

Annual Report

International Council of Swedish Industry

2022



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Permacrisis and Partnerships

While 2022 was a year in which NIR achieved many of its goals as an organisation, it was a devastating year for global peace and security. The war in Ukraine sent shockwaves across the globe and, as an initial response, we facilitated exchanges with our members on how to deal with the immediate effects. Support from our Sustainability Impact Accelerator to Ukraine in establishing a national emergency response system continues despite some early challenges.

With exchanges on Ukraine and a wide range of other topics, Meeting Point NIR was taken to a new level. Our Let's Talk series gathered a record number of participants for peer-to-peer exchanges on 24 occasions to discuss challenges and opportunities identified by members. An extensive and wide range of current topics were discussed, such as markets, the EU directives on corporate sustainability requirements, responsible sales and purchasing and many other Environmental, Social and Governance (ESG) related topics. By facilitating relevant exchanges with different departments ranging from compliance and sustainability to finance and purchasing, we deepened our member network in 2022.

We also welcomed two new members – Hitachi Energy and the Swedish Export Credit Corporation (SEK). Hitachi Energy has technologies that are central to the energy transition, not least in low- and middle- income countries. With lending in 60 countries, SEK plays a pivotal role as a financier of Swedish exporters as well as exporters' subsidiaries and customers abroad. The addition of these new members means that our membership is now stronger than ever before.

Sustainability challenges and opportunities were both in focus in 2022. The ongoing transition for industries and societies will require new collaborations and partnerships to ensure that it does not happen at the expense of people and the environment. Business as usual is simply not an option. Scalable models to avoid negative impact and drive a positive sustainability outcome need to be developed. This is where NIR adds value – as an enabler of proactive collaborations and new partnerships.

We took major steps this year towards achieving the three-year strategic goals our Board of Directors set in 2020. Our strides towards the strategic objective of having three major programmes with the Swedish International Development Cooperation Agency (Sida) as our funding partner strengthened our unique position as an enabler of collaborations between Swedish international development cooperation and Swedish business.

As the world became less secure over the last year, the importance of due diligence, risk management, security and safety, including IT and travel security, was pushed even further into the spotlight. We responded by further developing our due diligence and risk management processes. All NIR staff completed Hostile Environment Awareness Training (HEAT), and we adopted a revised Travel Action Protocol. We also improved our IT and data security as we moved our offices into Business Sweden at the World Trade Centre.

Despite trying times and current challenges, we continue to tackle pressing issues directly. We will continue to work closely with our members and partners in developing scalable models to avoid adverse impact and drive a positive sustainability outcome in low- and middle- income countries. This shared vision with our members and partners will guide us in 2023 and beyond.



Christine Bäckström, CEO

We are NIR

Improving Business Conditions in Complex Markets



- We are a private sector owned, non-profit organisation that serves as a bridge between international development cooperation and foreign trade.
- Our members include many of Sweden's most successful multinational companies, strongly represent Sweden's industrial legacy and have a presence in almost every country across the globe. Our members offer complete solutions for building the digitalised and electrified societies and industries of the future.
- Swedish industry contributes approximately three times more to research and development than the Swedish government, and most of our members contribute through their investments in Swedish solutions to global challenges.
- Our members in the financial sector have unique expertise on sustainable finance and transaction structuring to manage the environmental, social and governance related risks associated with complex markets.
- Our strategic goals and objectives are set by our Board of Directors, which is comprised of senior-ranking representatives from our members. Since 2020, our strategy has focused on ESG as well as activities to promote sustainability and create better conditions for sustainable business in complex markets.
- We facilitate peer-to-peer exchanges between our members to discuss and address ESG-related challenges in low- and middle-income countries, where business environments and other context-specific practices can be roadblocks to sustainable business.
- We complement and work in collaboration with Team Sweden in complex markets.
- We are a development cooperation partner to the Swedish International Development Cooperation Agency (Sida).
- Our scalable and global programmes are a way to prevent an end to doing business in low- and middle- income countries and avert negatively impacting people and the planet.
- We believe that new models, collaborations and partnerships – to avoid adverse impact and drive positive sustainability outcomes – are vital to support the ongoing global transformation of industries and transition of economies.

Our Members

Atlas Copco
 Boliden
 Electrolux
 EKN
 Epiroc
 Ericsson
 Hitachi Energy
 Saab
 Scania
 SEB
 SEK
 Siemens Energy
 Tetra Laval Group
 Volvo Group

Our members account for approximately 50% of Swedish exports.

Half of our members are among the top ten employers in Sweden. In total, our members employ half a million people across Sweden. Through operations outside of Sweden, our members create jobs, career opportunities and promote good working conditions.



NIR was founded in 1960 by Dr Marcus Wallenberg Jr. Since then we have focused on factors and contexts beyond Sweden's borders that affect the competitiveness of Swedish industry. Our Board of Directors met for its fourth meeting of 2022 at SEB. When posing for this picture, we realised that Dr Wallenberg Jr was on the plaque in SEB's lobby. Dr Wallenberg Jr was just 35 years old when he established what is now NIR.

“The competitiveness of Swedish companies is close to my heart and I truly believe that they should be present in all corners of the world. It is only through presence that you can serve as a role model, influence and contribute.”



Annika Berglund, Chair of NIR's Board of Directors

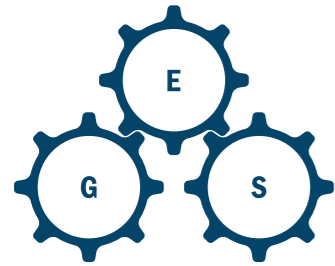


“As a technology enabler, Hitachi Energy places great value in long-lasting partnerships, especially in the countries and sectors most in need. NIR provides a platform for such partnerships. The global and scalable programmes that NIR implements as a nexus between aid and trade give us the possibility to impact the SDGs beyond our own business and industry. With a proven track record and unparalleled presence in more than 140 countries, we likewise believe that we can add value to NIR.”

Filip Elveling, Government and Institutional Relations Lead at Hitachi Energy

Strategic Framework (2020-2023)

- We have transformed our operations since our Board of Directors set a new strategic framework in 2020. We now focus on ESG issues, and our country selection is complex markets where there is long-term potential for increased trade and accelerated market development.



- **Environment** - transformation, climate and energy
- **Social** - human rights and working conditions
- **Governance** - rules and regulations, ethics and anti-corruption

- We approach the E, S and G in an integrated and holistic way. An integrated and holistic approach is paramount to achieving the 2030 Agenda and ensuring that the just transition is truly just. Our approach helps solve problems without creating new ones – all while greening the global economy and avoiding harm to people and the planet.
- Since 2020, we have developed stronger methods to facilitate peer-to-peer exchanges between our members. We have continuously increased the number of exchanges offered each year and have significantly broadened our contacts and networks within our membership. With ESG and sustainability being cross-cutting topics, we have united departments from within and amongst our members. We now have direct contact with new functions and members in Sweden and globally whose daily work covers issues ranging from sustainability, financing and compliance to human resources and public relations.
- In line with our strategy, we work complementarily and in collaboration with Team Sweden in complex markets.
- With our strategic focus and partnerships, we are paving the way for future business and better opportunities for Swedish industry to provide Swedish solutions to global challenges.
- We build upon Swedish industry’s long-standing commitment to development, our networks built over the last 60 years and strong partnership with Swedish government and development cooperation.
- We have developed a well thought out and iterative process to explore how Sweden and Swedish industry can do more at a time when models for international development cooperation – which catalyse private sector engagement – are essential for in-country achievement of the SDGs.
- Since 2020, we have streamlined and strengthened our organisational governance and internal controls.

Corruption, human rights violations and unsustainable management of natural resources are fundamental obstacles to achieving the SDGs. These obstacles also inhibit sustainable business and sustainable financing in low- and middle- income countries. By joining NIR and providing a corporate outlook on sustainability challenges and opportunities, our members contribute to the common goal of sustainable and inclusive economic development. We welcome members that share this vision to join us.



UNITE MEMBERS



IDENTIFY CHALLENGES AND OPPORTUNITIES



SHAPE INITIATIVES



PARTNER WITH OTHERS



IMPLEMENT

- We now have more members than ever before and are actively working to grow our membership. More members, mean more upstream resources to work with on new programme proposals and initiatives.
- Our programmes are made fit for purpose to directly respond to specific needs and to support our partners with ESG challenges. We develop and implement programmes that are scalable and global, rather than country specific.
- Partnerships are key. With less than a decade left until 2030 and new, unanticipated challenges caused by Covid-19, partnerships are key for ensuring that resources and knowledge are shared fit for purpose. Our partnership base now includes universities, trade unions, other non-profit organisations, think-tanks, consulting companies, experts and Team Sweden. We work with the partner that is best equipped for the context.
- During 2023, a working committee from our Board of Directors will review the strategic goals from the past three years. We are confident that we have achieved the goals of growing our membership and operating three major programmes. Our strategic direction now aligns with addressing the challenges of the current times and the countries and contexts where we operate.

Mission
Our mission under our Strategic Framework (2020-2023) is to:

- act as a meeting point;
- identify sustainability risks in selected markets;
- facilitate collaborations between members to manage such risks;
- act as a nexus between the private and public sectors;
- collaborate with other stakeholders, with the common goal of improving business conditions in complex markets;
- add value to the Swedish presence in selected markets; and
- initiate programmes where stakeholders come together to promote social, environmental and economic sustainability.



“We firmly believe that mobilising the capital flows required to achieve the SDGs in low- and middle-income countries is only possible if we work together. The financial sector has a key role in ensuring robust due diligence processes and evaluating the risks, but when it comes to putting together effective action plans to ensure the desired sustainable outcomes, this is best achieved in collaboration. Here we see great opportunities for positive synergies between aid and trade.”

