were started in the Gothenburg region, corresponding to 11 per cent of all newly started companies in Sweden.

Source: Growth Analysis

7,521
newly started companies in 2019

NUMBER OF NEWLY STARTED COMPANIES IN THE GOTHENBURG REGION 2000-2019



Commerce and manufacturing have the highest turnover

In 2018, the total turnover in the Gothenburg region was about SEK 1,316 billion. Commerce and manufacturing and mining accounted for more than half of the region's total turnover. Business services, transportation and construction also constitute a significant portion of the region's turnover.

Source: Statistics Sweden

TURNOVER (SEK MILLION) BY SECTOR 2018

SECTOR	TURNOVER 2018, MSEK	PERCENTAGE
Commerce	385,905	29,3%
Manufacturing and mining	327,616	24,9%
Business services	177,735	13,5%
Transportation	99,258	7,5%
Construction	98,809	7,5%
Information and communication	67,089	5,1%
Property	47,284	3,6%
Financial services and insurance	28,325	2,2%
Energy and the environment	21,081	1,6%
Hotels and restaurants	18,827	1,4%
Education	12,380	0,9%
Personal and cultural services	11,192	0,9%
Healthcare and care	9,804	0,7%
Unknown	4,314	0,3%
Agriculture, forestry and fishing	3,205	0,2%
Public administration	3,101	0,2%
Gothenburg region total	1,315,923	100,0%



Photo: Frida Winter / Göteborg & Co

The region's private sector generates high value added

The highest value added in the Gothenburg region comes from business services, followed by manufacturing and commerce. Together they make up nearly one-fourth of the region's total value added, which amounts to SEK 578 billion. A reason why business services contributes greatly is that companies such as Volvo Cars, the Volvo Group, AstraZeneca, SKF and Ericsson have sub-activities that are included in this specific sector. This confirms that the traditional industrial production has integrated a growing number of technology services as the goods for the final consumer become more and more advanced.

Source: Statistics Sweden

VALUE ADDED (SEK MILLION) BY SECTOR 2018

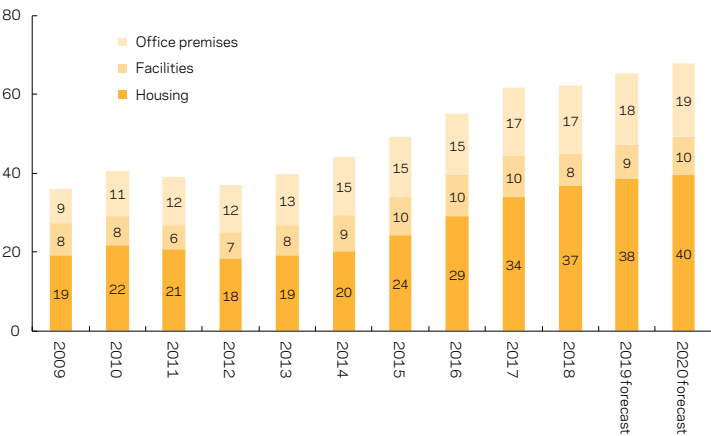
SECTOR	VALUE ADDED 2018, MSEK	PERCENTAGE
Business services	139,405	24,1%
Manufacturing and mining	106,209	18,4%
Commerce	85,015	14,7%
Construction	48,627	8,4%
Property	43,089	7,5%
Transportation	40,840	7,1%
Information and communication	39,042	6,8%
Healthcare and care	16,051	2,8%
Hotels and restaurants	15,495	2,7%
Personal and cultural services	12,022	2,1%
Financial services and insurance	11,643	2,0%
Energy and the environment	8,515	1,5%
Education	6,904	1,2%
Unknown	3,338	0,6%
Agriculture, forestry and fishing	2,127	0,4%
Public administration	10	0,0%
Gothenburg region total	578,331	100,0%

Investments in housing and offices in the Gothenburg region

Large construction projects will proliferate in the coming years. During 2018 over SEK 62 billion was invested in facilities, housing and office premises in the Gothenburg region. The forecast for 2019 indicates investment volumes totalling SEK 65 billion. Up until year 2035, investment volumes in the Gothenburg region are expected to amount to over SEK 1,000 billion.

Source: Swedish Construction Federation

INVESTMENT VOLUME (SEK BILLION) IN OFFICES, FACILITIES AND HOUSING IN THE GOTHENBURG REGION 2009-2020



Strong clusters in the Gothenburg region

In the Gothenburg region there are many clusters that contribute to the region's strong innovation capacity and competitiveness. Here are several examples.

