FACTS ABOUT SWEDEN | CSR

Swedish companies have a long history of active CSR work and Sweden is widely viewed as a pioneer within the field. In 2013, Sweden was rated as the world's most sustainable country by RobecoSAM.

The term corporate social responsibility (CSR), also known as sustainable business practice, is used to describe the work companies do that has a positive impact on society, the environment or the economy. In 2011, the EU Commission defined CSR as the ‘responsibility of enterprises for their impacts on society’. Efforts to reduce emissions of carbon dioxide, promotion of equal career opportunities, and involvement with local communities are examples of CSR initiatives.

Swedish companies have a long history of active CSR work and Sweden is viewed as a pioneer within the field. In 2013, Sweden topped the RobecoSAM Country Sustainability Ranking, which ranks 59 countries based on 17 environmental, social and governance indicators.

The scope of the term CSR has expanded dramatically over the years and now covers aspects of business operations as diverse as corruption in supply chains and local environmental efforts. Yet even though Sweden has made great progress, there are many challenges remaining.

Environment
The environmental aspects of CSR are extremely broad, including areas such as paper recycling, the sustainable use of resources, minimising environmental footprints and reducing water consumption.

Clime Counts is a collaborative effort to bring consumers and companies together to find ways to address global climate change. It assesses companies on 22 criteria including their climate footprint, impact on global warming and transparency of their environmental efforts. Swedish company Electrolux was listed as a world leader in Clime Counts’ rankings for 2012.

Cleantech – a term used to describe products or services that improve operational performance, productivity or efficiency while reducing costs, inputs, energy consumption, waste or pollution – is another important part of CSR.

Internationally, Sweden fares well in...
Global sustainability leaders

Swedish corporations are often praised for their far-reaching work with corporate responsibility. Several recent studies list Swedish companies in this perspective:

- **Corporate Knights** analyses companies’ environmental, social and governance performance. The 2012 Global 100 study included five Swedish companies: Atlas Copco (18), Scania (27), Ericsson (30), Electrolux (58) and H&M (73). Parameters in the study included carbon dioxide emissions, leadership diversity and taxes paid.

- The **Dow Jones Sustainability World Index** ranks the world’s leading companies in terms of their efforts in sustainability. The annual survey is based on analysis of companies’ performance in business ethics, the environment and social issues. The analysis, compiled by SAM from Switzerland, has significant influence on funds and investors who base their investments on ethics and sustainability. The 2012-13 index includes six Swedish companies: SKF, SCA, Electrolux, H&M, MTG and Atlas Copco.

- London Stock Exchange subsidiary FTSE Group produces the FTSE4Good Index Series every year, to support investors from around the world who want to increase the focus on the environmental, social and governance aspects of the companies in which they invest. The FTSE4Good Index 2013 includes Swedish companies such as SEB, Electrolux and Atlas Copco.

**CSR Sweden**

A leading Swedish business network that focuses on companies’ civic responsibilities and corporate citizenship.

[www.csrsweden.se](http://www.csrsweden.se)

**SIDA**

Sida is a government authority that works on behalf of the Swedish parliament and government to reduce poverty around the world. Its remit also includes CSR, and Sida works with companies on numerous projects.

[www.sida.se](http://www.sida.se)

**CSR Ambassador**

The Swedish Foreign Office has a special post working with corporate social responsibility, the CSR Ambassador. Bengt E Johansson has been Sweden’s CSR Ambassador since January 2013.

[www.government.se](http://www.government.se)

**Global Forum**

A Sweden-based marketplace for contacts, ideas and innovations, with a focus on sustainability and emerging markets.

[www.globeforum.com](http://www.globeforum.com)

**THE TÄLLBERG FOUNDATION**

The Tällberg Foundation is a research organisation dedicated to improving understanding of wider global issues. The Tällberg Forum is an annual gathering where leaders from all over the world and different sectors of society discuss aspects of global interdependence and seek new solutions.

[www.tallbergfoundation.org](http://www.tallbergfoundation.org)

Innovative solutions to global challenges take centre stage at the Tällberg Forum.

**LEARN MORE**

**GLOBE FORUM**

[www.globeforum.com](http://www.globeforum.com)

**CSR SWEDEN**

[www.csrsweden.se](http://www.csrsweden.se)

**SIDA**

[www.sida.se](http://www.sida.se)

**CSR AMBASSADOR**

[www.government.se](http://www.government.se)
FACTS ABOUT SWEDEN | CSR

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GUIDELINES FOR SUSTAINABILITY

The Global Reporting Initiative (GRI) guidelines set standards for companies’ sustainability reporting. Indicators include:

Economic
- Results
- Market presence

Environmental
- Materials
- Energy
- Emissions – air and water
- Waste

Social
- Work methods and processes
- Human rights
- Society
- Product liability

www.globalreporting.org

THOUSANDS OF CERTIFIED COMPANIES

The ISO 14001:2004 certification for environmental management systems is widely used among Swedish businesses, with some 4,300 companies certified at present. In some sectors, such as printing, certification provides a strong competitive advantage.

Statistics from the Swedish Standards Institute show that Sweden has one of the highest per-capita levels of environmentally certified companies in the world.

www.sis.se

SUSTAINABLE BRAND INDEX

Sustainable Brand Index is Scandinavia’s largest brand study on sustainability. Its annual ranking of companies’ sustainability levels is based on 18,000 consumers’ evaluation of over 500 Scandinavian brands. The brands are selected on the basis of market share, turnover, number of employees and general brand awareness. Supermarket chain ICA topped the index of 228 brands for Sweden in 2013.

www.sb-insight.com

In a bid to make renewable energy part of the mainstream market, furniture retailer IKEA began selling solar panels for homes in the UK in 2013.