Pontus Davidsson, Head of International Finance, Swedish Export Credit Corporation, SEK



Meeting Point NIR

Sharing knowledge and staying current



Our members doing business in complex markets, regardless of business model or industry, face similar challenges and risks of adverse impact. Knowledge exchange is a valuable way to address such challenges and risks. Meeting Point NIR is a cornerstone of our operations as it unites our members in a space to exchange on these issues.

Through Meeting Point NIR, we facilitate peer-to-peer exchanges between our members to discuss and address ESG-related topics, trade and markets. We also connect our members with new contacts from the private sector, governments, experts and civil society.

Exchanges are held under the Chatham House Rules to create a safe space and facilitate a more in-depth conversation. We continue to hold virtual and hybrid exchanges to enable active participation from around the world. Active participation by our members in Sweden and from across the globe adds deeper insight and multi-faceted perspectives to the topics discussed.

In 2022, we held 24 exchanges which gathered over four hundred participants. Half of the exchanges focused on selected markets, a notable increase from previous years. The increased interest in the exchanges on selected markets shows the need for more external monitoring in a time of geopolitical instability. Meeting Point NIR is a flexible tool that our members can turn to for a rapid response to current events.



“The collaboration within NIR to promote sustainable business and responsible sales is a good example of how partnership is the new leadership. We will only find the solutions needed to achieve the ambition to build the world we want, and that everyone deserves to live in, if we work together and share best practices and experiences.”

Gian Castelli, Head of Responsible Sales at Volvo Construction Equipment, Volvo Group



H.E. Abdelaziz Djerad, Ambassador of Algeria to Sweden and Former Prime Minister, and Christine Bäckström, NIR's CEO

Highlight Algeria – a selected market in our Strategic Framework. Since 2021, four Let’s Talk exchanges have been held, and were kicked off with General Managers from Ericsson, Atlas Copco and Volvo Trucks in Algeria. Since Algeria announced ambitious plans to diversify its economy and become less dependent on oil and gas, renewable energies should be promoted and other sectors of the economy made more competitive. Modernising the country’s infrastructure is key for the transition. Furthermore, 2023 is being proclaimed as the year of mining in Algeria. New investment rules and efforts to reduce bureaucracy are being introduced to improve the business climate. Digitalisation and the knowledge economy are also being prioritised. Algeria’s population of 44 million is expected to reach 51 million by 2030, which would make it the second most populated country in North Africa after Egypt. Algeria’s geographic position in combination with several major free trade agreements have made it a market of interest. Although international interest in strengthening economic relations with Algeria is on the rise, there are also challenges and uncertainties about how Algeria will develop. We will continue to exchange on these opportunities and challenges in 2023 together with Team Sweden and the Swedish Embassy in Algiers led by H.E. Ambassador Björn Häggmark.

Let's Talk

Topics and Markets in 2022

- Anti-corruption
- Business and Human Rights
- Cobalt for Development
- EU Taxonomy
- EU Directive Corporate Sustainability Due Diligence
- Sanctions
- Algeria
- Angola
- China
- Colombia
- Iraq
- Ukraine



EU legislative proposals on human rights due diligence with Théo Jaekel, Director Business and Human Rights, Ericsson



Review of the OECD Guidelines for Multinational Enterprises with Cecilia Ekholm, Ambassador for Sustainable Business, Swedish Ministry for Foreign Affairs



Human rights in complex supply chains with Rasmus Finnström, Senior Sustainability Business Developer, Scania



Prevention of corruption and management of risks in complex markets, and how anti-corruption programmes may link to the upcoming corporate sustainability due diligence directive with Hayaat Ibrahim, Secretary General of the Swedish Anti-corruption Institute (IMM)



PARTNER

Programmes Funded by the Swedish International Development Cooperation Agency (Sida)

Effective and targeted capacity development to support national plans to achieve the SDGs

Partnerships – collaborative action between multiple stakeholders, such as our members, the value chain, other businesses, civil society, authorities and governments – are key in complex markets. By acting sustainably and responsibly, Swedish business promotes global sustainability and contributes to decent jobs and sustainable economic growth. Yet, in more complex markets, the risk of adverse impacts on communities, the environment, governance and transparency often all exist alongside security and conflict risks. In these contexts, a single company or actor’s ability to mitigate and to positively influence such risks to bring about meaningful change is limited by factors outside their own sphere of influence. Partnerships create opportunities to use an integrated and holistic approach to managing risks and leveraging a positive sustainability outcome.

Our Sida-funded programmes provide practical and demand-driven ESG support to in-country partners to reduce risks for people, the planet and business with the end goal of promoting sustainable and inclusive economic development.

Our members positively impact the SDGs beyond their own business and industry by engaging in our programmes and providing a corporate view on what is required for improving ESG conditions. Through NIR, our members and the broader Swedish business community can partner with international development cooperation.

We partner with Sida to operate programmes that place achieving the SDGs in low- and middle- income countries front and centre. In partnership with Sida, we support creating the conditions for improving the lives of people living in poverty and oppression.



“The SDGs can only be realized with strong global partnerships and cooperation. A successful development agenda requires inclusive partnerships – at the global, regional, national and local levels – built upon principles and values, and upon a shared vision and shared goals placing people and the planet at the centre.” SDG 17



“EKN, in close cooperation with its banking partners, delivers investments on a large scale – especially to infrastructure projects – in countries and sectors where private capital does not flow naturally. We act as a catalyst for investments, especially in countries that are perceived as high-risk countries. The programmes that NIR operates serve as a perfect interface between foreign trade and development cooperation. The whole is greater than the sum of its parts!”

Marie Aglert, Director of Business Area for Large Corporates, EKN

Our Programmes



Sustainability in Mining – page 14

Securing minerals for the energy transition by addressing environmental and human rights risks
An important milestone in achieving our strategic objectives for 2020-2023 is the development of a completely new concept for a multi-stakeholder approach to increase sustainability and responsibility in Latin America’s mining sector. The new concept is the result of co-creation, in the truest sense of the word, as it was developed in cooperation with industry, the financial sector, embassies and representatives of civil society.



Sustainability Impact Accelerator – page 18

Enabling sustainable and bankable infrastructure projects by providing project-specific training
The pilot of the Sustainability Impact Accelerator continued with implementation during 2022 and has proven to be a valuable addition to the Team Sweden toolbox. By providing project-specific training on ESG to partners in low- and middle- income countries, we can facilitate the acceleration of sustainable investments in infrastructure. The demand for knowledge transfer is unquestionable, and there are currently 70 infrastructure projects in our pipeline. Ongoing discussions to scale up the programme commenced in September and securing the scale-up will be a key priority in 2023.



Swedish Workplace Programme – page 24

Promoting sustainable business and decent work through workplace cooperation and dialogue
The transition to greener industry will only come about through the transformation of companies. Ensuring active participation and commitment from management, union leaders and employees in the process is paramount to its success, and a functioning workplace dialogue is a prerequisite. The Swedish Workplace Programme is a practical tool for promoting workplace dialogue.



Private Sector Contribution to Social Dialogue – page 34

Introducing mediation for labour market conflict resolution
In the first half of 2023, the programme will be handed over to our in-country partner to continue developing a Colombian mediation institute. Improving working conditions will continue under the framework of the Swedish Workplace Programme.



Innovation and Business Development – page 36

Promoting business development by introducing innovation
The programme has run since 2020 and yielded positive results. A full phase out of the programme will occur in 2023.

Sustainable Bank Management – page 37

Promoting financial inclusion by capacitating financial institutions
The programme has run since 2017 and yielded positive results. A full phase out of the programme will occur in 2023.



Sustainability in Mining

Securing minerals for the energy transition by addressing environmental and human rights risks

Securing access to minerals is a prerequisite to transportation electrification and renewable electricity generation. Latin America has grown increasingly important to the global supply of several key minerals, especially considering the current geopolitics. At the same time, mineral extraction is a prime risk to the environment and human rights. Securing the competitiveness of the Latin America region as a mineral provider requires promoting more responsible and sustainable mining practices.

Our member companies are some of the world's leading mining equipment suppliers and mineral sourcing companies, and together we have explored avenues for addressing sustainability risks in mining. In 2022, we focused in on the Latin America region and formed a task force made up of selected specialists from our member companies that work with responsible sourcing and sales in relation to mining. The task force worked together to develop a concept for how Swedish industry can contribute to promoting a more sustainable mining industry in Latin America. Field visits to the region resulted in the mapping of stakeholder groups, countries, challenges and solutions. Methods were also developed to support increasing regional knowledge about how sustainability will benefit long-term competitiveness of suppliers to greening the global economy.

In December 2022, Sida approved funding for a design phase to develop a proposal for a full-scale regional programme – Increased Responsibility and Sustainability in Latin American Mining (MARS) – together with the Stockholm Environment Institute in Bogotá, Colombia, and Centro Vincular in Valparaíso, Chile. The programme's goal is to contribute to the institutionalisation of more responsible mining practices to protect the environment and human rights, while simultaneously ensuring Latin America's competitiveness in the growing market for transition minerals. The planned multi-year programme will involve stakeholders from private and public sectors, civil society and local communities across the region.



Core Partnerships

The Stockholm Environment Institute (SEI) is a sustainable development think tank operating from eight centres across the globe, with a regional office in Colombia. SEI has conducted extensive research and engaged at the policy level on equitable energy transition. The Institute has also developed and implemented methodologies and tools for water planning and management, which is the leading environmental challenge in the region's mining. SEI ranks as one of the top environmental think tanks in the world in terms of impact.