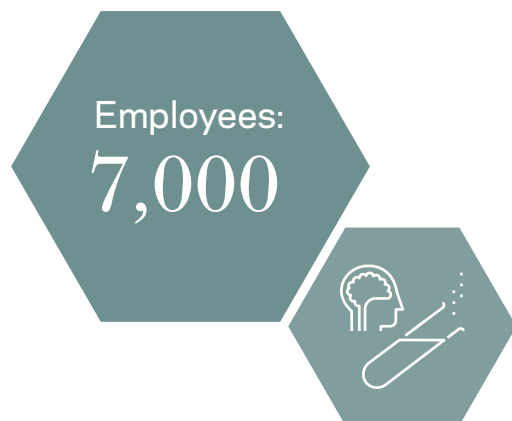
AUTOMOTIVE

The automotive cluster in the Gothenburg region is world leading in safety, electrification, autonomous engineering technology and connected vehicles. The region's automotive cluster is home to Volvo Cars, the Volvo Group, Geely, CEVT and NEVS, as well as many large and specialised tech, design and service suppliers to the automotive industry.



LIFE SCIENCE

Life science is one of the fastest growing industries in Gothenburg. Here you find one of Europe's largest university hospitals and one of Astra Zeneca's three globally strategic R&D centres. In the coming years, the life science cluster will be further strengthened with major investments being made in Sahlgrenska Life and the new health cluster GoCo Health Innovation City.



MARITIME

Gothenburg is the leading port in the Nordics and the city is a centre for research and development within marine energy extraction, biotechnology and maritime operations as well as fisheries and aquaculture.



TRANSPORTATION AND LOGISTICS

The Gothenburg region is Scandinavia's most important logistics hub. Here you find leading competence within logistics and advanced transportation infrastructure. The region is the national centre for research and development within sustainable logistics and transportation solutions.



ICT

The Gothenburg region is home to cutting edge expertise in several fields. The ICT companies in the region hold a strong position in areas such as embedded systems, infrastructure and cloud, microwaves, mobile technologies as well as visualisation and gaming.



CLEANTECH

The cleantech cluster is strongly linked to other industries in the Gothenburg region in areas such as energy efficiency, renewable fuels and renewable energy, electromobility, waste systems and air and water treatment. The companies are suppliers in these areas with both technology and service production. The City of Gothenburg has long been at the forefront in setting environmental and climate requirements and this has driven the strong development in the cleantech cluster.

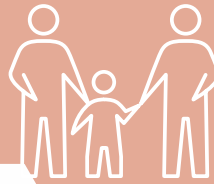
ENERGY

The energy production in the Gothenburg region is complete with power generated from wind, water, solar, nuclear and waste. Gothenburg is a world leader with its extensive district heating network and has the world's most efficient energy recoveries from waste. In 2018 and 2019, Gothenburg's county, Västra Götaland, had the nation's highest wind power capacity. The region is also home to one of Sweden's largest solar parks.



Source: Statistics Sweden and Business Region Göteborg, all statistics refer to employees in 2016

5.



Population, lifestyle and education

More and more people are choosing to live in the Gothenburg region and in 2019 its population was more than one million people. The population is relatively young and more highly educated than the national average. Access to academic education and world-class companies makes the region more attractive. The Gothenburg region's two universities collectively have around 60,000 students. In terms of human capital and lifestyle, Gothenburg ranks highly among large European cities. The city is also home to Europe's coolest neighbourhood.

Photo: Beatrice Törnros/Gothenburg & Co

Population growth continuing

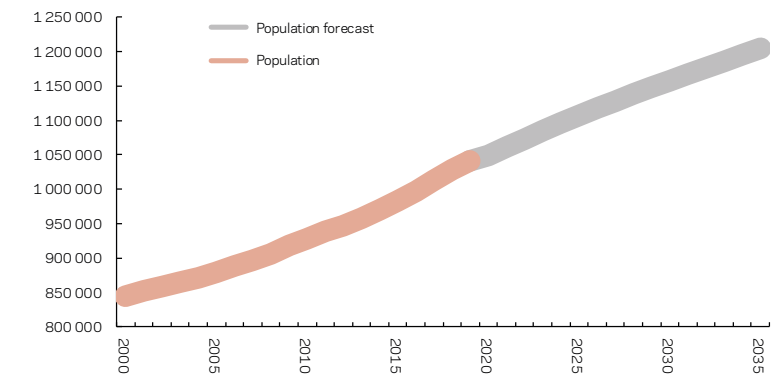
For many years, the Gothenburg region has had birth and migration surpluses. In 2019, the region's population increased by about 14,000 residents. In 2035, it is expected that just over 1.2 million people will live in the region.

