Business Climate Survey Ukraine

Business Climate Survey for Swedish companies in Ukraine 2026

A report from Team Sweden in Ukraine

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Key contributors to this report

Business Sweden in Ukraine
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36 respondents

(total +2,250 respondents for 41 markets)

Current business climate

53% of respondents view the business climate as neutral

Industry turnover

41%

of Swedish companies expect their industry turnover to increase

Future investments

41%

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

Globally valued success factors

1. Cost efficiency
2. Staff development
3. Brand awareness

Brand Sweden

80%

of Swedish companies abroad consider Brand Sweden beneficial for business

Local conditions with high satisfaction

1. Level of digitalisation
2. Distributors
3. Service providers

Local conditions with least satisfaction

1. Physical infrastructure
2. Labour market regulation
3. Specialists and key personnel

Environmental considerations

22%

of respondents believe the environment is a considerable factor in their customers' purchasing decisions.

Corruption

Overall exposure to corruption remains limited, concentrated in interactions with public bodies and private counterparts.

Human rights violations and labour rights abuses

Human rights and labour rights violations appear minimal, with rare cases reported in supply chains.

Foreword

Since the outset of Russia's full-scale invasion in February 2022, Ukraine has demonstrated extraordinary resilience, unity, and determination in defending its sovereignty, democratic values, and European future. More than four years into the war, the country continues to face immense human, economic, and infrastructural challenges, while simultaneously advancing reforms and laying the foundations for long-term recovery and modernisation.

Throughout this defining period, Sweden has remained a steadfast and reliable partner to Ukraine. Swedish support has expanded across political, humanitarian, military, and economic dimensions, reaching approximately SEK 128 billion by 2026. At the same time, the role of the Swedish private sector has become increasingly important. Despite the exceptionally demanding operating environment, Swedish companies continue to demonstrate long-term commitment and confidence in Ukraine's future.

Sweden and Ukraine continue to share strong economic ties, with Swedish companies active across sectors such as energy, healthcare, infrastructure, logistics, and industry, while Swedish products and services remain associated with quality, innovation, and reliability in a challenging business environment.

A key milestone this year was the official opening of the new Business Sweden office in Kyiv in April 2026, further strengthening Sweden's long-term presence and engagement in Ukraine following the re-establishment of local operations in 2023. The opening reflected Sweden's continued commitment to supporting Ukraine's recovery, reconstruction, trade, and investment development.

This year's Business Climate Survey was conducted during another exceptionally challenging period for the Ukrainian economy and business community. Continued attacks on civilian and energy infrastructure placed severe pressure on electricity generation, logistics, industrial operations, and supply chains.

Against this backdrop, the survey highlights both the resilience of Swedish businesses and the long-term potential of the Ukrainian market in reconstruction, infrastructure, energy, and sustainable development.

I would like to express my sincere gratitude to all companies that contributed to this year's survey and to the Swedish businesses that continue operating in Ukraine despite the ongoing challenges of war. Your resilience, professionalism, and long-term commitment are important contributions to Ukraine's recovery and future development.

Together, Sweden and Ukraine will continue to deepen economic cooperation and strengthen the enduring ties between our countries in the years ahead.

Andreas Giallourakis
Trade Commissioner
to Ukraine

Executive summary

Ukraine continues to demonstrate remarkable economic and business resilience despite operating under the pressures of a full-scale war. Swedish companies active in the Ukrainian market remain cautiously optimistic, balancing short-term operational challenges with growing confidence in the country's medium- and long-term recovery potential. The 2026 Business Climate Survey reflects a business environment characterised by adaptation, resilience, and gradual stabilisation, even as security risks, infrastructure disruption, and labour shortages continue to shape daily operations.

The overall business climate in Ukraine is primarily perceived as neutral, although sentiment has improved compared to 2025. The share of companies describing the climate as poor declined, while positive assessments increased, suggesting that Swedish firms are gradually adapting to wartime conditions and identifying new opportunities linked to reconstruction, infrastructure recovery, and EU integration. At the same time, operational uncertainty remains elevated, particularly in sectors heavily dependent on logistics, infrastructure, and industrial supply chains.

Despite the difficult environment, Swedish companies continue to demonstrate strong financial resilience. Nearly 70 per cent of surveyed companies reported profitable operations in 2025, while investment sentiment strengthened notably compared to the previous year. Around 41 per cent of respondents plan to increase investments in Ukraine over the coming 12 months, highlighting continued confidence in the market's future potential. Reconstruction-related opportunities, strengthening EU integration, and long-term demand across infrastructure, energy, industrial production, and services continue to support business interest in Ukraine.

At the same time, companies continue to face significant operational challenges. Russian attacks on civilian and energy infrastructure continue to affect electricity supply, transportation routes, and logistics planning. Customs procedures and regulatory complexity remain the most frequently cited trade barriers, while labour shortages and difficulties accessing specialists are increasingly constraining business operations. Physical infrastructure received the lowest satisfaction rating among surveyed market conditions, underlining the continued impact of wartime disruption on the business environment.

Nevertheless, Swedish companies also highlight important strengths of the Ukrainian market. Ukraine's high level of digitalisation, strong service providers, adaptable distributors, and resilient business culture continue to support operational continuity under difficult conditions. The Swedish brand remains a valuable competitive asset, strongly associated with quality, reliability, transparency, and long-term commitment. Swedish companies continue to maintain a predominantly commercial presence in Ukraine while gradually increasing engagement in reconstruction-related and donor-supported initiatives.

Overall, the findings of the 2026 Business Climate Survey suggest that Swedish companies remain committed to Ukraine despite ongoing wartime risks. While governance predictability, infrastructure constraints, corruption concerns, and labour market pressures continue to require careful risk management, businesses increasingly view Ukraine through a long-term strategic lens focused on reconstruction, modernisation, and European integration. The survey confirms that resilience, flexibility, and long-term commitment continue to define Swedish business engagement in Ukraine.

About the survey

Experienced and large Swedish companies continue to shape market understanding in Ukraine

The Business Climate Survey is a global Team Sweden initiative aimed at mapping the opportunities and challenges faced by Swedish companies operating worldwide. It assesses company performance over the past year and captures expectations for the year ahead, providing insights into both market potential and key risks.

The 2026 edition continues to build on the survey's global scope, using a standardised set of questions to enable cross-market comparisons. In Ukraine, additional tailored questions remain in place to reflect the specific conditions of operating in a wartime and recovery context.

The survey, conducted in Ukraine for the second consecutive year since its introduction in 2025, gathered responses from 36 of approximately 65 companies invited to participate. While the respondent base remains relatively limited, it provides valuable insights into the experiences, priorities, and expectations of Swedish businesses operating in Ukraine during an exceptionally challenging period for the economy and business community.

Following the establishment of Business Sweden's permanent office in Kyiv in June 2024, this edition further strengthens Sweden's institutional presence and long-term engagement in Ukraine.

As of 2026, Swedish companies in Ukraine remain active across key sectors, including industrials, consumer goods, and professional services. The industrial sector continues to dominate, accounting for the majority of respondents, while consumer and professional services are equally represented with smaller but significant shares. This distribution remains broadly consistent with 2025, confirming the strong industrial footprint of Swedish businesses in Ukraine.

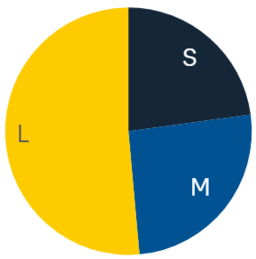
In terms of company size, the 2026 sample is more weighted toward large companies, which now represent the majority of respondents. Medium-sized and small companies account for smaller shares, indicating a slight shift compared to 2025, when medium-sized firms were more prominent. This suggests that larger, more resource-capable companies may be playing an increasingly central role in navigating the Ukrainian market under current conditions.