Centro Vincular of the Business School of the Catholic University of Valparaíso, Chile, is a leading institution in Latin America which integrates corporate sustainability in business strategies. The centre has 21 years of experience in advising multinational companies and business associations, including the mining industry in Chile, Peru and Colombia. The centre also has a vast network of government and civil society actors throughout the region.

2022 in Brief

- Established regional programme partner consortium and in-country partnerships
- Participated in Swedish bilateral delegation to the PERUMIN Mining Convention, where the importance of sustainability and responsibility in mining was highlighted
- Participated in Team Sweden/Americas trade promotion conference in Bogotá, Colombia contributing insights on sustainability in mining
- Mapped best practices for ESG due diligence in large-scale mining
- Applied for and received grant from Sida to design a multi-year, full-scale regional programme on sustainability in mining in Latin America and the Caribbean

Evaporation ponds used for lithium extraction from salt flats in Chile.



“Teaming up Sweden’s world-leading suppliers of mining equipment and innovators in the electrification of the transport sector means creating new partnerships and momentum to address the existing environmental and human rights risks in mining and increased demands for sustainability due diligence.”

Henrik Hallgren, Programme Director, NIR



“NIR’s MARS programme is crucial as sustainability continues to play an increasingly central role for both the mining industry and society at large. Mining for key minerals is an essential part of society’s green transition, but it must be done in a sustainable and responsible manner. MARS contributes to that in an important way.”

Angel Tobar, General Manager Andean Region, Epiroc



Lithium extraction **in Chile**. Battery manufacturing for electric vehicles and appliances is expected to drastically increase the demand for lithium by 2030. Argentina, Bolivia and Chile are believed to jointly hold the largest global deposits of lithium.



NIR visits a nickel mine **in Colombia**



Uyuni salt flats **in Bolivia**. The salt flats likely hold significant amounts of lithium.



Sustainability Impact Accelerator

Enabling sustainable and bankable infrastructure projects by providing project-specific training

The development of investment-ready infrastructure projects requires planning and capacity during the pre-investment and implementation phases to address financial, legal, technical and sustainability challenges related to a project. Yet, there is asymmetry in expertise and knowledge that puts many governments in low- and middle- income countries at a disadvantage in terms of capacity. The Sustainability Impact Accelerator is designed to address this gap in expertise and is a response to the existing demand for training and knowledge transfer. Sharing knowledge with in-country partners means avoiding adverse impacts and achieving a positive sustainability outcome by promoting infrastructure projects that meet ESG requirements. We ultimately aim to accelerate investments in sustainable and bankable infrastructure projects by providing project-specific training to in-country partners.

We run the Sustainability Impact Accelerator in collaboration with Team Sweden. Our collaboration is key to identifying infrastructure projects where the project owner is committed to progress but experiences a gap in expertise regarding sustainability. The Team Sweden collaboration is also essential for identifying ESG risks that could and often preclude sustainable funding for an investment.

The Sustainability Impact Accelerator was implemented as a pilot from 2021-2022, while preparing for a full-scale programme in 2023.

All infrastructure projects selected for support have the potential to deliver towards the 2030 Agenda and/or the Paris Climate Agreement. Adverse impacts can be avoided and a higher sustainability outcomes achieved if a project owner has the right kind of support at the right time during the project cycle. We also provide soft support to selected partners by aiding the alignment of stakeholders – project owners/partners, financiers and regulating agencies – and facilitating stakeholder dialogue around the project, international sustainability standards and financing options. The Sustainability Impact Accelerator is an efficient tool for accelerating sustainable infrastructure projects by using a systems approach to transferring knowledge.

In 2022, we provided project-specific training in Bangladesh, Ethiopia, Tanzania, Uganda and Zambia. New partnerships were also established in Côte d'Ivoire, Iraq, and Ukraine, with training in Côte d'Ivoire and Ukraine set to commence in 2023.

The 2030 Agenda and Paris Climate Agreement shifted the focus of politicians, industry and financiers alike to set new goals and standards for development. It is estimated that achieving the 2030 Agenda will require investments amounting to 90 trillion USD in new infrastructure in the coming decade. The financial sector has simultaneously raised the bar on ESG requirements. Infrastructure project owners are facing more challenges in meeting raised ESG requirements, implementing new technologies and accessing funding for investments. The Sustainability Impact Accelerator is a flexible support tool for project owners to overcome such challenges.



Partners and Projects 2021-2022

Country

1. Uganda
2. Zambia
3. Tanzania
4. Bangladesh
5. Ethiopia
6. Cote d'Ivoire
7. Ukraine

Advisor

1. Renetech (Sweden)
2. Sarah Murfitt Consulting (UK), Hallert Consulting (Sweden)
3. Sarah Murfitt Consulting (UK)
4. Level 21 (Sweden)
5. IVL Swedish Environmental Research Institute (Sweden)
6. Renetech (Sweden)
7. To be confirmed

Partner

1. Uganda Electricity Generation Company Ltd
2. Zambia Railways Ltd
3. Tanzania Railways Corporation
4. Bangladesh Rural Electrification Board
5. Ethiopian Electric Power
6. Directeur Générale des Hydrocarbures
7. Ministry of Interior Affairs

Training Partner

1. Multiconsult Group (Norway)
2. Claverton Associates (UK)
3. RSK Environment (Tanzania), Sweco (Sweden)
4. Hifab International (Sweden and Bangladesh)
5. Hifab International (Sweden)
6. IVL Swedish Environmental Research Institute (Sweden)
7. To be confirmed

Project

1. Floating solar
2. Railway rehabilitation – safety and E&S management
3. Electrified railway – safety and E&S management
4. Pilot SCADA system – digitalisation and change management
5. Reppie Waste-to-Energy Plant
6. Biofuel for public transportation
7. National emergency response system



“Through their long presence and extensive networks, NIR members from both industrial and financial sectors have unique insights about potential infrastructure projects and sustainability challenges in complex markets. Based on their insights, the Sustainability Impact Accelerator can tailor effective training and support to solve project sustainability challenges and catalyse financing. Our members make it possible to deliver more for less.”

Annie Ross, Programme Director, NIR



“SEK has the unique ability to assess sustainability risks in international projects in complex markets, and we collaborate with the Sustainability Impact Accelerator team in several such projects. Our collaboration not only results in sustainable infrastructure and reduces risks, but also increases opportunities for financing.”

Magnus Montan, CEO of the Swedish Export Corporation (SEK)

Introducing floating solar power in Uganda

Uganda's national plans to diversify the country's energy mix and reach national climate goals include investing in floating solar energy. Uganda plans to develop floating solar on existing hydropower infrastructure, which optimises energy effectiveness and minimises negative impact on people and the environment. In support of Uganda's national plans, we supported Uganda Electricity Generation Company Ltd (UEGCL) with technical training on floating solar technology over an eight-month period. The technical training included knowledge transfer through peer-to-peer exchanges and south-to-south cooperation. During the final phases of the training, we facilitated a visit by UEGCL to a floating solar park on the Bui Dam in western Ghana for an exchange with Bui Power Authority, a Ghanaian state authority, about how to design, implement and operate floating solar in house. Beyond providing technical training, we partnered with UEGCL to strengthen its capacity to meet international sustainability standards and access international financing.

After the training was completed in April 2022, UEGCL has continued to receive support from Sweden via the Swedfund Project Accelerator, which is funding a technical feasibility study on the location of a future floating solar park. With Sweden's holistic support for UEGCL – via NIR's training and Swedfund's feasibility study – Uganda is expected to develop its first floating solar park in the coming years.

Enabling responsible railway investments in Zambia and Tanzania

Several railway investments are underway in Africa to boost sustainable economic development, increase regional economic integration and lower transport emissions. Zambia has plans to rehabilitate the railway line from Chingola, located in the Copper Belt and linked to mining and industrial development, to Livingstone in the south of the country. Tanzania is constructing a new, electrified railway to connect the port of Dar es Salaam to Mwanza, located on the shores of Lake Victoria, to accelerate sustainable transport and promote regional trade in East Africa. Both countries face similar sustainability challenges – managing fair resettlement with respect for human rights; land rights and protecting livelihood; protecting biodiversity and avoiding environmental degradation during construction; and ensuring railway safety. Managing ESG risks in these railway projects is also key to accessing Swedish and international financing as well as realising investments.

Together with Team Sweden, we are supporting the sustainable railway investments in Zambia and Tanzania. Our direct support is through training to the state-owned railway companies – Zambia Railways Ltd and Tanzania Railway Corporation – on managing social and environmental risks in accordance with international sustainability and lender standards. In December 2022, we also participated in visits to Zambia and Tanzania with Team Sweden, including Swedish Embassies, the Swedish Ministry for Foreign Affairs, EKN, SEK, Swedfund and Business Sweden. The visits highlighted Sweden's support for the railway projects and are examples of using leverage to promote responsible railway investments.

Supporting the automation of Bangladesh's electricity grid

Bangladesh has begun digitalising its electricity grid to increase energy efficiency, lower emissions and prevent power outages. Investments in the energy sector are key to supporting industrial development and reducing CO2 emissions. Bangladesh Rural Electrification Board (BREB) is piloting the implementation of a small Supervisory Control and Data Acquisition (SCADA) system, which is being delivered by Hitachi Energy, in the electricity grid in Dhaka. The pilot is a first step in the long-term plan to implement a full-scale SCADA system over the national grid. In support of the pilot and long-term plans, we provided BREB with training to achieve the organisational readiness for introducing a SCADA system. In addition to supporting Bangladesh to digitalise its electricity grid and realise smart grid functions in the long term, our partnership will contribute to increased energy efficiency, lower emissions and more sustainable business opportunities within Bangladesh's energy sector.