Source: Statistics Sweden and Region Västra Götaland

1,041,850

residents in the Gothenburg region during 2019

POPULATION IN THE GOTHENBURG REGION 2000-2019 AND FORECAST FOR THE PERIOD 2020-2035

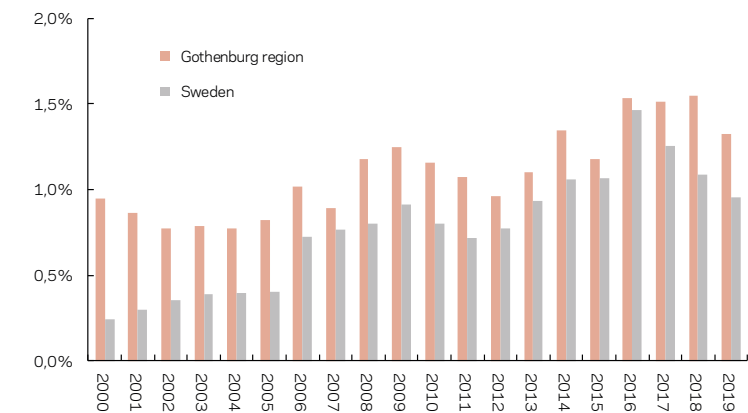


Living in a growing region

Every year since 2000, the Gothenburg region's population has increased by around one per cent. Throughout the 2000s, the region has seen greater growth than Sweden as a whole.

Source: Statistics Sweden

YEARLY POPULATION GROWTH 2000-2019

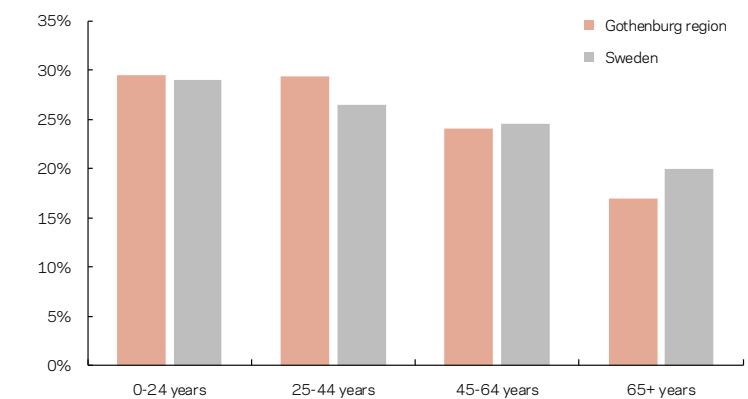


Younger than the national average

A comparison with Sweden's average age breakdown for 2019 shows that the Gothenburg region has a relatively young population. The 0-44 age group is larger than the national average while the 45-65 age group is smaller.

Source: Statistics Sweden

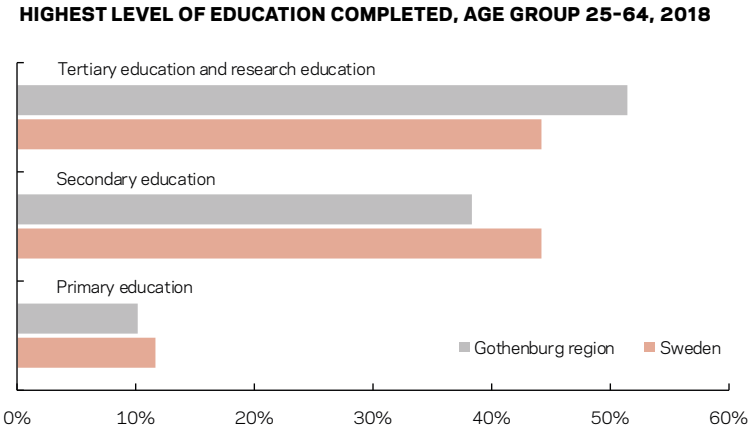
POPULATION BY AGE GROUP 2019



Higher level of education than the national average

Compared to Sweden as a whole, a larger proportion of the 25–64 age group in the Gothenburg region has a post-secondary education, up to the level of doctoral studies/research education.

Source: Statistics Sweden



Gothenburg is an attractive region to live, work and study in...

1st place

of 39 world cities: Sociable City Index

Source: Hostel World, 2017

2nd place

of 50 cities: World's smartest cities

Source: Future Today Institute, 2019

2nd place

among 43 large European cities in the category human capital and lifestyle

Source: fDi 2020/21

Europe's coolest neighbourhood

is found in Gothenburg around Haga and Järntorget

Source: The Guardian, 2020

9th place

of 490 cities: Most liveable city in the world for European expats

Source: ECA International, 2020

60,000 students

The region's two largest seats of learning are the University of Gothenburg, with some 48,000 students, and Chalmers University of Technology, with just over 10,000 students. Both universities are among the world's best in several research fields.

Source: University of Gothenburg and Chalmers University of Technology

6.



