

IKEA Sustainability Strategy

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Agenda

1. IKEA Vision & Business Idea
Facts and Figures FY22
2. IKEA Sustainability Strategy
People & Planet Positive
3. IKEA Climate Footprint
4. Focus Areas



IKEA Vision & Business Idea

To create a better
everyday life
for the many people

To offer a wide range of home
furnishing products at prices so
low that as many people as
possible will be able to afford
them.

The IKEA business in FY22



231,000

IKEA co-workers



9,500

products in the IKEA range



822 million

visits to IKEA stores



1,600+

IKEA suppliers and partners



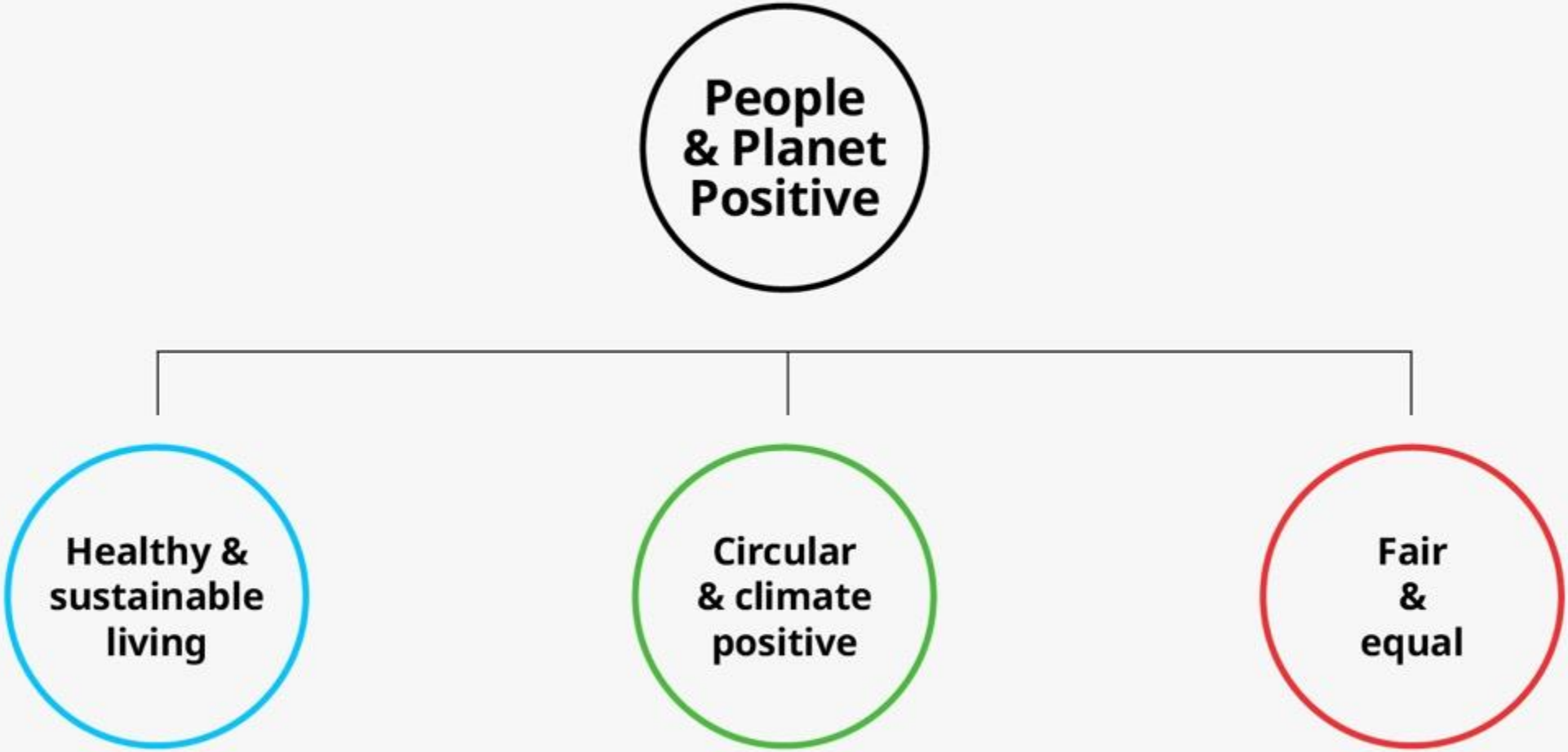
4.3 billion

visits to IKEA websites



44.6 billion

IKEA retail sales (in EUR)