Transferring waste to energy expertise to Ethiopia

An often-forgotten source of greenhouse gases is landfills, and only about 4% of all waste in Africa is recycled. Landfills are a rapidly growing concern that significantly impacts climate emissions, the health of nearby communities and urban economies.

The Reppie waste-to-energy plant was commissioned in Addis Ababa in 2017 and is Africa's first and only waste-to-energy plant. With such new technology, Ethiopian Electricity Power (EEP), a state-owned electricity producer and owner of the plant, has faced challenges in operating the plant and generating electricity. As Sweden is a world leader in waste to energy, EEP reached out to the Swedish Embassy in Addis Ababa and NIR for support. The aim of our training was to support EEP with developing skills through knowledge transfer from Sweden's leading experts on waste to energy to eventually operate the plant at full capacity. As part of our support, EEP staff and management also traveled to Sweden for peer-to-peer exchanges with Swedish waste-to-energy experts on location at waste incineration plants.

Supporting a national emergency response system in Ukraine

Sweden is committed to supporting Ukraine. Together with the European Investment Bank, Swedfund and the Swedish Embassy in Kiev, we are working with our Ukrainian partners to implement a national emergency response system in Ukraine. Implementing a national emergency response system is even more critical for Ukraine given the ongoing war, as a national system reduces severe injuries and deaths by shortening the response time from alarm to operation. We have continued with our planned support despite challenges due to the war. In spring 2023, we will begin to deliver training to our Ukrainian partners on how to establish a national emergency response system.

Introducing sustainable biofuels in public transport in Côte d'Ivoire

Team Sweden and Scania are working with Côte d'Ivoire and the City of Abidjan to develop a sustainable public transportation system in the capital. The system includes introducing Bus Rapid Transport (BRT) with buses fueled by Ivorian and sustainably produced biofuels. The BRT system has the dual aim of increasing access to public transport across the Abidjan metropolitan area and decreasing emissions from the transport sector. Ivorian biofuel production is a sustainable alternative to decrease emissions until fossil-free electrification is possible. When biofuel is sustainably grown and produced in country and does not compete with other agriculture, it also positively contributes to job creation, including in rural areas and for women.

We travelled to Abidjan together with Swedfund, Business Sweden and Scania in May 2022, to meet with the Ivorian Ministry of Energy and Abidjan's public transport agency regarding the BRT project. The trip was used to identify the training needs of our Ivorian partners to manage sustainable in-country biofuel production. The training for our partners will begin in spring 2023 and will focus on developing a sustainable in-country biofuel market as well as supporting the development of new national regulations regarding biofuel and bioenergy.

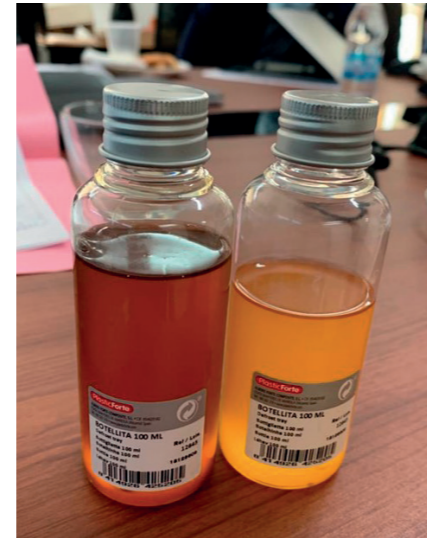
Fig.1 NIR and UEGCL visited a floating solar park on the Bui Dam in western Ghana. UEGCL and Bui Power Authority, a Ghanaian state authority, peer-to-peer exchanged on developing and implementing floating solar.

Fig.2 Participation in a high-level delegation to Zambia together with H.E. Johan Hallenborg, Ambassador of Sweden to Zambia, and representatives of the Swedish Ministry of Foreign Affairs, Business Sweden and Swedfund. The delegation was received by Zambia's President, Hakainde Hichilema, as well as Zambia's Minister of Finance, Minister of Transport and Zambia Railways to discuss the rehabilitation of Zambia's railway.

Fig.3 A training session in Dhaka, Bangladesh on organisational readiness to implement SCADA.



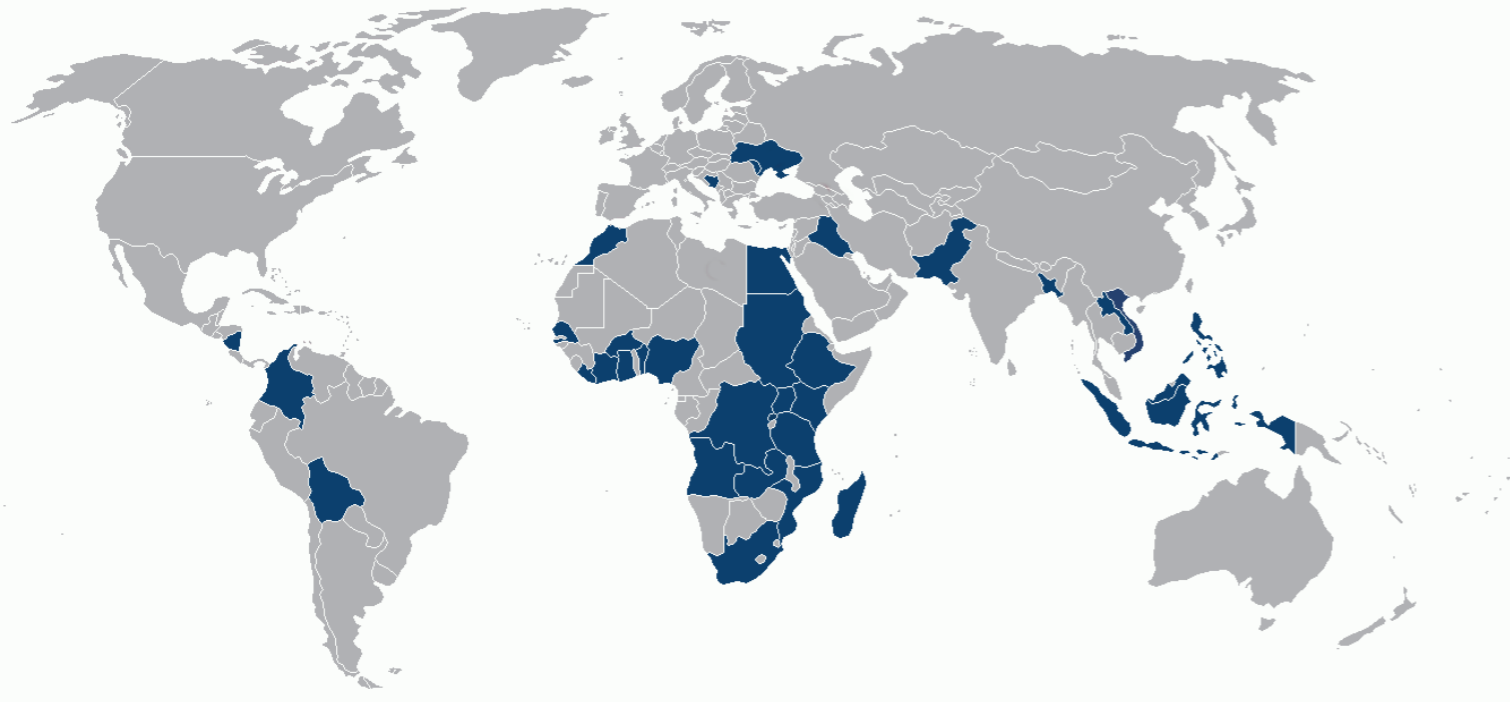
Emergency response in **Kyiv, Ukraine** after missile attacks (Image by Adam Schreck/AP/TT)



Sample bottles from the pilot batch of biodiesel produced in country to fuel the public transportation system in **Abidjan, Côte d'Ivoire**.



NIR visiting EEP staff at the Reppie waste-to-energy plant in **Addis Ababa, Ethiopia** in March 2022. The plant is built on an old landfill. Waste which exceeds the plant's capacity is still dumped on the landfill.



The 70 infrastructure projects in our pipeline per country. The project proposals for project-specific training to in-country partners come from EKN and the Swedfund Project Accelerator as well as project owners, embassies, Sida, Business Sweden, companies, banks and Engineering Procurement Contractors (EPCs).

2022 in Brief

- Three full-time NIR staff members, five expert advisors and six consultancies participated in implementation
- Visited partners in Ethiopia, Ghana, Côte d'Ivoire, Tanzania and Zambia; study visit by Ethiopian partners to Sweden; and study visit by Ugandan partners to Ghana
- Delivered project-specific training in Uganda, Zambia, Tanzania, Bangladesh and Ethiopia
- Initiated partnerships in Côte d'Ivoire, Ukraine and Iraq which resulted in planned project-specific training for partners in Côte d'Ivoire and Ukraine during 2023
- Increased infrastructure projects in the pipeline from 50 to 70
- Turnover of ≈ 17 million SEK

IMPLEMENT

Swedish Workplace Programme

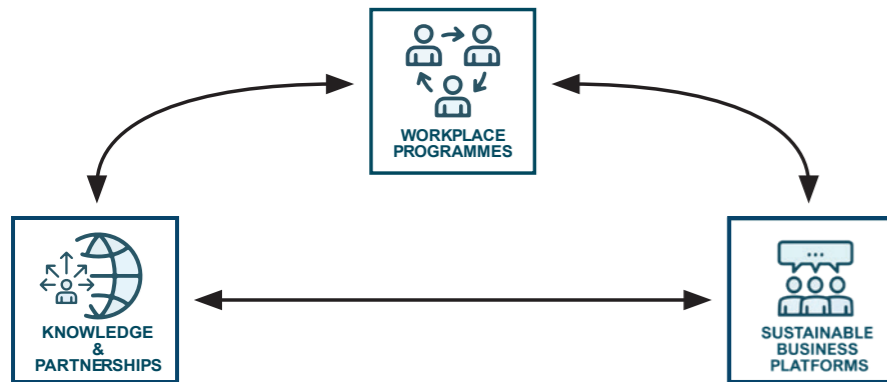
Promoting sustainable business and decent work through workplace cooperation and dialogue

Companies contribute to sustainable economic growth for all by focusing on ESG in the workplace. That means improving employee engagement, innovation and productivity while simultaneously achieving commercial success. The Swedish Workplace Programme improves workplace cooperation and dialogue between management and employees to drive positive sustainability outcomes across the value chain.