The maturity profile of respondents highlights a well-established business presence in Ukraine. Most companies fall into the "experienced" category, having operated in the market for many years, followed by a substantial share of mature firms with long-standing operations. Newcomers remain a smaller group, though still present, indicating that despite ongoing risks, new market entry continues. Compared to 2025, this reflects a stable structure, with experienced players continuing to anchor Swedish business activity.

Geographically, Kyiv remains the primary hub for Swedish companies, reflecting its role as Ukraine's economic and administrative centre. At the same time, some companies continue to operate in other regions, demonstrating a degree of geographical diversification despite security and infrastructure constraints. As in 2025, this indicates that while business activity is concentrated in the capital, opportunities are being pursued across selected regional markets.

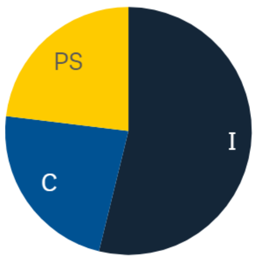
Overall, the 2026 survey sample reflects a business community characterised by experience, long-term market presence, and broad sectoral representation, providing a solid basis for assessing the evolving business climate in Ukraine.

Size of companies



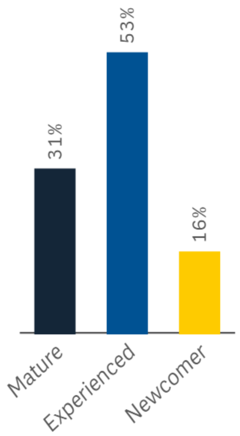
NOTE: Global employees. Large >1,000. Medium 250–1,000. Small 0–249.

Main industry



NOTE: Industrial 54%. Professional services 23%. Consumer 23%.

Age of companies



NOTE: Mature (–2004). Experienced (2003–2020). Newcomer (2021–).

Economic outlook

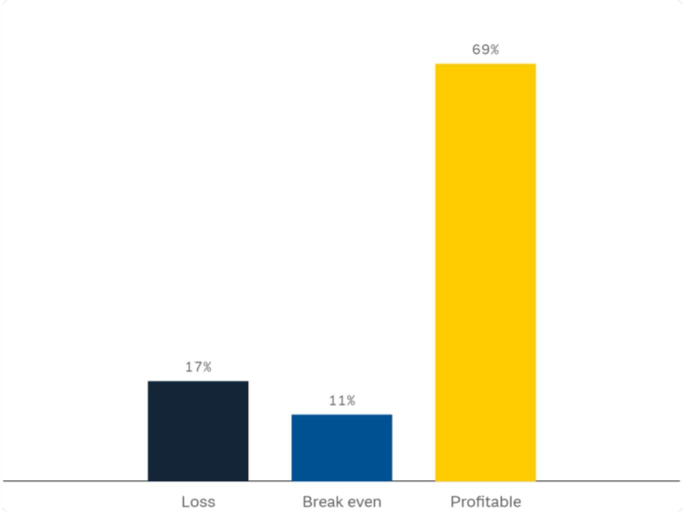
Strong profitability maintained despite continued wartime challenges

Swedish companies in Ukraine continued to demonstrate resilience in 2025. According to this year's Business Climate Survey, 69 per cent of respondents reported a profitable year, up from 65 per cent in 2024. Despite ongoing security risks, infrastructure disruptions, and labour market pressures, most companies have successfully adapted their operations and maintained solid financial performance.

While a somewhat larger share of respondents reported losses compared to the previous year, the overall results remain positive and highlight the ability of Swedish businesses to operate successfully in a demanding environment. The findings suggest that companies with an established market presence continue to benefit from strong customer relationships, local expertise, and effective adaptation to wartime conditions.

Overall, the results underscore the resilience of Swedish companies in Ukraine and their continued confidence in the market, even amid a complex and challenging operating environment.

How would you describe your company's financial performance in Ukraine in 2025?



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

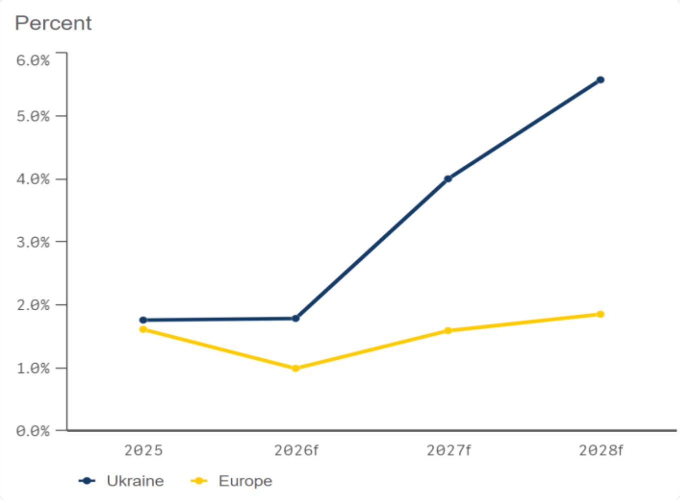
Ukraine's GDP growth remains moderate in the short term, with stronger recovery expected from 2027

Despite the ongoing full-scale war, Ukraine's economy continues to demonstrate resilience, supported by international financial assistance, public spending, and the private sector's adaptability. While growth is expected to remain modest in the near term due to security risks, labour shortages, and infrastructure constraints, the medium-term outlook remains positive.

According to Oxford Economics, Ukraine is expected to enter a stronger growth phase from 2027 onwards, driven by reconstruction, investment inflows, and economic recovery across key sectors. Compared to many European markets, Ukraine is expected to offer stronger long-term growth potential, reflecting the scale of reconstruction needs and continued economic integration with the European Union.

While significant challenges remain, the outlook reinforces Ukraine's position as a strategically important market for companies seeking long-term growth opportunities.

Projected GDP growth in Ukraine



NOTE: Constant prices
SOURCE: Oxford Economics, 20 March 2026

Growth expectations are moderate, with more cautious outlook for the year ahead

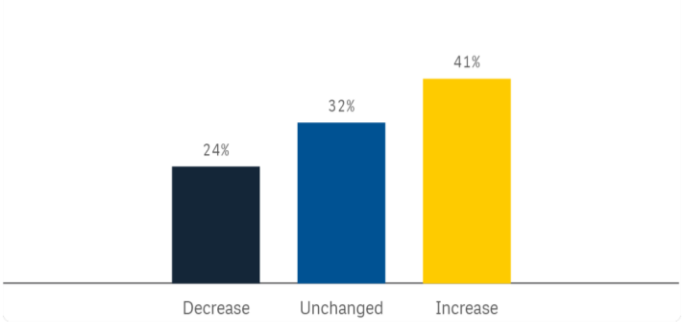
A plurality of surveyed companies expects industry turnover to increase over the next 12 months, although optimism has softened compared with the previous year. In 2026, 41 per cent of respondents anticipate growth, down from 56 per cent in 2025. At the same time, the share of companies expecting a decline has increased, while more companies foresee unchanged performance, indicating a more cautious overall outlook amid continued wartime uncertainty and operational pressures.

Given the relatively limited survey sample, the findings should be interpreted primarily as an indication of broader market sentiment rather than as a statistically representative comparison across individual company categories or sectors. Overall, the results suggest that while Swedish companies in Ukraine continue to see medium- and long-term business potential linked to reconstruction and economic recovery, expectations for the coming year have become more balanced and cautious compared to the stronger optimism observed in 2025.