Costs and taxes

The Gothenburg region is a competitive location for businesses. The corporate tax rate is low and the rental market is among the hottest in Europe. In addition, foreign key workers in Sweden are granted a certain degree of tax relief.

Employer contributions

All employers pay social security contributions for their employees. These comprise contributions for pensions, health care and other social benefits. The contributions amount to a total of 31.42 per cent.

Source: The Swedish Tax Agency

Salary levels in the Gothenburg region

Presenting income distribution using percentiles gives a good picture of the most common wage levels. In this table, the figure in the column for the 10th percentile corresponds to the maximum wage earned by 10 per cent of that category. An example, 10 per cent of the sales persons in commerce earn SEK 24,200 or less, whereas 60 per cent of the same profession category earn SEK 31,000 or less.

*The numbers are rounded to the nearest hundred.

Source: Almega, September 2019

25%

tax relief for foreign key staff during their first three years in Sweden

Source: Taxation of Research Workers Board, 2020

20%

tax reduction for R&D employees and consultants

Source: Swedish Tax Agency

STATUTORY EMPLOYER CONTRIBUTIONS

	% OF WAGE/SALARY 2020
Retirement pension	10.21
Survivor's pension	0.60
Health insurance	3.55
Parental insurance	2.60
Occupational injury insurance	0.20
Unemployment insurance	2.64
Payroll contribution	11.62
Total statutory employer contribution	31.42

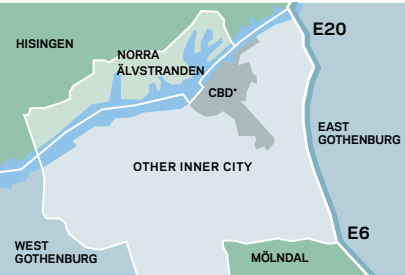
MARKET SALARY STATISTICS*

PROFESSION	MONTHLY SALARY (SEK)			
	10TH PER-CENTILE	40TH PER-CENTILE	60TH PER-CENTILE	90TH PER-CENTILE
Economics and finance managers	39,700	57,300	70,900	113,700
Economics and finance operation managers	39,000	51,800	60,000	82,600
Human resources managers	40,200	57,000	69,400	102,800
Management and planning managers	42,000	62,100	77,000	131,300
Management and planning operations managers	34,000	46,000	54,300	85,400
Sales and marketing managers	43,300	61,200	70,000	101,500
Sales and marketing operations managers	40,100	55,100	63,100	84,000
IT managers	46,600	63,000	73,400	101,000
IT operations managers	45,900	59,000	64,800	83,500
Managers in information, communication and PR	40,900	65,600	79,200	114,900
Operations managers in information, communication and PR	37,600	51,300	58,000	72,100
Managers in purchase, logistics and transport	37,500	54,200	64,200	94,600
Operations managers in purchase, logistics and transport	36,900	50,000	57,800	79,500
Auditors, accountants and economists	27,600	36,500	43,800	62,800
Organisation development experts	34,800	46,000	53,400	73,200
Market analysts and marketing specialists	32,500	42,500	48,800	63,700
Systems analysts and software engineers	36,900	47,100	51,900	61,400
Software and systems developers	32,700	41,000	46,500	57,400
Engineers and technicians in construction	30,400	36,200	42,300	56,200
Engineers and technicians in electrotechnology	31,100	38,500	43,800	56,900
Engineers and technicians in chemistry and chemical engineering	29,500	36,100	41,300	53,800
Computer technicians	27,200	35,100	39,500	49,900
Company sales staff	28,700	39,000	45,500	60,600
Purchasers and tender issuers	31,900	39,400	44,700	57,600
Administrative assistants	22,400	29,000	32,100	41,200
Sales person in commerce	24,200	28,700	31,000	41,900

Office rental

Office rental prices vary considerably between different districts in Gothenburg. The map below provides an overview of the various areas of Gothenburg, with a summary of rental prices for these areas listed to the right. The highest rents are in the Central Business District (CBD), while the lowest rents are observed in West Gothenburg.

Source: JLL



Competitive corporate tax

In a European context, Sweden's corporate tax rate is competitive. The corporate tax rate in 2020 is 21.4 per cent in Sweden. In the run-up to 2021, Sweden's corporate tax will be further reduced.