Cooperation between trade unions and employer organisations forms the basis of the Swedish labour market model to benefit employees, employers and the economy alike. Workplace cooperation is pivotal to the Swedish Workplace Programme since it is a valuable tool to create sustainable workplaces and a better work environment for both employees and employers. In partnership with companies and unions, we support the development of best practices for workplace cooperation. These best practices are then shared with private and public sector stakeholders.

We are currently partnering with 26 companies and four labour unions in Colombia, South Africa, Kenya and Vietnam. We implement the Programme in collaboration with the Swedish Industrial and Metal Workers' Union (IF Metall).

The Swedish Workplace Programme consists of three mutually reinforcing components:



“Swedish industry, with its long history of workplace cooperation, has the unique opportunity to drive social sustainability in the countries where it has operations by contributing to decent working conditions and inclusive economic development.”

Alessandra Cornale, Programme Director, NIR

Workplace Programmes

In our workplace programmes, we facilitate a step-by-step process for change in the workplace in which all parties are involved. Management, union representatives and employees are provided with new perspectives, knowledge and tools to facilitate the development of structures for a trust-based and respectful dialogue.

To structure the dialogue, a joint workplace committee is established with elected representatives from both management and employees. The committee identifies company-specific challenges and change projects are kicked off to support the practical implementation of new policies in the workplace to address the identified challenges. Committees have identified a broad range of challenges in the workplace, from gender equality, work environment, human rights, leadership, communication, conflict management, skills and wellness to diversity and inclusion. We support committees by developing capacity to respond to the company-specific challenges identified. We also support committees on how to improve dialogue and cooperation to create sustainable change in the workplace and beyond.

UP! Skilling Programme (UP!)

A cooperative workplace based on constructive dialogue not only requires trust and respect between parties, but also access to information and an understanding of tasks and motivations. Even if the necessary supporting labour legislation is in place, if other necessary preconditions for good dialogue are not established the dialogue between management and employees may be poor and result in conflicts. In response, we developed the UP! Skilling Programme for workplace union representatives. The UP! Skilling Programme provides tailor-made training to enhance the roles and responsibilities of each partner, workplace cooperation and business literacy.

In 2022, a second round of training was initiated in partnership with the National Union of Metalworkers of South Africa (NUMSA) and the Amalgamated Union of Kenya Metalworkers (AUKMW). The UP! Skilling Programme was extended to include the Southern African Clothing and Textile Workers Union (SACWTU) in South Africa and the Vietnam General Confederation of Labour (VGCL). Through the UP! Skilling Programme, we have supported improved workplace dialogue and reduced workplace conflicts.



Hitachi Energy was our first partner in Vietnam. By establishing a workplace committee consisting of managers and employees, Hitachi Energy has become a role model for workplace cooperation and dialogue in Vietnam.



“At Hitachi Energy, we continuously work to improve our workplace culture. The Swedish Workplace Programme supports us in Vietnam with improving employee engagement, and we now involve our employees in decision making processes whenever possible.”

Chandan Singh, Country Managing Director at Hitachi Energy in Vietnam



Street repairs in Bogotá, Colombia. We currently work with seven Swedish companies and their supply chains in Colombia. The workplace committees we work with cover topics such as diversity and inclusion, women empowerment and human rights, which contributes to improving employer-employee relationships in Colombia.



Awareness session with Vintz Plastic employees on workplace cooperation and social dialogue in Kenya. One of our key objectives is to pave the way for decent work in the Swedish business ecosystem. Vintz Plastic is a recycling company, part of Tetra Pak's supply chain and a customer of Swedfund's investment in Victoria Commercial Bank.



Workshop with managers at Hong Kong Fortunate, an H&M supplier, in Vietnam. In 2022, we initiated workplace programmes with three suppliers to H&M in Vietnam. Developing an understanding for the benefits of workplace cooperation among managers is a vital success factor.



Training on workplace cooperation and dialogue with NUMSA trade union representatives in Johannesburg, South Africa. Michael Lyngsie, President of IF Metall Scania, and Johan Järnklo, International Secretary at IF Metall Sweden, facilitated interactive sessions and shared experiences on how to build good relations in the workplace to benefit all parties.



“For Epiroc, the Swedish Workplace Programme reflects our belief that long-term, sustainable results come from collaboration based on trust, openness and curiosity. The Programme brings employees, union representatives and company leaders together to learn from each other, and inspires finding new ways of working together to identify opportunities and tackle the challenges we face. This truly resonates with us as a company.”

Nadim Penser, Senior Vice President of Human Resources, Epiroc



“The Swedish Workplace Programme is an opportunity for Scania to realise its high ambitions for the well-being and rights of employees. When we all work together, our company gets better!”

Michael Lyngsie, President of IF Metall Scania and member of Scania's Board of Directors



Companies

1. Colombia

Astra Zeneca
Atlas Copco
Electrolux
Epiroc
Securitas
SKF
Dotacalle
Volvo Buses

2. DRC

Nkelo Bantu

3. South Africa

Electrolux
Hemocue
UD Trucks
Scania
H&M

4. Kenya

Atlas Copco
Scania East Africa
Shreeji Chemicals
Victoria Commercial Bank
Volvo Motors NECST
Vintz Plastics (SC)
Sintel (SC)

5. Vietnam

ABB
Hitachi Energy
Hong Kong Fortunate (H&M)
Unico (H&M)
Dayeon (H&M)
Ngoc Son (IKEA)

UP! Skills Training of Union Representatives

3. South Africa

UNION:
NUMSA
COMPANIES:
Assa Abloy
Autoliv
Sandvik
Volvo Group
UD Trucks

UNION:
Auto Industrial

Barloworld
KK Shelving
Scaw Metals
Weir Minerals
New Concept Mining

UNION:
SACTWU

COMPANIES:
Braitex Tensilon
Isikhwama Manufacturing
Sweet Orr & Lybro
Levi Strauss
Falke Eurosocks
Lancashire

4. Kenya

UNION:
AUKMW
COMPANIES:
Scania East Africa
Associated Motors
Rubber Products
Pan African
Cassini & Tonolo
Welding Alloys
Kenya Vehicle Manufacturers
Spray Master
Precision Plastics
CMC Motors

Ryce East Africa

DT Dobie
ABM Associated Battery Manufacturers Athi River
Prosel Ltd
Auto Anxilliaris
TOYOTA Kenya
Kingsways Tyres
Agro Manufacturers
Banbros
Kenya Coach Industries

5. Vietnam

UNION:
VGCL
COMPANY:
8 companies National Railway sector



In collaboration with the Swedish Embassy and Swedish business community in Colombia, we held a panel gathering the general managers from Securitas and Electrolux, along with Fundación Ideas para la Paz (FIP), an independent think tank. The panel discussed Swedish leadership, sustainability, inclusion and the applicability of the Swedish model in Colombia.



In Kenya, human resource professionals and workplace committee members from six partners met to share experiences with a focus on social sustainability and creating partnership driven workplaces. Victoria Commercial Bank and Scania shared experiences on how partnering with the Swedish Workplace Programme contributes to more inclusive and sustainable workplaces.

Sustainable Business Platforms

Inspiring action and promoting decent work and sustainable business is vital for achieving the SDGs. Companies have a unique opportunity for a positive sustainability impact in the countries and sectors in which they operate, but also within broader society. The Sustainable Business Platforms are ongoing meeting points where we facilitate peer-to-peer exchanges to showcase best practices, create new partnerships and generate active cooperation between companies as well as between other labour market stakeholders, such as trade unions, employer associations, chambers of commerce and civil society. With labour relations and workplace cooperation in focus, topics covered in the platforms revolve around sustainability challenges and innovative context-adapted solutions and include the just transition, human rights and business, diversity and inclusion, gender norms and sustainable sourcing. In 2022, the Sustainable Business Platforms became an important space for our partners and members to share learnings.



In partnership with Fundación Ideas para la Paz (FIP), an independent think tank, we held a round table **in Colombia** to promote dialogue between companies, multilateral organisations and national institutions on opportunities. The participants exchanged ideas on how to promote decent work in the value chain and how to strengthen social dialogue and generate cooperation with labour market actors.



In partnership with the Swedish Embassy and the Vietnamese Chamber of Commerce and Industry, we met **in Vietnam** for exchanges on social dialogue as a means of improving working conditions and promoting a sustainable business climate. The seminar was attended by over 100 participants, representing businesses and workers, government agencies and civil society. Along with IKEA, H&M and Crystal Martin, a Vietnamese company, we gave examples of how social dialogue can be conducted in the workplace to benefit all. Sweden was represented by Ann Linde, Minister for Foreign Affairs, as a keynote speaker to emphasise that social dialogue in the workplace highlights the value of the individual worker while simultaneously promoting economic growth and prosperity for both business and the broader society.