Compared to 2025, the shift in sentiment is notable. While a majority of companies previously expected growth, expectations for 2026 are more evenly split among growth, stability, and decline. This suggests that while confidence in Ukraine's medium-term potential remains, short-term uncertainty has increased.

Overall, Swedish businesses in Ukraine continue to demonstrate resilience, but expectations for the year ahead reflect a more measured outlook. The transition from strong optimism to cautious confidence likely reflects ongoing operational challenges, including security risks, cost pressures, and market volatility, even as reconstruction and investment opportunities continue to support longer-term growth prospects.

Compared to the development in the past 12 months, what are your expectations for the coming 12 months for your industry in Ukraine regarding turnover?



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

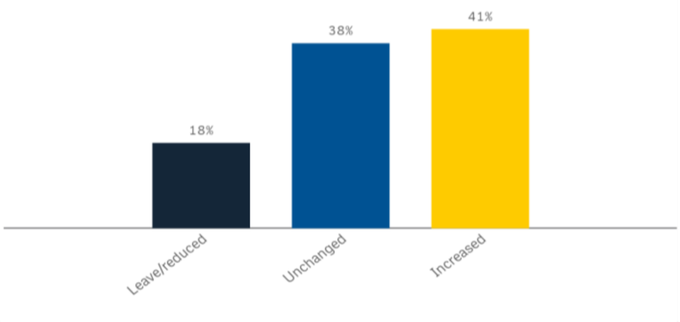
Investment sentiment strengthens, with more companies planning to increase investments

Investment intentions among Swedish companies in Ukraine have become more positive compared to 2025. In this year's survey, 41 per cent of respondents indicated plans to increase investments over the next 12 months, up from 29 per cent a year earlier.

The findings suggest growing confidence in Ukraine's medium- and long-term market potential, particularly in connection with reconstruction, infrastructure recovery, and economic modernisation. At the same time, some companies continue to take a cautious approach due to ongoing security risks, infrastructure constraints, and broader economic uncertainty.

Overall, the results indicate that Swedish businesses continue to view Ukraine as a strategically important market and are increasingly willing to invest despite the challenges of operating in a wartime environment.

What are your company's investment plans for the coming 12 months in Ukraine, compared to the past 12 months?



NOTE: The number of respondents for this question was 34. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

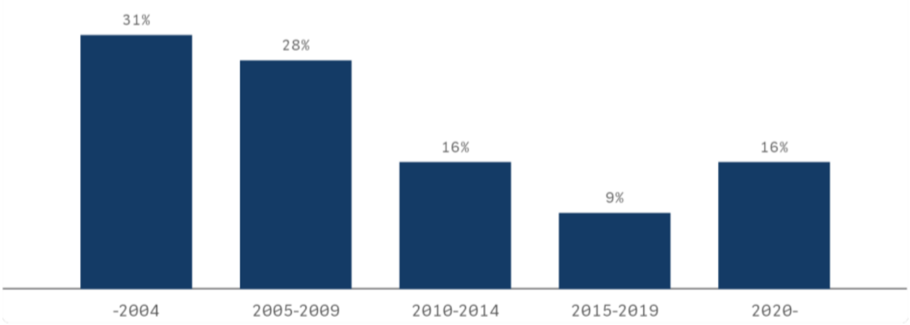
The market

Swedish companies in Ukraine maintain a diverse sectoral presence

The survey reflects the continued presence of Swedish companies across a broad range of sectors in Ukraine. Most respondents represent well-established businesses with long-standing operations and deep market experience, while the participation of newer entrants demonstrates continued business interest despite the challenging operating environment.

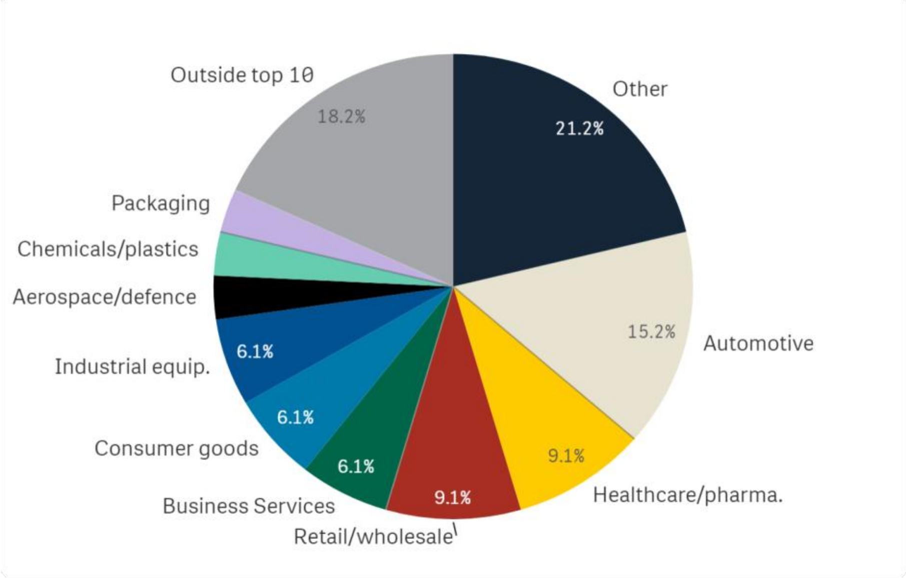
The respondent base includes companies of varying sizes and operational footprints, reflecting the diversity of Swedish business engagement in Ukraine. Overall, the findings highlight the long-term commitment, resilience, and adaptability of Swedish companies, as well as their continued confidence in Ukraine's future development and reconstruction potential.

In what year did your company establish operations in Ukraine?



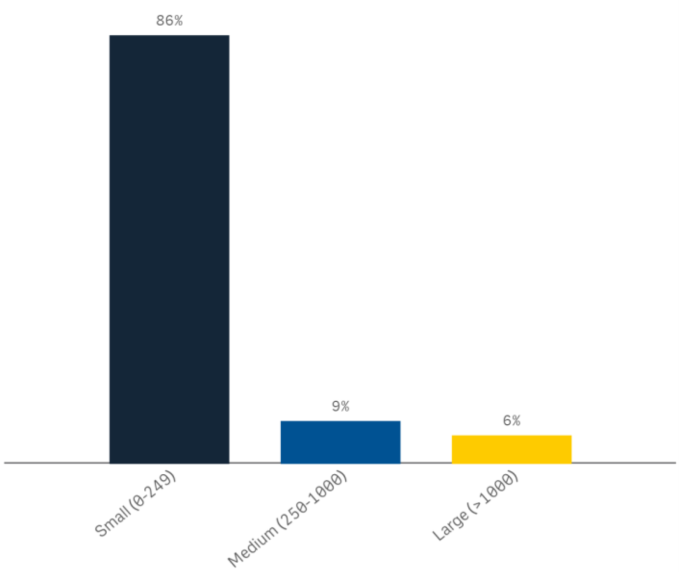
NOTE: The number of respondents for this question was 32. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

What is your company's main industry in Ukraine?



NOTE: The number of respondents for this question was 33. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Swedish firms' local number of employees in Ukraine in 2026



NOTE: The number of respondents for this question was 35. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Swedish companies maintain a cautious but gradually improving view of Ukraine's business climate

The 2026 Business Climate Survey indicates a cautiously stabilising sentiment among Swedish companies operating in Ukraine. While the overall perception remains measured, there are clear signs of a gradual shift toward a more positive outlook compared to 2025.