Source: KPMG, 2020

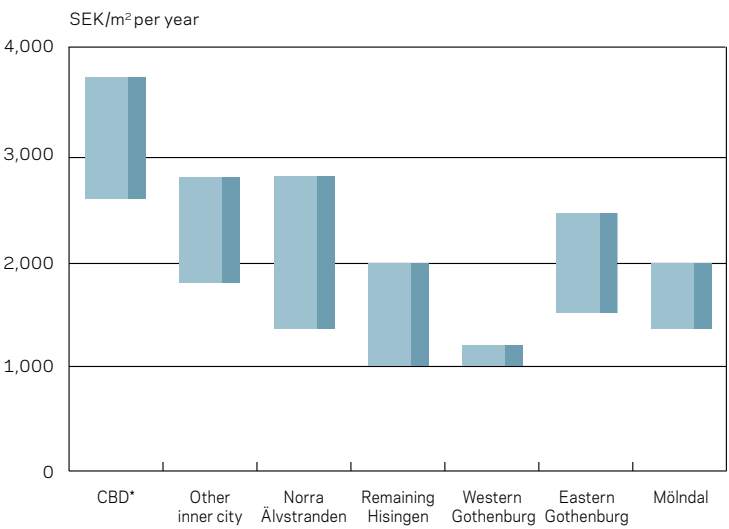
- * Small and new companies can benefit from lower corporate tax.
- ** The corporate tax rate in Germany varies between 22.83 and 36.83 per cent depending on geographical location.

Comparison of taxes

Since 2013, Sweden has become one of the most attractive places in the world for holding companies. Sweden offers more than 80 tax agreements in addition to the low corporate tax rate. Sweden's tax climate also holds up well in comparison to other countries, as companies are not taxed on interest income, share dividends and royalties.

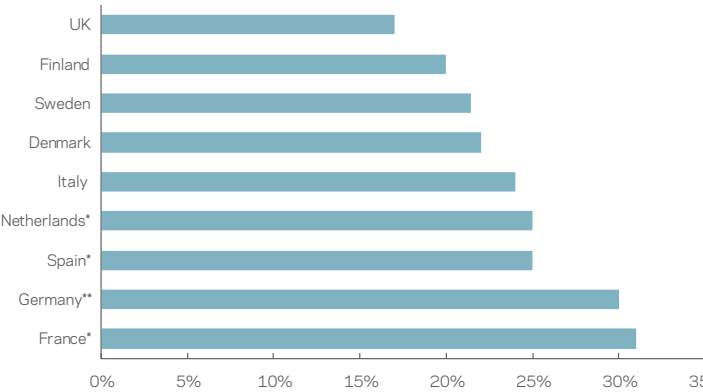
Source: Deloitte, 2020

OFFICE RENTS BY AREA IN GOTHENBURG, 2019



* Central Business District.