Global Learning and Sharing

We add value by sharing best practices from different countries and contexts on collaboration and dialogue in the workplace. Using a hands-on approach, we provide a vital complement to policy-oriented initiatives. Best practices from the Swedish Workplace Programme are widely requested by various actors and shared in local, regional and global forums.

For increased impact, we partner with public and private stakeholders such as the International Labour Organization (ILO) and other United Nations agencies, Global Reporting Initiative (GRI), academia as well as union federations and employers' organisations across the globe.



The second union leadership forum was held **in South Africa** on the just transition. Participants discussed the role of trade unions in finding solutions to challenges arising from the transition. H.E. Håkan Juholt, Sweden's Ambassador to South Africa, hosted the forum and highlighted the Swedish Workplace Programme as an important tool in promoting the just transition. Senior leaders from IF Metall, the National Union of Metal Workers South Africa, the National Union of Mineworkers, ILO, Industry All and The Centre for the Future of Work at the University of Pretoria participated in the forum. Team Sweden encourages Swedish companies and trade unions to contribute and support South Africa with knowledge and tools on finding solutions to secure a just transition.

2022 in Brief

- Five full-time NIR staff members, five regional coordinators and a steering committee, comprised of NIR, members and senior representatives from IF Metall, managed implementation
- Implemented 26 workplace programmes with Swedish companies and their value chains, resulting in improved relations between management and employees
- Launched the UP! Skilling Programme's second round for a new group of union representatives in the automotive and manufacturing sectors in South Africa and Kenya
- Trained union representatives, employees and managers on workplace cooperation and change management, promoting trust and inclusivity through dialogue
- Supported workplace committees to drive change agendas on women empowerment, diversity and inclusion as well as wellness and human rights policy implementation
- Expanded the UP! Skilling Programme to the railway union in Vietnam and textile union in South Africa
- Implemented eight Sustainable Business Platform meetings with a wide range of participants and target groups which shared experiences within sustainability and decent work
- Participated in external forums with stakeholders, including ministries, national and international organisations and chambers of commerce
- Promoted best practices in workplace cooperation and labour relations by establishing strategic partnerships
- Turnover of ≈ 16 million SEK

Private Sector Contribution to Social Dialogue (Colombia)

Introducing mediation for labour market conflict resolution

The Organisation for Economic Co-operation and Development (OECD) has recommended that Colombia establish a mediation mechanism for alternative labour conflict resolution. We partnered with legal experts from La Javeriana University, business associations, trade unions and the Colombian Ministry of Labour to establish a mediation institute. The programme is also supported by key advisers, including the International Labour Organization (ILO), the US Federal Mediation and Conciliation Service and the Swedish National Mediation Office.

The new government of President Gustavo Petro, who took office in August 2022, promised sweeping social change and has made labour market reform one of its priorities. We worked with our partners to leverage this opportunity by specifying the needs and features of a mediation institute in Colombia; validating and anchoring the concept with the main labour market stakeholders; and advocating for its introduction into the national labour market reform agenda.

Along with securing national and international support for the institute, labour market parties, international actors and a network of potential mediators have been engaged as we transfer the programme to our in-country partner in early 2023.

2022 in Brief

- Undertook comparative research and compiled experiences to serve as a model for the Colombian mediation institute, led and documented by La Javeriana University
- Conducted outreach meetings and technical roundtables with La Javeriana University, mediation experts, trade unions, business organisations and other stakeholders to validate the concept in practical cases
- Promoted the institute to the Ministry of Labour and parliamentarians as part of the government's reform agenda
- Organised final outreach event with the Swedish Embassy to secure commitment and continued funding for the institute



“A functioning labour market is important to deliver on the promise of equitable economic development envisaged in Colombia joining the OECD, and to avoid polarisation and conflict. We work with the labour market and new government to institutionalise a mediation mechanism in cooperation with local experts.”

Henrik Hallgren, Programme Director, NIR



Innovation and Business Development (Cuba)

Promoting business development by introducing innovation

By promoting interaction between universities, industry and the public sector, we support the development of a Cuban model of innovation. A comprehensive training programme, the Advanced International Training Programme for Innovation and Business Development, was implemented during 2020-2022 with Lund University and Ideon Science Park as training partners. Thirty professionals from eight Cuban universities and science parks as well as officials from the Ministry of Science, Technology and Innovation participated in the training. An additional training of trainers course was also implemented, with an emphasis on the link between research and commercialisation to promote an improved business environment.

In 2022, ESG issues were further emphasised to contribute to more sustainable economic development in the country. Webinars, interactive seminars and on-site training were conducted to increase knowledge in key areas such as sustainable finance, circularity, sustainability in mining and sustainable innovations. Developments in sustainability, such as newly strengthened European Union legislation, responsible purchasing, sustainable procurement, new business models and methods for management and follow up on sustainability work, were some of the topics covered.

2022 in Brief

- Concluded the Advanced International Training Programme for Innovation and Business Development
- Innovation lab established by one of the participating universities as a direct result of the programme
- Developed six pilot projects to apply acquired knowledge in practice with the support of Swedish mentors
- Developed and implemented Training of Trainers course focusing on the links between research and commercialisation
- Delivered webinars, interactive seminars and on-site training on sustainable financing, circularity, sustainable innovations and European Union legislation
- Hosted dedicated event on sustainability in mining with contributions by Volvo Group, Epiroc and Svemin



“The ability to resolve critical problems, such as the climate crisis or insufficient infrastructure, depends on new innovations. So, developing countries need innovation more than ever. The business sector, in dynamic collaboration with the public sector and academia, is key for innovation and societal progress by providing new technology, productive employment, tax revenues and adaptive approaches to development.”

Maria Rindeskär, Programme Director, NIR

Sustainable Bank Management (Cuba)

Promoting financial inclusion by capacitating financial institutions

To strengthen the capacity of Cuba's financial institutions for increased access to banking, insurance and financial services, we have implemented comprehensive training since 2017. The programme has been implemented in collaboration with KPMG as our training partner.

In total, the six-week professional training course was delivered in five separate cycles. By the end of 2022, 105 professionals from nine banks as well as the Central Bank of Cuba and the University of Havana had completed the training course. A total of 30 case study projects were developed by participants. The case studies resulted in the launch of new lending products, new work processes, improved routines, new strategies and proposals for the financial market.

In 2022, the last cycle of the training course was completed. We developed and implemented an additional training module, Advanced Case Management, to use the case studies developed by participants to increase the potential for institutional impact. The additional module was implemented for the 20 highest-performing participants from the five cycles of the training course.

We held a final conference to capture and highlight the final results and to assess the impact from the five cycles of the training course in November. The conference brought together participants from the training courses since 2017 as well as executives from the nine participating banks and Havana University. Over 100 professionals attended the conference, and SEB gave an on-line lecture on microfinance and financial inclusion. A full phase out of the programme will take place in 2023, during which we will work with our in-country partners to further develop and disseminate tools and methods to other actors.

2022 in Brief

- Delivered training in Havana from February through November
- Developed and implemented an additional training module, Advanced Case Management, to increase potential for institutional impact
- Hosted final conference in November to highlight the results since 2017 and assess the impact of the training
- Hosted reference group meetings with representatives from SEB, EKN, Ericsson Trade Finance, Volvo Construction Equipment, Nordea and Elof Hansson International

We launched the Sustainable Bank Management Programme in 2017 with in-country partners to work towards increasing internationalisation of the Cuban economy and economic development. By strengthening the institutional capacity of Cuba's leading financial institutions and universities, structural conditions for sustainable economic development are supported.



Havana, Cuba

Unite Forces in Complex Markets



Regardless of business model or industry, companies operating in complex markets often face similar challenges. We pave the way for more sustainable business and increased demand for Swedish solutions to meet global challenges by working together for improved business conditions and sustainable market development.

By joining NIR and contributing with your company's perspective on challenges and sharing knowledge about opportunities to improve sustainability, you can contribute to achieving the global goals beyond your own business and industry.

Our members gain access to:

- A network of Swedish companies with similar challenges/risks and long experience of doing business in complex markets
- Peer-to-peer exchanges on topics that are relevant for our members, including ESG topics such as anti-corruption, EU-Taxonomy, business and human rights as well as selected countries/markets
- Exclusive meetings, exchanges and roundtables upon member request
- Exchanges and roundtables on sensitive topics with limited participants and held strictly according to Chatham House Rules
- Invitations to meetings with incoming delegations hosted/supported by NIR
- An organisation that can open doors and connect members with embassies and the Swedish Ministry for Foreign Affairs
- A seat on the Board of Directors which sets and adopts NIR's strategy
- Collaboration with the Swedish International Development Cooperation Agency (Sida)

As a member, you contribute by:

Actively participating in our Board of Directors, which holds four Board meetings per year plus an Annual General Meeting. Board meetings are typically hosted by members at their respective offices, which allows for the hosting member to present its business and specific challenges.



Alessandra Cornale, Director of the Swedish Workplace Programme, addressing the Nkelo Bantu Forum in Kinshasa, DRC. Participating from the front row are: Robert Rydberg, Sweden's State Secretary for Foreign Affairs; H.E. Ambassador Henric Råsbrant; Irina Schoulgin Nyoni, Deputy Director-General and Head of Africa Department, Swedish Ministry for Foreign Affairs; and Djo Moupondo, CEO of Sodeico Development, Our in-country partner.

Highlight Democratic Republic of the Congo (DRC) - a selected market in our Strategic Framework. The DRC is rich in natural resources, including key minerals that are crucial to the green transition. What is less well known is that the DRC has another critical asset – its human capital. The population of the DRC is expected to reach 100 million by 2024, and then approximately 200 million by 2050.