PROMOTING SUSTAINABLE INITIATIVES

By placing demands on its own enterprises and promoting sustainable initiatives in general, the Swedish Government aims to inspire all companies to increase their sustainability efforts.

The Swedish Government owns more than 50 companies of various sizes. In 2007, Sweden became the first country to demand sustainability reports from state-owned enterprises. The reports have to comply with guidelines from the Global Reporting Initiative (GRI).

In 2012, Sweden took another important step by asking state-owned companies to set several sustainability goals, and to report on them in 2014. The targets are to be set by the company boards, with focus on diversity, environment issues, human rights, working conditions, anti-corruption measures, business ethics and gender equality. The targets must also be measurable, specific and relevant to the companies’ operations.

Human rights – a priority

The Swedish Government expects all Swedish companies, private or state-owned, to respect human rights in all their operations. It encourages the private sector to follow the OECD’s guidelines for multinational companies, to apply the ten principles of the UN Global Compact and follow the UN Guiding Principles on Business and Human Rights.

In the end, however, sustainable business practice should be driven and owned by the private sector, with each company deciding if and how it will work with CSR.

Striving to lead by example, the Government has a unit within the Ministry for Foreign Affairs focusing on issues related to sustainable trade and business, and has also appointed a CSR Ambassador (see box, page 2).

Environmental initiatives

Strict environmental legislation combined with high levels of environmental awareness and knowledge have led Swedish companies to be environmentally innovative and efficient in their operations. Low-impact production techniques, in particular within industrial production, are now often exported to other countries.

Sweden also plays a prominent role in clean-tech sectors such as non-fossil fuels and water quality, with several companies as leaders in their fields. SEKAB, for example, is a major European supplier of ethanol and ethanol derivatives, used for fuels and low-environmental-impact chemicals, while water-technology company Xylem has operations in more than 150 countries.
GLOSSARY

SUSTAINABLE DEVELOPMENT
Development that meets the needs of the present without compromising the ability of future generations to meet their own needs, as defined by the World Commission on Environment and Development, informally known as the Brundtland Commission.

CODE OF CONDUCT
Covers company values and business practices. Can also cover relationships with company stakeholders.

SOCIALLY RESPONSIBLE INVESTING (SRI)
Sustainable or ethical investing following an investment strategy that seeks to maximise both financial return and social good.

ISO 26000:2010
An international standard giving guidance for companies and organisations that want to operate in a socially responsible way.

www.iso.org

USEFUL LINKS

www.business-anti-corruption.com Business Anti-Corruption Portal
www.business-humanrights.org Business & Human Rights Resource Centre
www.csreurope.org Network for CSR issues in Europe
www.manskligarattigheter.se/en The Swedish Government's human rights website

SWEDISH COMPANIES SETTING GOOD EXAMPLES

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
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<tbody>
<tr>
<td>Electrolux</td>
<td>A world leader in household and professional electrical equipment. In 2013, it was listed as an industry leader in sustainability in the FTSE4Good Index. Electrolux is also on the Global 100 list of the world’s most sustainable companies. During 2013, the company is implementing a certification programme for quality, environmental, and health and safety issues. <a href="http://www.electrolux.com">www.electrolux.com</a></td>
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<tr>
<td>LKAB</td>
<td>A government-owned mining company in the very north of Sweden. It aims to be a world leader in the mining industry when it comes to efficient use of resources and minimising climate impact. The company is investing in research and innovation, but also works to be a part of the communities in which it operates. For example, it is involved in preserving buildings of cultural significance and the construction of new homes. <a href="http://www.lkab.com">www.lkab.com</a></td>
</tr>
<tr>
<td>IKEA</td>
<td>Cotton is one of the most important raw materials for IKEA, and the company wants all cotton used in its products to come from more sustainable cotton production. The Better Cotton Initiative helps IKEA create lasting and large-scale improvements in conventional cotton cultivation. Besides reducing environmental and social impacts, Better Cotton decreases production costs for farmers. This helps IKEA offer competitively priced products that satisfy consumers’ needs as well as IKEA’s ambitions to provide responsibly sourced products. <a href="http://www.ikea.com">www.ikea.com</a></td>
</tr>
<tr>
<td>Systembolaget</td>
<td>In 2012, state-owned alcohol monopoly Systembolaget introduced a code of conduct for its wholesale purchases of alcoholic drinks, in collaboration with the alcohol monopolies of Norway, Finland, Iceland and the Faroe Islands. The code requires responsible treatment in terms of human rights, working conditions, anti-corruption measures, and environmental issues in both the companies’ own operations and their supply chains. <a href="http://www.systembolaget.se">www.systembolaget.se</a></td>
</tr>
<tr>
<td>H&amp;M</td>
<td>Clothing company H&amp;M, with about 2,000 stores around the world, has an eco-clothing line called Conscious Collection. H&amp;M works actively with its suppliers to promote labour rights and reduce environmental impacts. Around 700 suppliers manufacture H&amp;M products, many of them in countries where issues such as child labour and workplace safety can pose problems. H&amp;M has an audit team of 70 people monitoring suppliers’ compliance with the H&amp;M code of conduct. <a href="http://www.hm.com">www.hm.com</a></td>
</tr>
</tbody>
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