> **"Despite the challenges, we see strong potential in Ukraine. The greatest challenge is recruiting male workers, as mobilisation has already cost us several skilled employees.**

Small industrial components producer

A majority of respondents (53 per cent) describe the current business climate as neutral, broadly in line with 2025. However, the overall direction of sentiment has improved. The share of companies perceiving the business climate as "very poor" or "poor" declined from 32 per cent in 2025 to 25 per cent in 2026, while positive assessments increased from 13 per cent to 22 per cent.

The findings suggest that Swedish companies continue to adapt to the realities of operating in a wartime economy. Despite persistent challenges related to security, infrastructure, labour availability, and logistics, many businesses have adjusted their operations and become more resilient. Improvements in energy stability, supply chain adaptation, and growing reconstruction-related opportunities may also be contributing to a more positive outlook.

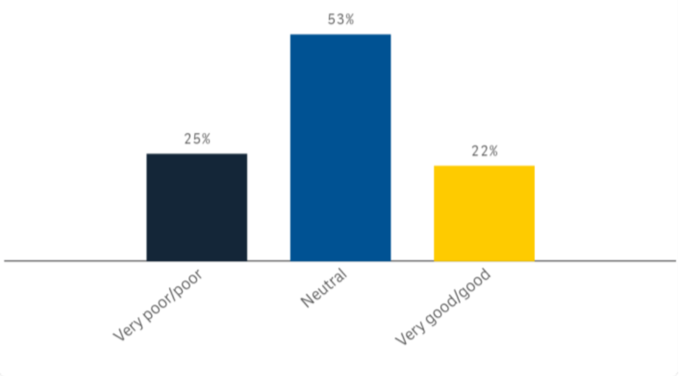
While the majority of companies remain cautious, the increase in positive assessments indicates growing confidence in Ukraine's medium- and long-term potential. Overall, the results indicate a gradual improvement in business sentiment compared with the previous year, despite ongoing uncertainty caused by the war.

> **“Ukraine has huge potential for business development and, accordingly, economic growth, but a number of unresolved internal issues fundamentally hinder this process.**

Chemical distribution company

Overall, the data suggests that while Swedish companies in Ukraine remain cautious, sentiment is gradually improving. The reduction in negative assessments and the rise in positive perceptions signal increasing adaptation and resilience, even as structural risks related to the war continue to shape the business environment.

How do you perceive the current business climate in Ukraine?



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Swedish companies highlight strong digital capabilities and business networks in Ukraine, while infrastructure and labour constraints persist

Swedish companies continue to view several aspects of the Ukrainian business environment positively. The highest-rated factor is the level of digitalisation (6.7), reflecting Ukraine's strong digital infrastructure and business services. Distributors (6.4), service providers (6.1), suppliers (6.0), and work culture and business mindset (6.0) also receive favourable assessments, highlighting the adaptability of local business networks and partners.

Market access (5.7), customs (5.5), corporate taxation (5.5), and the financial system (5.4) are assessed slightly above neutral, suggesting that while these areas generally support business activity, certain operational and regulatory frictions remain.

At the same time, companies continue to face structural challenges linked to wartime conditions. The availability of specialists and key personnel (4.6), personal safety (4.7), and labour market regulation (4.4) received the lowest scores, reflecting ongoing workforce shortages, security concerns, and labour market constraints. Physical infrastructure remains the most significant challenge, continuing to be affected by the war and repeated attacks on critical infrastructure.

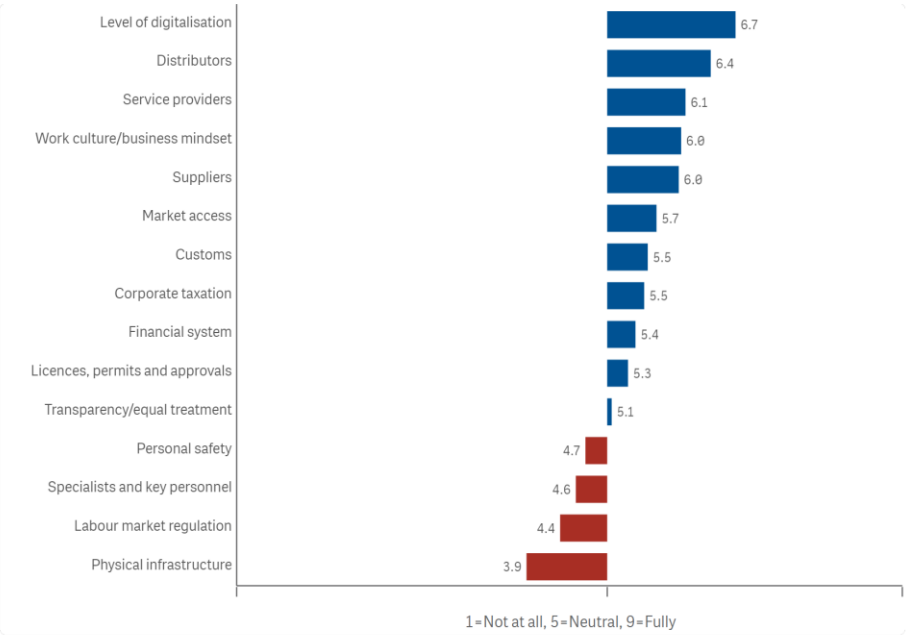
> **Mobilisation rules negatively affect new employment, and mobilisation procedures make it difficult for employees to travel and work freely across different regions of Ukraine. The employees' reservation procedure has changed and requires a lot of administrative effort.**
>
> Industrial construction company

> **Cost efficiency remains critical. New entrants should recognise that Ukraine is a highly promotion-driven market and adapt their business models accordingly.**
>
> Hygiene and health products company

The most critical challenge remains physical infrastructure (3.9) – the lowest-rated factor overall. This underscores the significant impact of war-related damage to transport, energy systems, and logistics networks, which continues to constrain business activity across sectors.

Overall, the results point to a dual reality: Ukraine offers strong digital capabilities and functioning business ecosystems, while structural constraints, particularly infrastructure, labour availability, and security, remain key barriers to fully meeting companies' operational needs.

How well do the following conditions meet the needs of your company in Ukraine?



NOTE: The number of respondents for this question was 36.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Customs procedures and regulatory complexity remain the primary trade barriers for Swedish companies in Ukraine

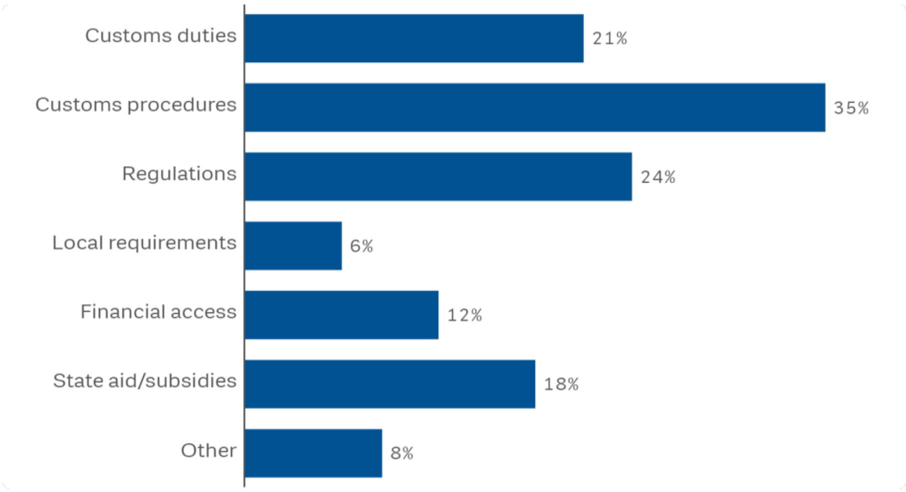
Surveyed companies were asked whether they had encountered trade barriers during the past year that negatively affected their operations. The results indicate that customs procedures (35 per cent) remain the most significant barrier, followed by regulations (24 per cent), customs duties (21 per cent), and state aid/subsidies (18 per cent).