In partnership with Sodeico Development, a Swedish-Congolese company that specialises in human resource management, we run a dialogue platform in the DRC. The platform is called “Nkelo Bantu”, which means human resources in Kikongo. Through the platform, companies from the private and public sectors, government agencies, social partners, academia and civil society gather to address challenges around decent work, dialogue, diversity and inclusion, leadership and other issues related to sustainability.

In 2022, the third edition of the Nkelo Bantu Forum was held in Kinshasa. During three days of panels and workshops, hundreds of participants gathered for exchanges on sustainability, union-business relationships, just transition and women in leadership. The Swedish Embassy in the DRC actively participated in and supports Nkelo Bantu.

During DRC Mining Week, Nkelo Bantu organised a workshop with leaders from human resources to assess skills needs and exchange on the difficult sustainability challenges in the mining sector.

Within the framework of Nkelo Bantu, this past year we launched the Great Lakes Women Leadership Programme, which supports empowering young Congolese women from different sectors through training, coaching and mentoring.



“Promoting Swedish values and sustainable business is at the heart of the Embassy’s work in the DRC. The Embassy’s collaboration with NIR through the Nkelo Bantu platform is a great opportunity to highlight Swedish values on gender equality, social dialogue, human rights and diversity in the workplace as well as entrepreneurship. Our collaboration with NIR strengthens Sweden’s presence in the DRC and links trade and development aid to in-country economic development.”

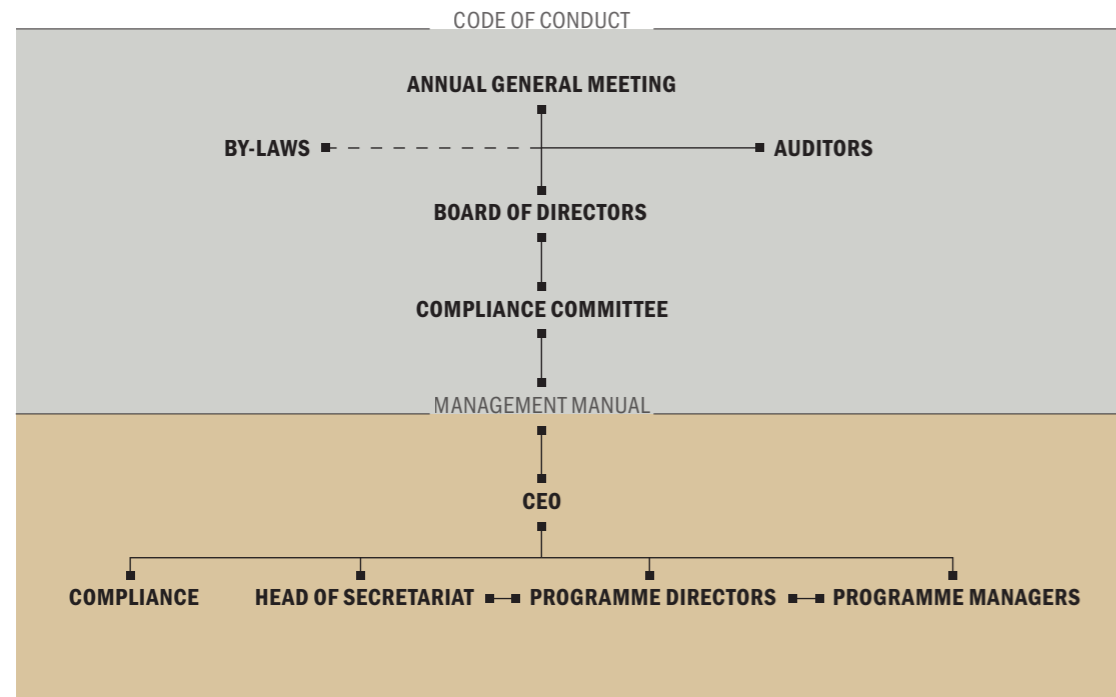
S.E. M Henric Råsbrant, Sweden's Ambassador to the DRC

Governance

We are a non-profit organisation governed by our Board of Directors, which ensures that we deliver on our mission as well as strategic goals and objectives. Our Board of Directors oversees that NIR has financially sound practices and a good economy, continuously strengthens its ethics and professionalism and aligns with the core values of our member organisations. Our ethics and compliance programme establishes and governs the mechanisms, systems and routines to ensure transparency and accountability at all levels. The integration of our ethics and compliance programme into our operations has been central to achieving our strategic goals.

Building confidence through good governance is an ongoing key priority. We continuously promote confidence building and improvement by proactively using our governance mechanisms to address vulnerabilities and build resilience.

Governance Structure



Compliance

Code of Conduct

Our Code of Conduct prescribes zero tolerance for any form of bribery and corruption in relation to our operations. The Code also sets our framework for achieving strategic goals, complying with our donor's conditions and further aligning with the core values of our members. We have continued to develop and invest in stronger tools for good governance to ensure that staff members are equipped to comply with our Code of Conduct. During 2022, we invested in tools and training in relation to due diligence and procurement, risk analysis and management as well as travel and safety protocols.

The Code applies to all individuals working on behalf of or representing NIR, including our staff, the Board of Directors when representing NIR, consultants and partners. Each person that the Code of Conduct applies to is individually responsible and accountable for complying with the Code.



Due Diligence and Risk Assessment

Due diligence is vital to preventing negative effects on our operations and managing reputational risks. It also ensures that our operations in low- and middle-income countries avoid causing or contributing to adverse impacts on people, society and the environment.

Our due diligence process includes using Compliance Catalyst by Orbis, a risk management platform, for screening partners, stakeholders and suppliers. We also have ongoing dialogue with Team Sweden and relevant stakeholders as well as eyes and ears on the ground to provide in-country knowledge and context. In 2022, we updated our risk assessment framework for identifying, assessing and preventing or mitigating risks within our programme projects and operations. The risk assessment framework was updated with the support of Magnus Lindberg, anti-corruption expert from Edge Consulting.

We will continue to iteratively develop our due diligence processes in collaboration with our members, partners and stakeholders.

Procurement

Our Procurement Guidelines require that we manage the procurement of goods and services openly and transparently to ensure ethical practices and good governance, corruption prevention and risk management. For our Sida-funded programmes, procurement follows Sida's Procurement Provisions for use by Non-Governmental Organisations (NGOs) in the context of Sida financed Project/Core Activities. Our procurement process includes conducting the appropriate level of due diligence.



“We look at good governance, risk management and our compliance programme holistically and practically to promote trust, transparency and accountability both internally and externally. Our investments in tools for good governance and strengthening our culture of compliance are a springboard for NIR to grow.”

Lauren McIntosh, Senior Compliance Officer, NIR

Monitoring and Evaluation

We use a results-based management approach in designing, implementing, monitoring, evaluating and reporting on our programmes. By applying this approach, we aim to ensure that our activities contribute to the achievement of desired results as defined by the applicable agreements with our funding partners.

IT and Data Security

We migrated into Business Sweden's IT environment as part of our office move to the World Trade Center in early 2022. The migration resulted in improved IT and data processes for overseeing internal and external access to our IT systems, user management, data security and physical IT security.

In 2022, we also implemented a new Customer Relationship Management (CRM) system to enable consistent and streamlined communication and relationship building with our members and partners. Our CRM system is also a tool for improving how we manage data privacy.

Whistleblower function

Our Whistleblower function is an important tool to realise our zero tolerance for any form of bribery and corruption and commitment to the highest ethical and professional standards. We encourage and expect all relevant parties to use the Whistleblower function to speak up and report any behaviour in relation to our operations that is unethical, illegal or contrary to our Code of Conduct.

The Whistleblower function is available on NIR's website and is internally overseen by our Senior Compliance Officer. No reports concerning suspicions of corruption or other irregularities were made via the Whistleblower function in 2022.

Compliance Committee

Our Compliance Committee meets quarterly to quality assure good governance and oversee matters related to our Code of Conduct, Whistleblower function, organisational risks and any other compliance matters which the Board of Directors may direct the Committee to monitor, investigate and/or decide upon. The Compliance Committee is comprised of our Chair of the Board of Directors, CEO and Senior Compliance Officer, and reports directly to the Board of Directors.



Internal Rules and Systems

NIR's internal guidelines establish rules and systems that promote transparency and accountability as well as create predictability for staff and management in relation to gifts and entertainment, procurement, travel and safety. Before the lifting of Covid-19 restrictions, specific travel guidelines and action plans developed during the pandemic allowed for us to safely travel internationally during 2022. All NIR staff received Hostile Environment Awareness Training (HEAT) for medium and high-risk countries in line with the European Union's ENTRI standard.

Healthy and Sustainable Workplace

Our ethics and compliance programme is not just about governance with checks and balances, but is also a catalyst for a healthier and more sustainable workplace based on transparency, trust and predictability. Employee engagement in our ethics and compliance culture is vital to ensuring our staff feel connected to and part of our mission, strategic goals and core values.

In 2022, to further ensure predictability and sustainability in the workplace, we decided to join Fremia's collective agreement for 'salaried employees in civil society' as of 1 January 2023.

Our Board of Directors at Ericsson for the third Board meeting of 2022. Our Board of Directors meets quarterly and meetings are typically hosted by members at their respective offices, where the hosting member has the opportunity to present its business and specific challenges.