**Healthy &
sustainable
living**

Examples of what we are doing



Developing and promoting circular services



Products and solutions for better air at home



Products and solutions for living a more energy-efficient life



More plant-based food



Strategic goals to transform into a circular business



Enabling customers to acquire, care for, and pass on products in circular ways



100% circular products by 2030



By 2030 all materials used are renewable or recycled



Taking the lead and joining forces with others

**Circular
& climate
positive**

Examples of what we are doing



Cut climate footprint by an average of 70% per IKEA product



Sourcing responsibly and improving management practices



Strive for 100% renewable energy across the IKEA value chain



Zero food waste



Examples of key commitments



Expand IWAY further back in the supply chain



Work with others to stop recruitment fees charged to migrant workers



Contribute to livelihoods for 20.000 people through business partnerships with social enterprises



Evaluate our entire value chain to understand how all activities impact the rights of children, directly and indirectly

Overview of ambitions and commitments



Ambitions for 2030

Commitments

Key enablers



Inspire and enable more than 1 billion people to live a better everyday life within the boundaries of the planet

Creating a movement in society around better everyday living

Inspiring and enabling people to live healthier, more sustainable lives

Promoting circular and sustainable consumption

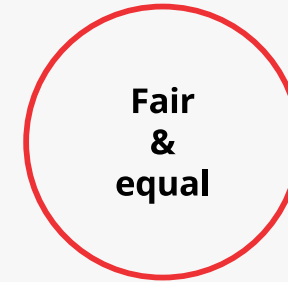


Become climate positive and regenerate resources while growing the IKEA business

Transforming into a circular business

Becoming climate positive

Regenerating resources, protecting ecosystems and improving biodiversity



Play our full part in contributing to a fair and equal society by respecting human right, creating a positive impact for people across our value chain and contributing to resilient societies

Being a responsible business and contributing to resilient societies

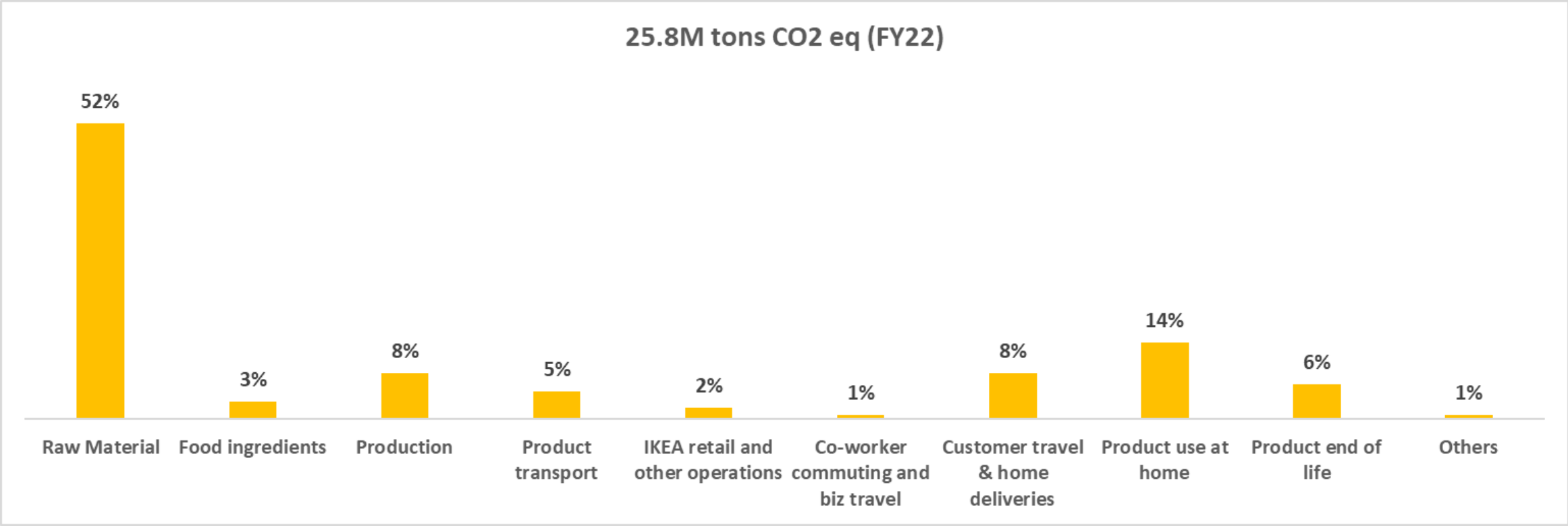
Providing and supporting decent and meaningful work across the IKEA value chain