The findings suggest that administrative complexity, regulatory compliance requirements, and border-related procedures continue to create operational challenges for Swedish businesses. Despite ongoing reforms and digitalisation efforts, companies still report delays, documentation burdens, and a lack of predictability in certain processes.

Other barriers, including access to finance (12 per cent), local requirements (6 per cent), and other issues (8 per cent), were reported less frequently but continue to affect specific businesses.

Overall, the results indicate that customs administration and regulatory predictability remain among the most important areas for improvement in Ukraine's business environment. Further progress in these areas could help reduce operational costs, improve planning certainty, and facilitate trade and investment.

Has your company encountered trade barriers in Ukraine in the past year that had a noticeably negative impact on operations in any of the following areas?



NOTE: The number of respondents for this question was 36.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

How Swedish companies succeed in Ukraine

Ukraine's economy continues to demonstrate resilience despite the ongoing full-scale war. While the country continues to face significant challenges, including damaged infrastructure, labour shortages, security risks, and supply chain disruptions, it has maintained macroeconomic stability and advanced recovery and reconstruction efforts.

Economic activity has been supported by international financial assistance, the resilience of the private sector, and the gradual restoration of export capacity. At the same time, Ukraine continues to deepen its economic integration with European markets through trade cooperation, alternative logistics corridors, and reforms linked to the EU accession process.

For Swedish companies, Ukraine remains both a challenging and strategically important market. Despite wartime pressures, many Swedish firms continue to operate, invest, and adapt their business models, supported by growing opportunities related to reconstruction, infrastructure modernisation, energy resilience, and industrial recovery.

To complement the broader economic context, the survey included a set of Ukraine-specific questions to understand how Swedish companies are navigating wartime conditions, addressing operational challenges, and positioning themselves for future growth opportunities.

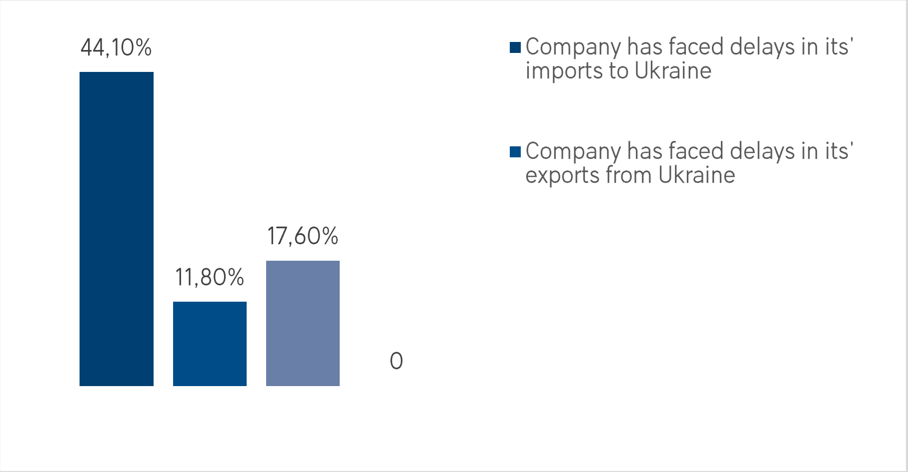
Wartime logistics continue to pressure Swedish companies while operational adaptation strengthens resilience

Swedish firms in Ukraine continue to report significant logistics and supply chain disruptions linked to the ongoing war. Among the 34 surveyed companies, 15 respondents (44 per cent) reported import delays to Ukraine, while 4 companies (12 per cent) experienced export delays from Ukraine. At the same time, 6 firms (18 per cent) indicated that their cross-border logistics operations continue largely unchanged compared to the pre-war period.

These findings demonstrate that wartime conditions continue to heavily affect transportation routes, border crossings, customs procedures, and operational planning. Repeated attacks on energy and civilian infrastructure, electricity disruptions, and broader regional instability continue to create operational uncertainty for companies dependent on international supply chains. Several respondents also highlighted additional pressures stemming from congestion and disruptions on alternative European transport corridors.

At the same time, the results highlight the growing operational resilience of Swedish businesses in Ukraine. Despite continued disruptions, many companies have successfully adapted their logistics models and maintained business continuity under extremely challenging conditions. The findings suggest that Swedish companies increasingly view flexibility, contingency planning, and local operational adaptation as essential long-term components of doing business in Ukraine.

Has the ongoing war in Ukraine affected your company's cross-border supply chain and logistics operations in the country?



NOTE: The number of respondents for this question was 34. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Swedish companies continue to strengthen supply chain resilience through operational adaptation

Despite the demanding wartime environment, Swedish companies continue to implement measures to mitigate logistics and supply chain risks in Ukraine. Only 1 out of 36 respondents (3 per cent) stated that no measures had been taken, while the majority introduced various operational adjustments to improve resilience and maintain continuity.

The most common mitigation strategy was extending delivery timelines to account for longer and less predictable logistics flows, reported by 12 companies (33 per cent). Closely following, 11 firms (31 per cent) increased their stock and warehousing capacity within Ukraine to strengthen supply security and reduce operational vulnerability.

Several respondents also described additional resilience measures, including establishing alternative logistics routes, strengthening cooperation with European headquarters and suppliers, and reorganising inventory structures. Some companies reported shifting stock closer to distributors and customers, while others expanded warehouse capacity outside Ukraine to improve flexibility and continuity.

> **"We work closely with our mother company in Sweden and they support us in supplying material and supplies form Europe.**

Small industrial components producer

> **"We have decreased stocks at our central warehouse and move more to the distributors/retailers.**

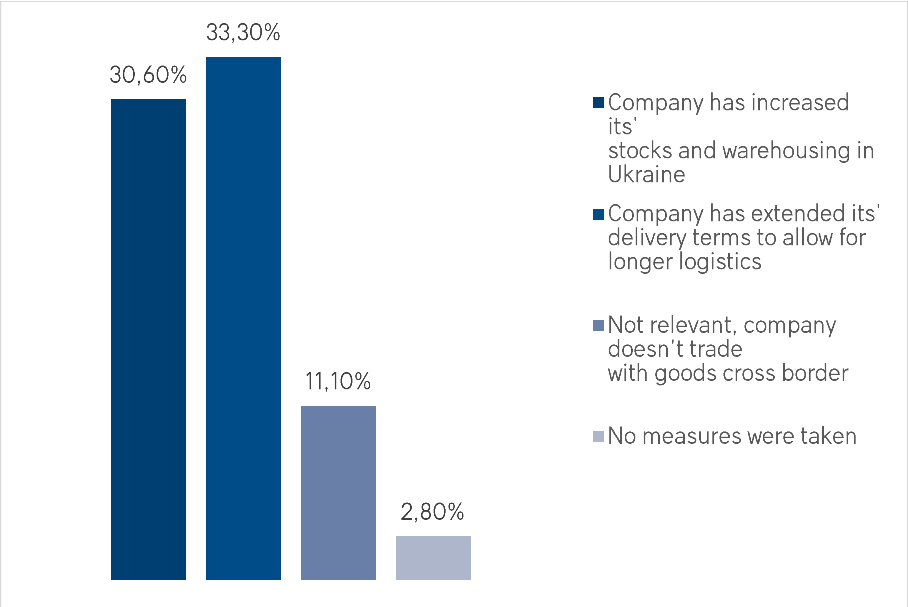
Hygiene and health products company

> **We have decreased stocks at our central warehouse and move more to the distributors/retailers.**
>
> Hygiene and health products company

> **We have established alternative logistics routes and the warehouse (service stock) outside Ukraine.**
>
> Industrial bearings manufacturer

These findings underline the increasing sophistication of operational risk management among Swedish companies in Ukraine. Rather than reducing their presence, many firms continue to invest in practical adjustments that allow them to sustain operations despite prolonged wartime uncertainty. The prevalence of warehousing expansion, delivery-term adjustments, and alternative logistics planning reflects a broader transition from short-term crisis management toward long-term operational adaptation.