CORPORATE TAX RATES - A EUROPEAN COMPARISON 2020

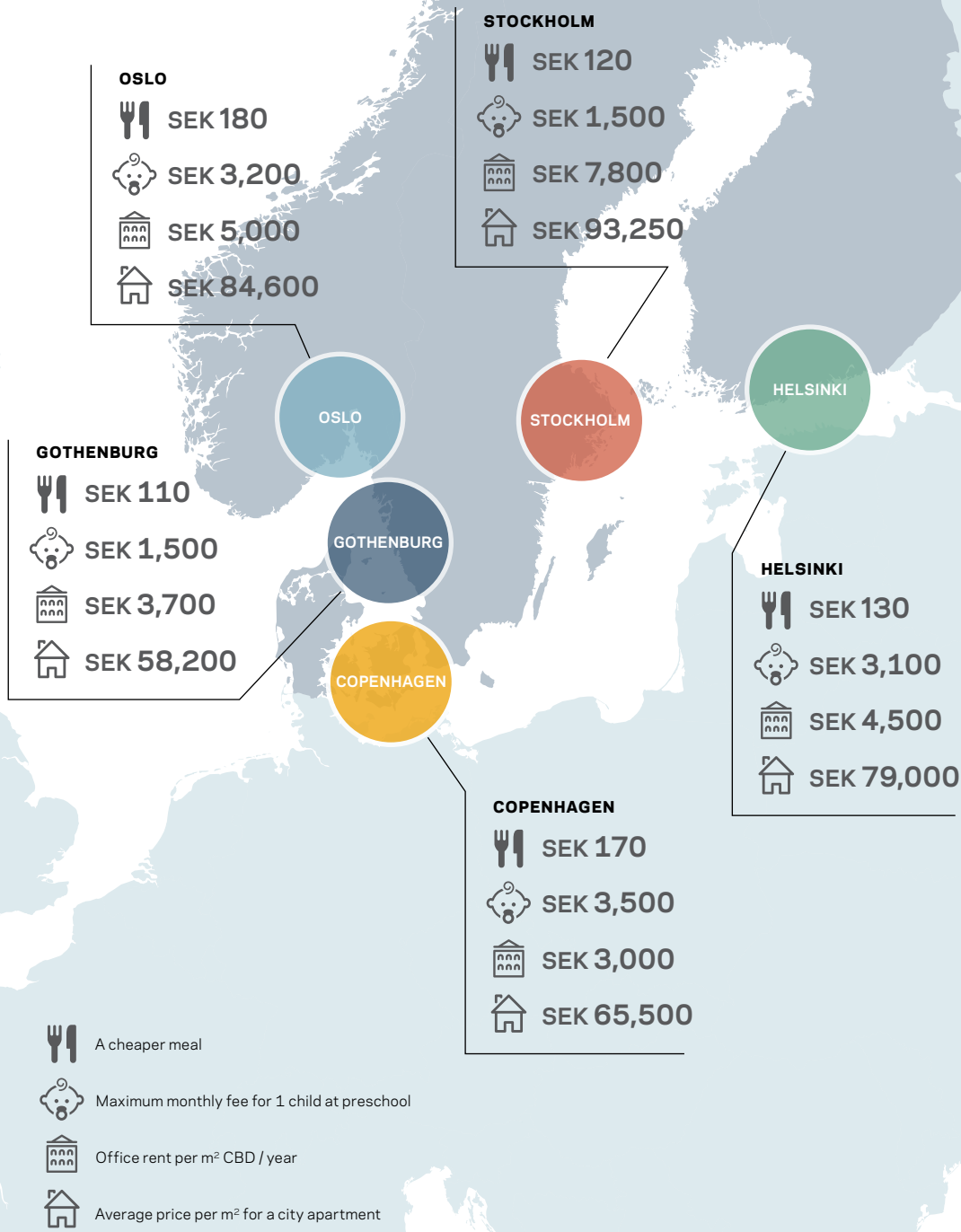


WITHHOLDING TAX RATES*

TYPE OF TAX	SWEDEN	DENMARK	FINLAND	FRANCE	GERMANY	NETHERLANDS	UK	USA
Interest	0%	0%	0%	0%	0%	0%	20%	0%
Dividends	0%	0%	20%	28%	25%	0%	0%	0%
Royalties	0%	22%	20%	28%	15%	0%	20%	0%

* Rates apply to payments to non-residents.

Nordic cost comparison 2020



Sources: Numbeo, each city's official homepage, JLL and Global Property Guide.
Exchange rates from NOK to SEK, DKK to SEK and Euro to SEK retrieved on 2 March 2020.

7.



Climate and the environment

The Gothenburg region boasts world-leading competence in solutions for reduced CO₂ emissions and cleantech solutions. The region has numerous partnerships involving energy, smart urban development, transport and waste management, aiming to reduce impact on the environment. An area that has met considerable success is district heating and district cooling. Another sign that the region is heading in the right direction in its work with environmental sustainability is that the interest in green bonds has been huge, and new issues of green bonds have been proliferating at record pace.

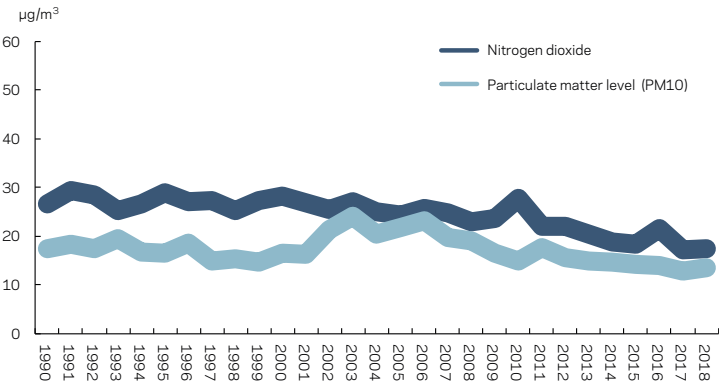
Better air quality in Gothenburg

For decades, Gothenburg has worked actively to continuously improve the city's air quality. Over the longer term, Gothenburg has reduced airborne nitrogen dioxide levels. During the past 10 years, the city has even managed to reverse the upward trend in coarse particulate matter levels (PM10).

* Air quality is based on statistics obtained from the 'Femman' measuring station in Gothenburg.

Source: Environment Administration, City of Gothenburg

AIR QUALITY IN GOTHENBURG 1990-2018*

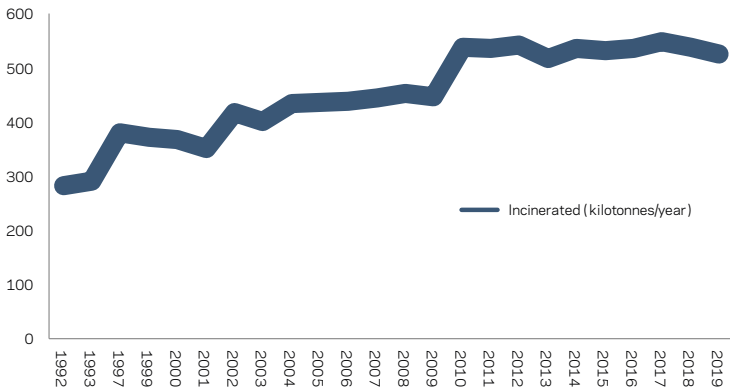


Recycled energy keeps us warm

Gothenburg is highly competent when it comes to waste management. Even though the city incinerates more waste than before, emissions are decreasing over time. The heat from waste incineration represents a third of the district heating in the region and approximately 5 per cent of the electricity demand in Gothenburg. In addition, 60 per cent of electricity produced comes from biogas.