Being an equal, diverse and inclusive business

Advocacy, co-creation & partnership, entrepreneurship and innovation, inclusiveness

WAY FORWARD: CLIMATE ROAD MAPS

IKEA GHG EMISSIONS

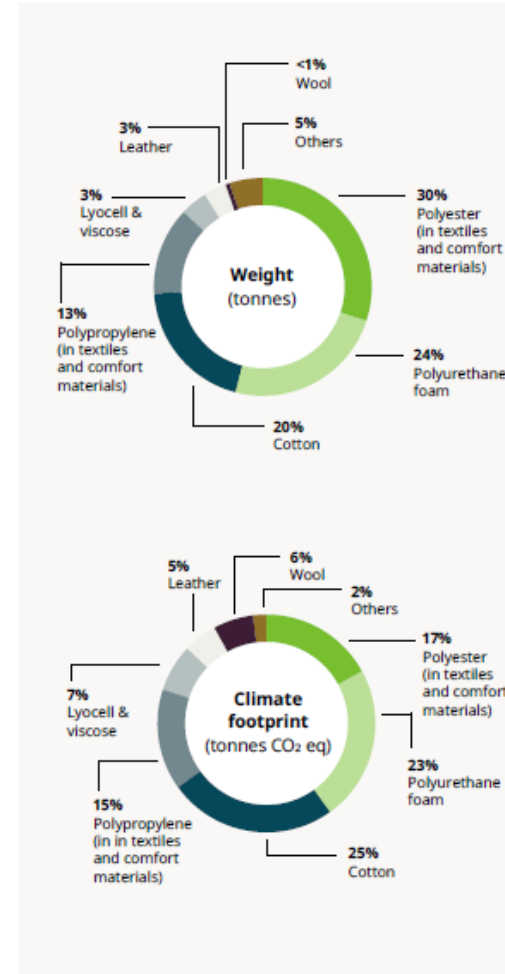


Materials :Textiles

Bedtextiles , curtains,towels, rugs to sofas and mattresses

Actions:

- Textile to textile recycling(recycled polyester, recycled cotton)
- Increasing use of lyocell and viscose



Share of material weight (% tonnes) vs. climate footprint (% tonnes CO₂ eq)