What measures have you taken to mitigate supply chain issues amid the ongoing war in Ukraine?



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Most Swedish companies continue operating commercially, while donor-funded engagement expands

Most surveyed Swedish companies in Ukraine continue to operate primarily on a commercial basis rather than through donor-funded projects. While a limited share of respondents reported involvement in projects financed by international development partners, the results indicate that donor-funded activities currently represent a complementary rather than a core business channel for most companies.

At the same time, the findings demonstrate that international recovery and development programmes are creating selected opportunities for private-sector participation. Swedish companies are increasingly engaging in areas linked to reconstruction, energy resilience, healthcare, infrastructure, and institutional capacity building, where international financing plays an important role.

As Ukraine's recovery efforts continue to evolve, the interaction between commercial activity and donor-supported initiatives is expected to become increasingly relevant. However, the survey suggests that Swedish companies remain primarily motivated by long-term market opportunities rather than short-term reconstruction funding alone.

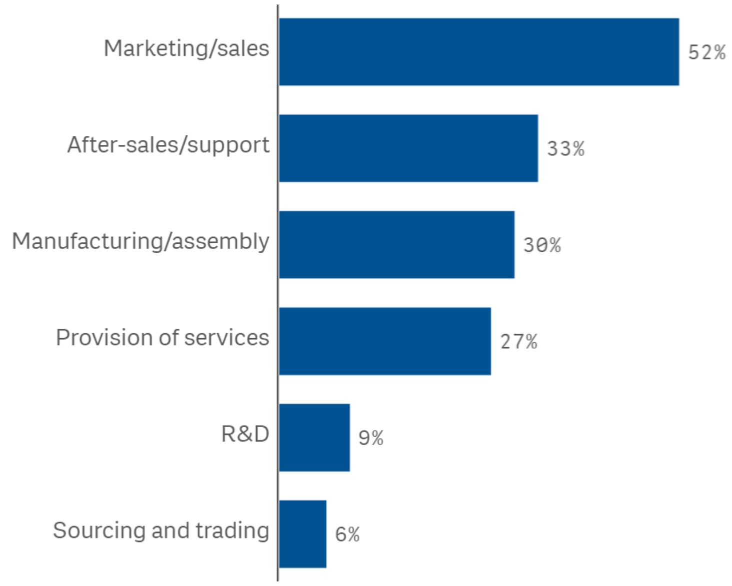
Overall, the results underline the continued confidence of Swedish businesses in Ukraine's long-term economic potential. Despite the ongoing wartime environment, many companies continue to maintain and expand their operations for commercial reasons, while selectively exploring opportunities arising from international recovery and reconstruction programmes.

Commercial functions dominate Swedish companies' operations in Ukraine

Swedish companies in Ukraine remain primarily focused on commercial activities, with marketing and sales (52 per cent) representing the most common function. This is followed by after-sales support (33 per cent), manufacturing and assembly (30 per cent), and service delivery (27 per cent), reflecting a strong emphasis on customer engagement and market presence.

More advanced functions, such as research and development (9 per cent) and sourcing or trading activities (6 per cent), remain relatively limited. Overall, the results suggest that Swedish companies continue to prioritise sales, service, and customer proximity, while a notable share have also established local production capabilities, demonstrating a gradual deepening of their operational presence in Ukraine.

Operations of Swedish firms in the market



NOTE: The number of respondents for this question was 36. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

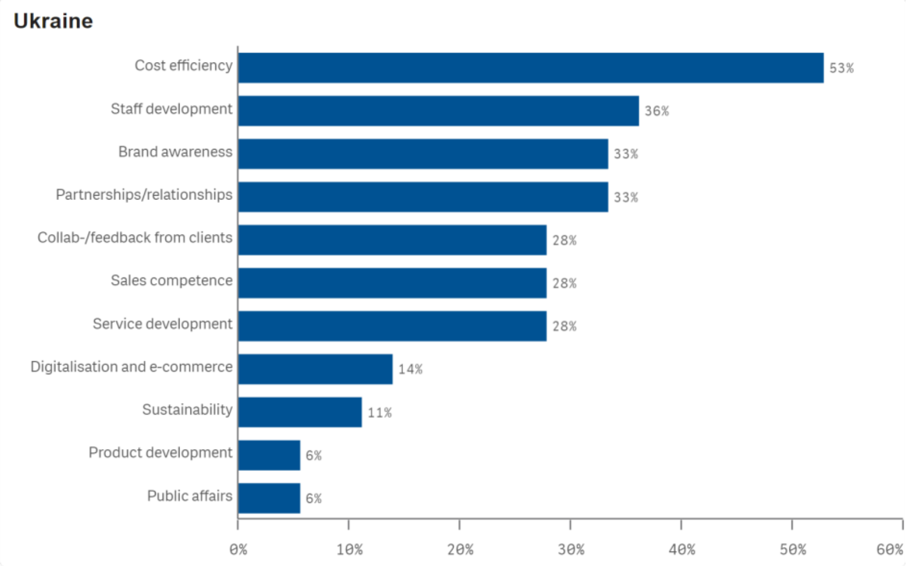
Cost efficiency and talent development drive competitiveness of Swedish companies in Ukraine

Swedish companies identify cost efficiency (53 per cent) as the most important factor supporting competitiveness in Ukraine, reflecting the need to maintain operational resilience in a challenging business environment. Staff development follows at 36 per cent, highlighting the importance of attracting, retaining, and developing talent.

Other important factors include brand awareness and partnerships (both 33 per cent), as well as sales competence, service development, and customer collaboration (28 per cent each). These findings underline the value of strong market positioning, local networks, and customer engagement.

In contrast, digitalisation and e-commerce (14 per cent), sustainability (11 per cent), product development (6 per cent), and public affairs (6 per cent) receive comparatively less emphasis. Overall, the results suggest that Swedish companies are primarily focused on operational efficiency, people, and business relationships as the foundations of competitiveness in Ukraine.

To date, which of the following areas have been important in maintaining competitiveness in Ukraine?



NOTE: The number of respondents for this question was 26. “Don’t know/Not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

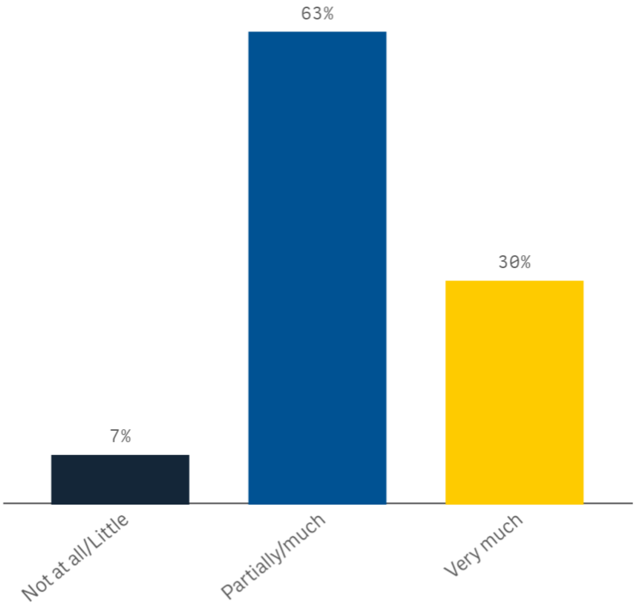
The Swedish brand remains a strong but more moderately leveraged asset in Ukraine

The Business Climate Survey confirms that the Swedish brand continues to contribute positively to business performance in Ukraine. A majority of respondents (63 per cent) indicate that the Swedish brand contributes “partially” to their business, while 30 per cent report that it contributes “very much.” Only 7 per cent see little or no impact.