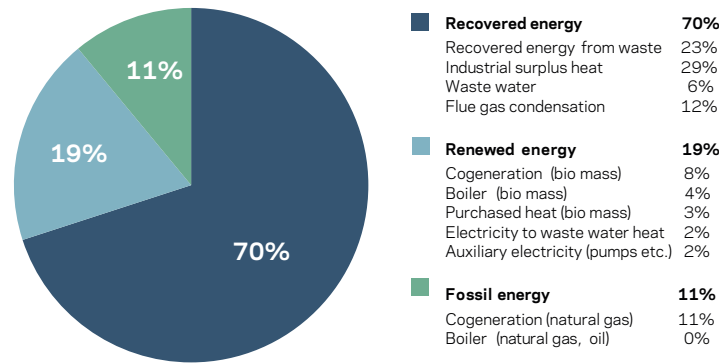
*Statistics for waste incineration refer to Sävenäs waste treatment facility.

WASTE INCINERATION* IN GOTHENBURG 1992-2019



Source: Renova

SUPPLIED ENERGY INCLUDING PRODUCTION METHOD FOR GOTHENBURG'S DISTRICT HEATING SYSTEM 2019



Source: Göteborg Energi

Cleaner air with smart heating and cooling

In order to supply Gothenburg with heat, we have a far-reaching district heating system used to distribute energy from different heat sources. The district heating network in Gothenburg measures about 1,230 km in length. It heats 90 per cent of the apartment buildings in Gothenburg, some 12,000 houses and countless factories, offices, shops and other public buildings. The district heating system enables us to utilise a large amount of energy that would otherwise dissipate into the atmosphere or the sea. Some 70 per cent of our district heating comprises heat recovered from other activities, such as waste incineration and refineries. In recent years, a district cooling network has also been developed for offices, hospitals, factories and other buildings. The technology is simple, quiet and resource efficient, with the cooling coming from recovered energy and the cold water of the river Göta Älv in Gothenburg

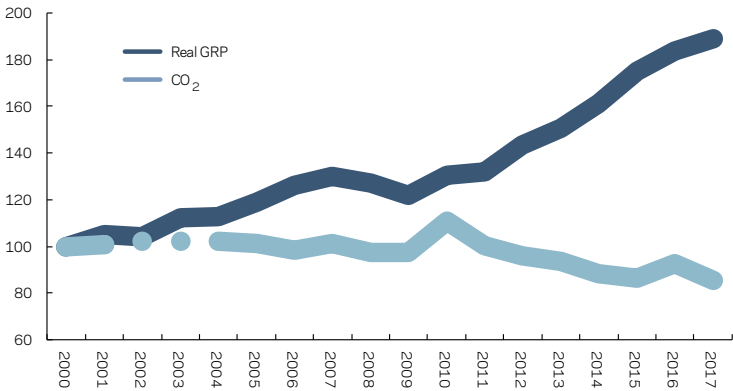
Source: Göteborg Energi

CO₂ emissions are decreasing in spite of increased economic activity

The Gothenburg region's emissions of carbon dioxide have been at a constant level for most of the 2000s, but in recent years these emissions have decreased. At the same time, the region's economic growth stands at around 90 per cent, and the population has increased by 20 per cent, meaning that the emissions per growth unit have decreased*. Since 2000, carbon dioxide emissions in the region have decreased by 15 per cent, despite the three large refineries in Gothenburg and the chemical plants in Stenungsund. Altered production patterns in energy production meant that CO₂ emissions spiked in both 2010 and 2016, but the general trend is downward.

*We can only measure emissions produced in the Gothenburg region.

DEVELOPMENT OF REAL GROSS REGIONAL PRODUCT (GRP) AND CO₂ IN THE GOTHENBURG REGION (INDEX 2000 = 100)



Source: Statistics Sweden and Swedish National Emissions Inventory

Green bonds contribute to sustainable growth

The City of Gothenburg issues bonds to finance various environmental initiatives within renewable energy, public transport, water treatment, energy efficiency, smart power grids, urban planning and waste management. Green bonds valued at about SEK 3.4 billion were issued in 2019. The market shows great interest in green bonds and since the start in 2013, green bonds totalling some SEK 10 billion have been issued.