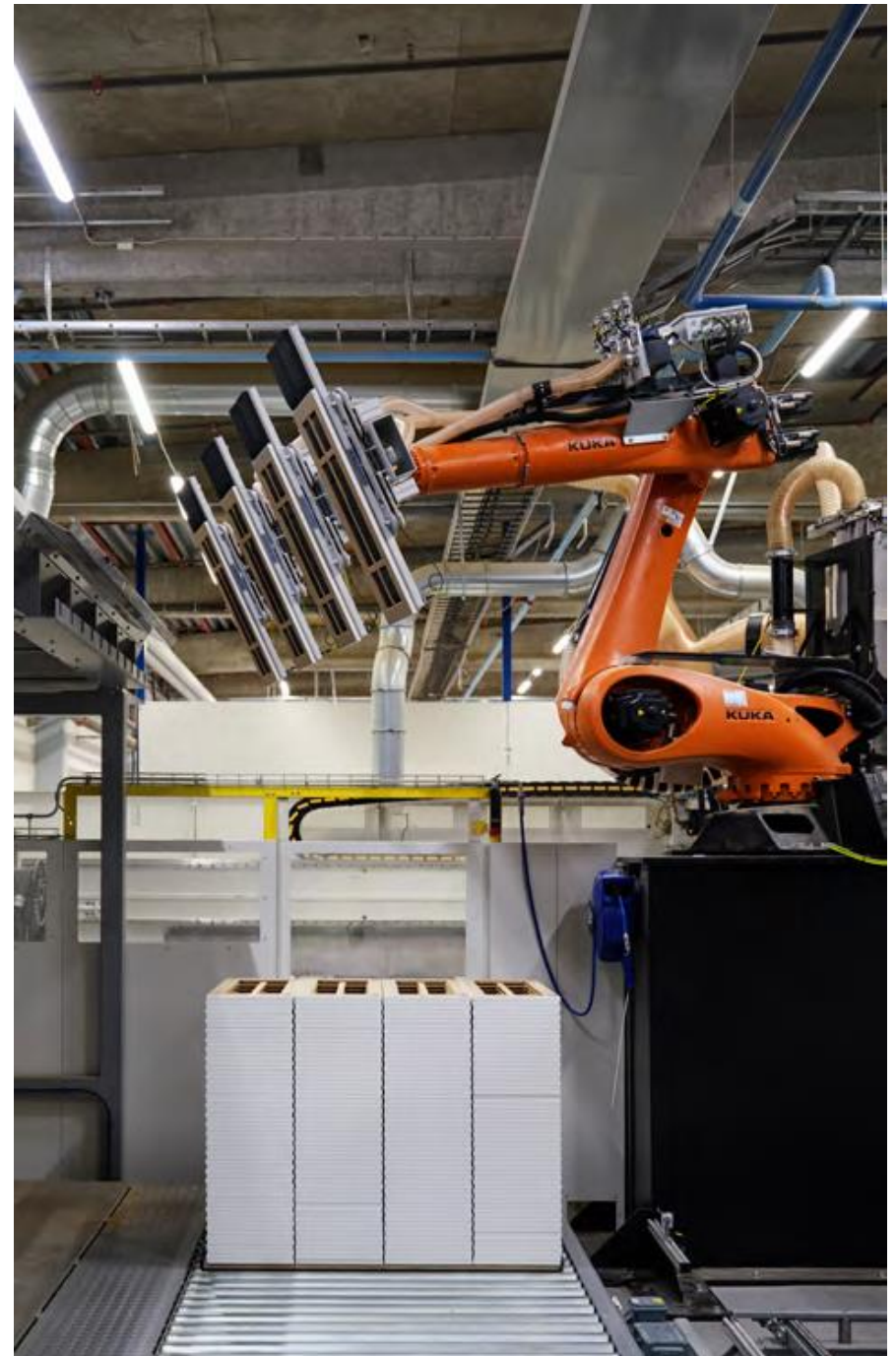


Production

The climate footprint of production decreased by 8% compared to FY21. Compared to baseline FY16, it has been reduced by **37 %**.