Compared to 2025, companies increasingly view the Swedish brand as a supporting rather than a primary competitive advantage. This suggests that while country-of-origin effects remain important, business success is increasingly shaped by operational performance, local presence, and customer relationships.

Nevertheless, the Swedish brand remains associated with quality, reliability, innovation, sustainability, and high ethical standards. Combined with Sweden’s strong support for Ukraine, these attributes continue to strengthen trust and credibility among customers and partners. Overall, the findings indicate that the Swedish brand remains an important competitive asset, particularly when complemented by strong local execution and market engagement.

To what extent would you estimate that the "Swedish brand" contributes to your business in Ukraine?



NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Acting sustainably

Environmental considerations remain secondary but gradually emerging in customer decision-making

Environmental considerations in Ukraine continue to play a limited but gradually increasing role in customer purchasing decisions, remaining secondary to price, availability, and operational reliability.

> **In a whole, market and people care more about price rather than sustainability. However, sustainability is always a plus if all other criteria are equal.**
>
> Paper and packaging manufacturer

> **They have other fish to fry right now so sustainability comes quite far down on their priority list. But we feel strongly that the interest is there and the motivation to build back better and sustainable.**
>
> Vocational training provider

In 2026, 52 per cent of surveyed companies report that customers consider environmental aspects to a very limited extent or not at all, up from 43 per cent in 2025. A further 36 per cent observe partial consideration, while only 6 per cent indicate that environmental factors play a significant role in purchasing decisions.

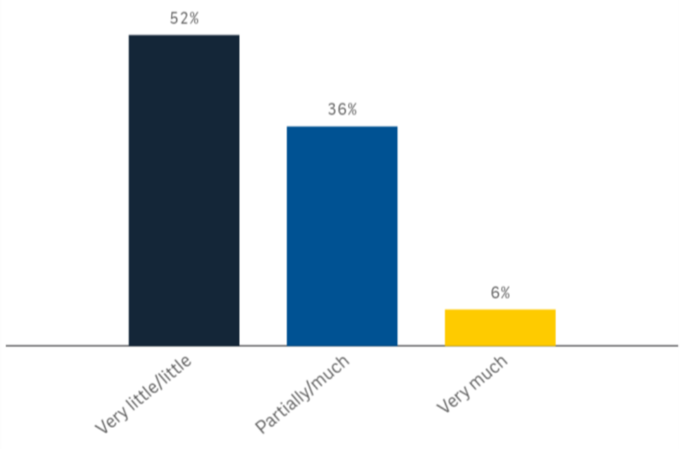
The findings suggest that, amid ongoing wartime pressures and cost constraints, sustainability remains a secondary consideration for many customers compared to price, availability, and operational needs. At the same time, environmental considerations continue to gain importance in selected market segments and are increasingly influenced by international standards and financing requirements.

Looking ahead, sustainability is expected to become more relevant as Ukraine advances its EU integration agenda and reconstruction efforts. Alignment with European environmental standards, climate-related regulations, and donor funding requirements is likely to further increase the importance of ESG considerations for businesses operating in Ukraine.

Overall, while environmental factors are not yet a decisive driver of customer demand, they are gradually becoming a more important component of long-term competitiveness and market access.

> **Environmental considerations are gaining importance among Ukrainian customers, although price, quality, durability, and availability remain the primary purchasing factors.**
>
> Handmade rugs manufacturer

To what extent do customers in Ukraine consider the environmental aspects of a product or service in their purchasing decision?



NOTE: The number of respondents for this question was 33. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Corruption exposure remains a significant concern, while perception and operational realities continue to diverge

Swedish companies in Ukraine report continued exposure to corruption-related risks, suggesting that governance and transparency remain important concerns for businesses operating in the market. Around 17 per cent report exposure in interactions with public authorities and 20 per cent with private counterparts, while no respondents indicate issues involving internal stakeholders.

At the same time, the data is characterised by limited applicability and visibility. A significant share of respondents selected "N/A", while approximately 23 per cent answered "Don't know", indicating that many companies either do not operate in higher-risk interfaces or lack full transparency over certain interactions, particularly those managed through intermediaries, distributors, or local partners.

Compared with 2025, the 2026 survey indicates a moderate increase in reported exposure to corruption among Swedish companies operating in Ukraine. While in 2025 only 12 per cent of respondents reported corruption-related challenges involving public or private counterparts, the 2026 results increased to 17 per cent regarding public authorities and 20 per cent regarding private counterparts. At the same time, high shares of "Don't know" and "Not applicable" responses persisted across both years, suggesting that many companies continue to limit exposure to higher-risk interfaces or operate through cautious compliance and partnership structures.

Importantly, these findings should not be interpreted as evidence of a low-corruption environment. Rather, they reflect the complexity of measuring corruption exposure in a wartime economy where many international companies deliberately limit direct engagement with public authorities or apply stricter compliance procedures and operational safeguards. At the same time, concerns related to customs procedures, regulatory consistency, judicial protection, and unequal treatment continue to recur across survey responses, reinforcing that governance-related risks remain a material issue for businesses operating in Ukraine.

Comparative findings from other Business Climate Surveys provide additional context for interpreting the results for Ukraine. In Italy and Poland, Swedish companies reported very limited direct exposure to corruption, with responses largely concentrated in the "N/A" categories and only isolated incidents, primarily linked to interactions with private counterparts. Brazil similarly showed relatively low reported exposure levels, with only 5 out of 60 respondents identifying corruption-related risks or incidents involving public entities, private counterparts, or internal stakeholders.

At the same time, surveys from Kenya and South Africa demonstrated comparatively higher levels of reported exposure and uncertainty, particularly regarding public authorities and indirect operational risks. In Kenya, certain respondent groups reported exposure to public-sector corruption in the range of

25–31 per cent, while South Africa showed elevated “Don’t know” responses alongside isolated cases of exposure across public, private, and internal counterpart categories.

These comparisons underline that corruption exposure data should be interpreted carefully across jurisdictions. Direct reported exposure may vary significantly depending on reporting culture, visibility over third-party interactions, operational structure, and the degree of engagement with public institutions. In Ukraine’s case, wartime conditions, reconstruction-related funding flows, and ongoing institutional transformation further increase the sensitivity of governance and transparency-related risks.