Source: City of Gothenburg

DISTRIBUTION OF GREEN BONDS (SEK MILLION) IN GOTHENBURG 2013-2019

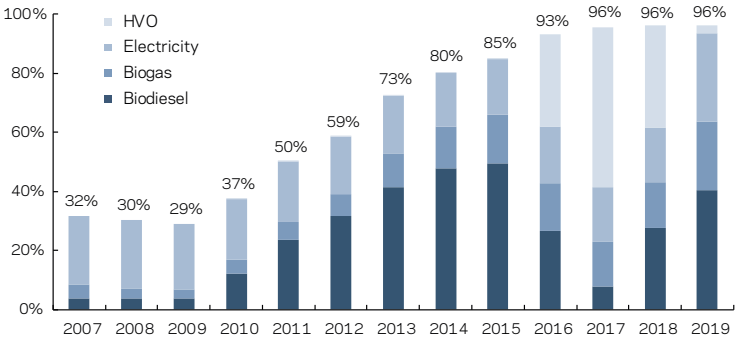
PROJEKT	2013	2014	2015	2016	2017	2018	2019
Ultrafilter	150	420					22
GOBiGas	300		620			-920	
Electric vehicles	30	19	11	0	19	15	27
Nitrogen emission reduction		47	110	164	32	3	0
Tree planting		8	6	5	6,2	8	7
Celsius district heating		5					
Pedestrian city			50	10	16,7	32	17
Cycling city			60	28	28	65	84
Effective traffic lighting			49	42	37	43	18
Sustainable construction		382	314	498	588	707	906
Energy-efficient housing		388		427	544	830	1 633
Trams				170	91	41	9
Kodammarna water pumping station					35	80	66
Solar farm						38	6
Selma Stad						239	214
Water management							103
Green Buildings							210
Electric buses							92
Annual total	480	881	1,609	1,344	1,397	1,181	3,414
Total allocated	480	1 361	2 970	4 314	5 711	6 892	10 306

More travel fuelled by renewables

More and more people are using public transport. In 2019, some 303 million trips were made in the Gothenburg region, an increase of 5 per cent over the previous year. Parallel to this, an increasing share of vehicle usage runs on renewable fuel. In 2007, about one third of public transport in the Gothenburg region was powered by renewable fuels. By 2019, this figure had exceeded 96 per cent.

Source: Västtrafik

PERCENTAGE OF VEHICLE KILOMETRES RUN ON RENEWABLE FUEL IN PUBLIC TRANSPORT IN THE GOTHENBURG REGION 2007-2019



Did you know...

Fossil-free district heating by 2025

The city's energy company will make both small and large efforts, such as investments in a new, renewable production that replaces today's fossil fuels. The use of recovered energy will also increase.

Source: Göteborg Energi

Fossil-free transportation by 2030

In 2023, the city's own vehicle fleet will be fossil-free and by 2030 transportation within the city's own operations will be fossil-free. This means that all passenger cars in the vehicle fleet must run on fossil-free fuel and that municipal employees will prioritise cycling, walking and public transport for business trips.

Source: City of Gothenburg

230

electric buses will be in service by the end of 2020, which is the most among the Nordic countries.

Source: Västtrafik

World's most sustainable destination

For the fourth consecutive year Gothenburg has been named best in the world when it comes to sustainability. Global Destination Sustainability Index (GDSI) measures all elements of sustainability: environmental, social and economic.

Source: GDSI Index 2019

Unique metal recycling plant

The waste and recycling company Renova's technology for recycling zinc from the ash that is formed during waste incineration is the only one in the world of its kind. The plant being built provides both great environmental benefits and is estimated to save millions of SEK.

Source: Renova

Emissions cut in half with new construction

Until 2024, Älvstranden Utveckling will be involved in developing 6,000 apartments. At the same time, it will be climate smart, and emissions of greenhouse gases will be reduced by half.

Source: Älvstranden Utveckling

96%

of public transport runs on renewable energy, calculated per passenger kilometre

Source: Västtrafik

MORE FROM US!

Learn more about the business environment and doing business in the Gothenburg region from Business Region Göteborg's other reports and publications available on our website: www.investingothenburg.com

Economic Outlook

Published quarterly, Economic Outlook provides a summarised view of the economic situation in Gothenburg in comparison to other Swedish metropolitan regions. The report presents many up-to-date performance indicators for trade and industry, including those linked to the labour market.

Invest in Gothenburg

This publication presents the Gothenburg region's key industries, investment opportunities and assets for doing business.

Come join us

This brochure provides information on what it's like to live, work and study in the Gothenburg region.

Retail Guide

Retail Guide is an annual publication that presents retail opportunities in Sweden and the Gothenburg region, and provides facts and information about the market, demand and supply.

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