Annual General Meeting

According to NIR's By-Laws, the Annual General Meeting is to be held no later than 31 May, with the exact time and location to be decided by the Board of Directors. The Annual General Meeting shall:

- adopt the annual financial and audit reports
- discharge the Board of Directors and the CEO from liability
- decide the member service fee
- elect Board of Directors members
- elect the Chair and Vice Chair of the Board of Directors
- elect NIR's organisational auditor
- elect Nominations Committee members
- decide upon any other matters raised by the Annual General Meeting

Annual General Meeting 2022

The 2022 Annual General Meeting was held virtually on 30 March. Annika Berglund was re-elected as Chair of the Board of Directors and Henrik Petersson (Saab) was re-elected as the Vice Chair. The re-elections were upon the recommendation of the Nominations Committee. The Annual General Meeting also elected and appointed Grant Thornton as NIR's new organisational auditor. The Nominations Committee was also elected by the Annual General Meeting, and after an Extra General Meeting held on 14 December, the Nominations Committee is currently comprised of Camilla Goldbeck-Löwe (Epiroc), Paul Palmstedt (Electrolux) and Stefan Karlsson (EKN).

Board of Directors

According to NIR's By-Laws, our Board of Directors is to be comprised of a Chair, Vice Chair, Board members representing all fully paying NIR members as well as any members co-opted by the Board of Directors that add value to NIR. Our Board members are senior-ranking representatives from our member companies and financial institutions.

The Board of Directors' responsibilities include setting NIR's strategic framework and overseeing achievement of NIR's strategic goals and objectives; ensuring compliance with applicable laws, rules and regulations; and guaranteeing sound financial management, including efficient management of financial resources and that independent financial audits are routinely conducted.



Our Board of Directors at Volvo Construction Equipment for the first Board meeting of 2022.

Chair of the Board of Directors

The Chair of our Board of Directors oversees the Board and ensures that its members are informed of our activities, partners with the CEO to monitor the organisation's development, checks that members are able to support NIR and make informed decisions regarding our operations, consults with the CEO on strategic issues, prepares the agenda for Board of Directors meetings, convenes and chairs Board of Directors meetings and ensures that our operations are executed in accordance with any applicable agreements and the By-Laws.

Annika Berglund has been the Chair of our Board of Directors since May 2020. Prior to her role as Chair, Annika was Senior Vice President of Corporate Communication at Atlas Copco. During her 40 years at Atlas Copco, she held various positions in marketing and sales. Annika was also a board member of the Peter Wallenberg Water for All Foundation from 2015 to 2019.

Our Board of Directors is comprised of the following members:

- Annika Berglund**, Chair
- Henrik Petersson**, Saab AB, Vice Chair
- Marie Aglert**, EKN
- Pontus Davidsson**, SEK
- Filip Elveling**, Hitachi Energy Sweden AB
- Ingrid Furukvist**, Ericsson AB
- Camilla Goldbeck-Löwe**, Epiroc AB, Nominations Committee
- Jörgen Haglind** (until 31 December 2022), Tetra Laval Group
- Tony Lindström**, Volvo Group
- Daniel Lundgren**, Siemens Energy AB
- Sara Olsson**, Boliden Mineral AB
- Lisa Osbäck**, Scania CV AB
- Paul Palmstedt**, AB Electrolux, Nominations Committee
- Johan Sahlén**, SEB
- Anna Sjören**, Atlas Copco AB

Board of Directors and Annual General Meetings in 2022

March	June	September	December
<ul style="list-style-type: none"> • Board of Directors meeting #1 on 16 March <ul style="list-style-type: none"> ◦ 13/14 Board of Directors members attended • Annual General Meeting on 30 March <ul style="list-style-type: none"> ◦ Adopted Annual Report and Financial Report ◦ Elected Chair and Vice Chair of the Board of Directors, members of the Board of Directors and Nominations Committee ◦ Elected new NIR organisational auditor 	<ul style="list-style-type: none"> • Board of Directors meeting #2 on 1 June <ul style="list-style-type: none"> ◦ 13/14 Board of Directors members attended 	<ul style="list-style-type: none"> • Board of Directors meeting #3 on 21 September <ul style="list-style-type: none"> ◦ 12/14 Board of Directors members attended 	<ul style="list-style-type: none"> • Board of Directors meeting #4 on 14 December <ul style="list-style-type: none"> ◦ 10/14 Board of Directors members attended ◦ SEK welcomed as a member • Extra General Meeting on 14 December <ul style="list-style-type: none"> ◦ Elected new member to Nominations Committee

Chief Executive Officer

Our CEO is responsible for managing operations and finances in accordance with applicable legislation, contracts, agreements rules and regulations, NIR's By-Laws as well as the CEO directive and any other directives by the Board of Directors. She is also responsible for the achievement of our strategic goals and objectives and reports directly to the Board of Directors.

Christine Bäckström has been NIR's CEO since 2019. Prior to her role as CEO, Christine served in the Swedish Foreign Service for 22 years.



NIR staff at our HQ in the World Trade Center, Stockholm, Sweden

Staff

We are headquartered at the World Trade Center in Stockholm, Sweden, with five regional coordinators located in Bogotá, Hanoi, Johannesburg and Nairobi. Our staff members are:

- Christine Bäckström**, Chief Executive Officer
- Mimmi Bergström**, Head of Secretariat
- Alessandra Cornale**, Programme Director
- Kaveh Hagl**, Programme Manager
- Henrik Hallgren**, Programme Director
- Lauren McIntosh**, Senior Compliance Officer
- Binta Mutale**, Programme Manager
- Evalena Persson**, Programme Manager
- Maria Rindeskär**, Programme Director
- Annie Ross**, Programme Director
- Irene Rynnänen**, Programme Controller
- Petter Sjöblom**, Programme Manager
- Perpetua Waithera**, Regional Programme Coordinator (Kenya)
- Maria Castilla**, Regional Programme Coordinator (Colombia)
- Thu Hien Nguyen**, Regional Programme Coordinator (Vietnam)
- Patricia Ponce**, Regional Programme Coordinator (Colombia)
- Sena Ramlochan**, Regional Programme Coordinator (South Africa)

Financial Management

Auditors

In accordance with NIR's By-Laws, our organisational auditor independently examines and evaluates our accounts and annual reports as well as the Board of Directors and CEO's management of finances and internal controls. The Annual General Meeting elects our organisational auditor on an annual basis. At the 2022 Annual General Meeting, Grant Thornton was elected as NIR's new organisational auditor and Elisabeth Raun as the lead auditor.

NIR's externally funded programmes are audited annually in separate project audits by auditors procured in accordance with the applicable contract with Sida.

Accounting

In 2022, our accounting was externally supported by Lugnet Ekonomi AB, which reported directly to our Head of Secretariat and Programme Controller to ensure financial controls. However, all accounting will be managed internally as of January 2023. A new financial system will also be procured and implemented in 2023 to facilitate and support the project specific accounting requirements and internal controls. Payroll administration is externally managed by EY.

Funding

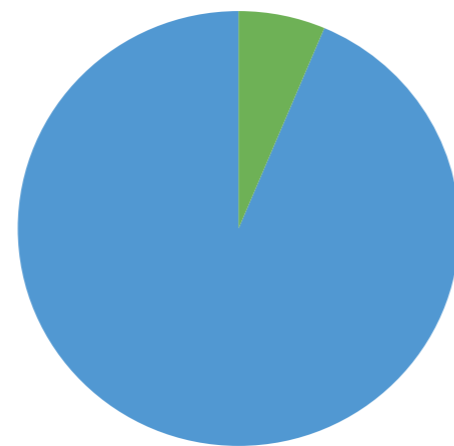
Our core operations are funded by annual member service fees. In 2022, Our programmes and projects were grant funded by Sida and the Swedish Ministry for Foreign Affairs. Our programmes funded by Sida were the Swedish Workplace Programme, the Sustainability Impact Accelerator, the Sustainable Bank Management Programme, the Innovation and Business Development and the Private Sector Contribution to Social Dialogue in Colombia. The Swedish Ministry for Foreign Affairs grant funded a pilot on sustainability in mining.

BALANCE SHEET as of 31 December 2022

Short balance sheet in KSEK

	2022	2021
Fixed assets	24	29
Current assets	1 513	997
Cash and bank balances	42 809	67 635
TOTAL ASSETS	44 346	68 660
Equity	5 015	4 700
Received unused grants	28 955	55 628
Short-term liabilities	10 376	8 333
TOTAL EQUITY AND LIABILITES	44 346	68 660
Cash and bank balance*	42 809	67 635
Received unused grants	-28 955	-55 628
	13 854	12 007

■ Member service fees
■ Grants for programmes



*Cash and bank balances include grants from donors for activities during the multi-year period of each grant funded programme.

List of Abbreviations

- AUKMW:** Amalgamated Union of Kenya Metalworkers
- BREB:** Bangladesh Rural Electrification Board
- BRT:** Bus Rapid Transport
- DRC:** Democratic Republic of the Congo
- EEP:** Ethiopian Electricity Power
- EKN:** Swedish Export Credit Agency
- ESG:** Environmental, Social and Governance
- IF Metall:** Swedish Industrial and Metal Workers' Union
- ILO:** International Labour Organization
- IMM:** Swedish Anti-Corruption Institute
- MARS:** NIR programme on Increased Responsibility and Sustainability in Latin American and Caribbean Mining (Minería Americana más Responsable y Sostenible, in Spanish)
- NUMSA:** National Union of Metalworkers of South Africa
- OECD:** Organisation for Economic Co-operation and Development
- SACWTU:** Southern African Clothing and Textile Workers Union
- SCADA:** Supervisory Control and Data Acquisition
- SDGs:** Sustainable Development Goals of the 2030 Agenda
- SEI:** Stockholm Environment Institute
- SEK:** Swedish Export Credit Corporation
- Sida:** Swedish International Development Cooperation Agency
- UEGCL:** Uganda Electricity Generation Company Ltd
- VGCL:** Vietnam General Confederation of Labour



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NIR | International Council
of Swedish Industry
NÄRINGSLIVETS INTERNATIONELLA RÅD