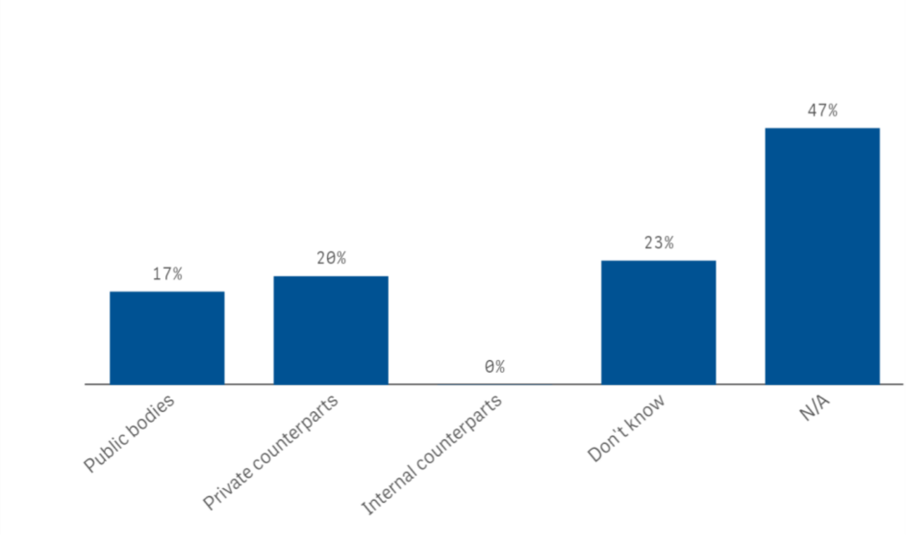
Overall, the findings suggest that corruption and governance-related concerns remain an important structural issue shaping business confidence in Ukraine. While Swedish companies acknowledge ongoing progress in reforms and institutional improvements, transparency, rule-of-law predictability, and consistent enforcement remain critical to strengthening long-term investor confidence and supporting Ukraine’s economic recovery and reconstruction.

While Ukraine continues to advance anti-corruption reforms and align with EU standards, these results underscore the importance of companies strengthening due diligence, enhancing oversight of third-party interactions, and improving internal reporting mechanisms.

In sum, exposure to corruption persists at a relatively high. Improving transparency and monitoring will be key to ensuring that risks remain controlled as companies deepen their presence in the market.

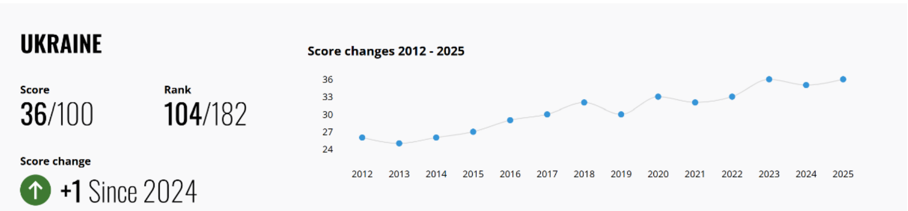
At the same time, Swedish companies operating in Ukraine are encouraged to maintain open dialogue and transparency regarding governance-related challenges and operational risks. Business Sweden and the Embassy of Sweden in Kyiv remain committed to supporting Swedish businesses active in the Ukrainian market and encourage companies to raise concerns should corruption-related issues, irregularities, or governance challenges arise. Continued dialogue, information sharing, and cooperation between companies, institutions, and authorities are essential for strengthening transparency, improving the business climate, and supporting Ukraine’s ongoing reform and reconstruction efforts.

Has your company in Ukraine been exposed to corruption, such as, but not limited to, attempts of bribery or fraud in contacts with any of the following areas?



NOTE: The number of respondents for this question was 36. “Don’t know/Not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

Corruption Perceptions Index 2025



NOTE: Ukraine has a score of 36 this year, up 1 point from last year, placing it 104th out of 182 countries.
SOURCE: Transparency International

Ukraine continues to show gradual improvement in its anti-corruption performance, though challenges remain. According to Transparency International, Ukraine scored 36 out of 100 in the 2025 Corruption Perceptions Index (CPI), ranking 104th out of 182 countries, reflecting a 1-point increase from 2024. While still below global averages, this marks continued progress compared to 32 in 2021 (pre-invasion), highlighting a longer-term upward trend despite wartime pressures.

At the same time, perceptions of corruption remain elevated. A 2024 survey by the National Agency on Corruption Prevention (NACP) and Info Sapiens shows that 76 per cent of companies consider corruption a very serious issue, and 57 per cent believe it has increased over the past year.

Nevertheless, structural concerns continue to weigh on the business environment. Key risks include legal unpredictability, judicial integrity issues, and uneven enforcement, which remain significant constraints for international investors. According to the American Chamber of Commerce in Ukraine, 26 per cent of companies identify anti-corruption progress as a top reform priority, second only to broader rule-of-law improvements.

Businesses also continue to face indirect costs associated with informal practices, particularly in areas such as customs procedures, access to utilities, interactions with law enforcement, and land administration. While progress is visible in tax administration and parts of the regulatory framework, legacy risks persist in certain sectors and institutional layers.

In response, Ukraine is advancing reforms aligned with its EU accession trajectory. Key measures include strengthening public procurement systems, enhancing oversight bodies such as the Accounting Chamber and ARMA, and reinforcing judicial vetting mechanisms through the Public Integrity Council. International partners, including the Organisation for Economic Co-operation and Development, the International Monetary Fund, and the European Union, acknowledge this progress, while emphasising that effective implementation and enforcement remain critical.

Looking ahead, the outlook is cautiously optimistic. Ukraine's EU candidate status and continued donor support create strong incentives for the continuity of reforms. However, wartime conditions and political uncertainty may slow momentum. Sustained progress will depend on deepening institutional capacity, strengthening enforcement, and advancing high-profile anti-corruption cases.

Overall, Ukraine is moving in a positive direction, but concerns around corruption remain elevated. Ensuring consistent enforcement will be key to strengthening investor confidence.

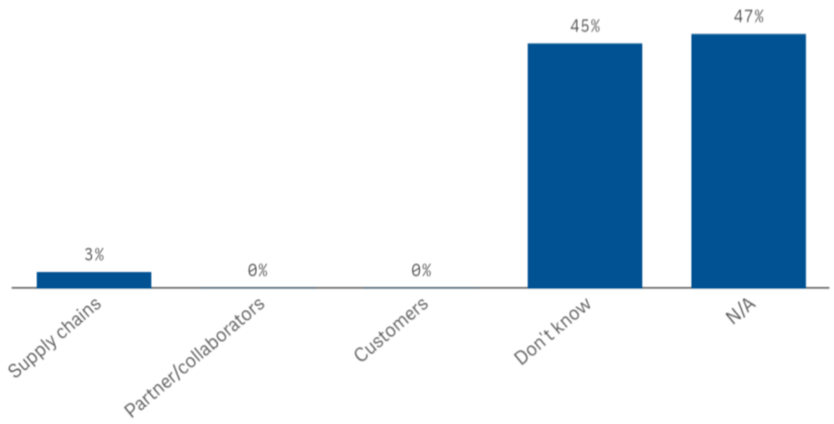
No reported human or labour rights violations, though limited visibility persists

The Business Climate Survey indicates that Swedish companies in Ukraine reported no direct experience of human rights or labour rights violations within their operations, supply chains, or business relationships. Only 3 per cent of respondents identified potential concerns related to supply chains, while no companies reported issues involving business partners or customers.

At the same time, a significant share of respondents selected either "N/A" (47 per cent) or "Don't know" (45 per cent), suggesting that many companies have limited visibility into potential risks beyond their immediate operations.

Overall, the findings reflect the generally strong compliance standards of Swedish companies operating in Ukraine. However, as Ukraine continues its EU integration process and aligns with international ESG requirements, expectations regarding supply chain transparency and human rights due diligence are likely to increase. Strengthening monitoring and risk assessment processes will therefore remain important for maintaining high compliance standards in the years ahead.

Has your company in Ukraine encountered any form of human rights violations and/or labour rights abuse in contact with any of the following areas?



NOTE: The number of respondents for this question was 36. Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Ukraine 2026

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