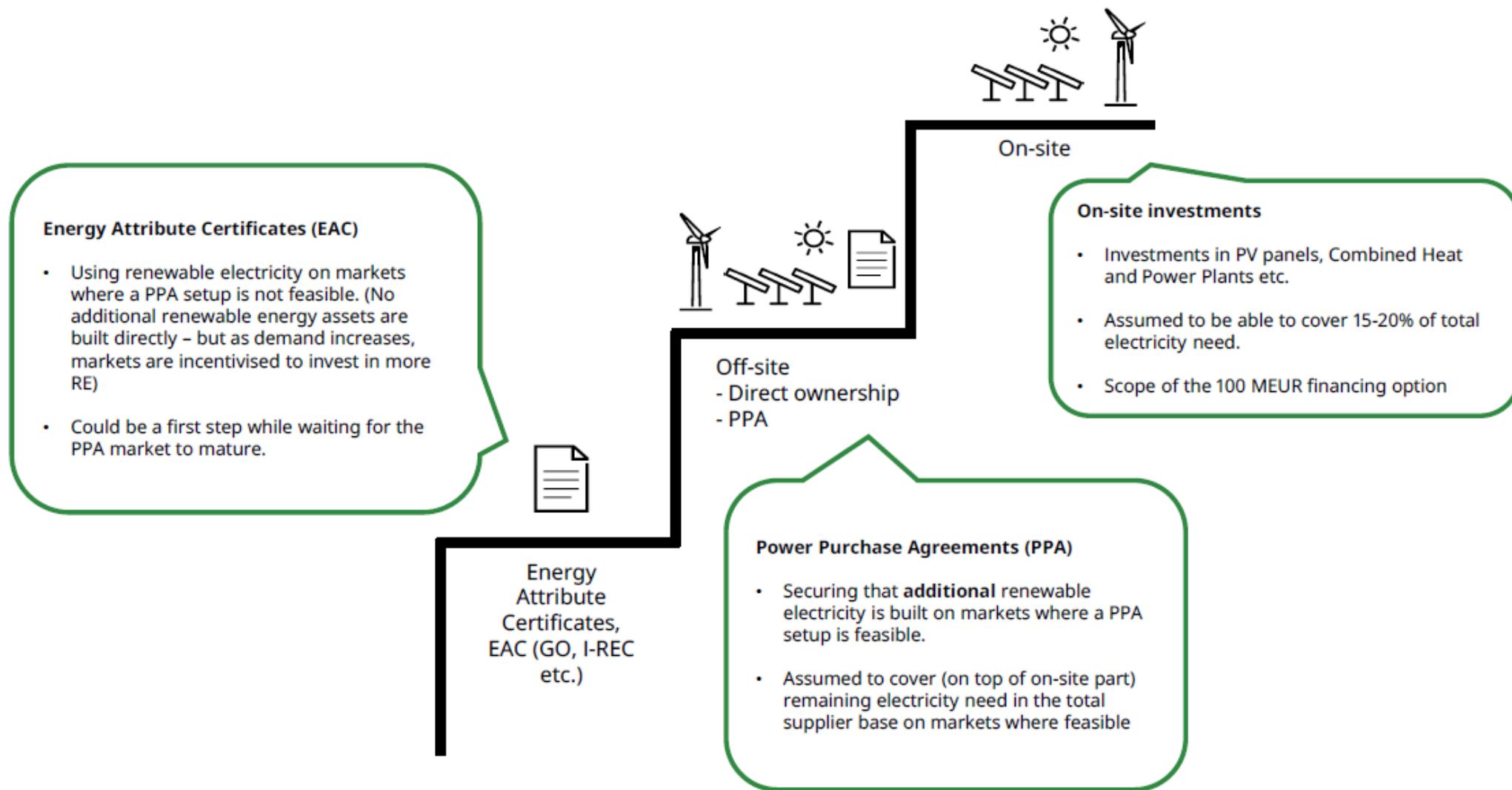
Actions:

- Promoting on-site RE generation
- Enabling purchase of RE for what cannot be generated on-site
- Phasing out coal and fossil-based fuels used onsite
- Electrification of production processes, heating and internal transports

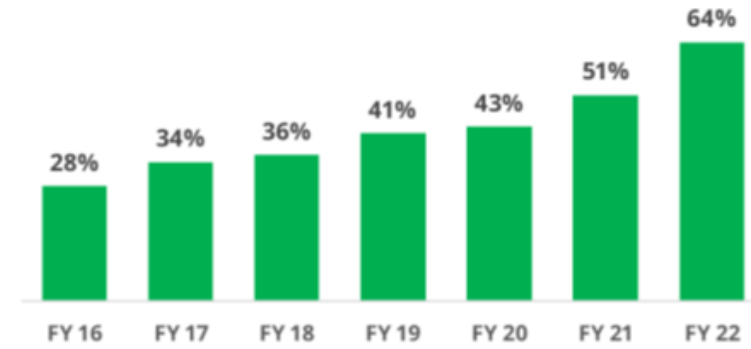




Renewable Electricity Staircase (simplified)



Production FY 16-23 share of Renewable electricity %



**Renewable Electricity
Share in total IKEA**





Focus Areas

- Coal phaseout
- Renewable Electricity
- Energy efficiency
- Water- Zero Liquid Discharge
- Oil based fuels phaseout
- Circularity

“No method is more effective than a good example.”

Ingvar Kamprad



Thank you!

