



A MESSAGE FROM STEVE

"We are going all-in to have a positive impact on people and the planet. We've achieved a lot in FY15, and we are raising our voice on climate change, the most important issue our society faces today. By taking action and encouraging others to do so, we can create a better everyday life for the many people."

STEVE HOWARD
Chief Sustainability Officer, IKEA Group



SUSTAINABILITY SUMMARY

IKEA GROUP
FY15



MORE SUSTAINABLE LIFE AT HOME



We want to inspire and enable a more sustainable life at home for the many people

That is why we are developing products and services that enable our customers to use less water and energy, reduce waste and live healthier lives.



LED - Our entire lighting range is now LED or compatible with LED bulbs. They use up to 85% less energy than traditional incandescent light bulbs and last up to 20 years! This is great news for the planet and for customers' wallets.

Veggie balls

We introduced veggie balls to our food range. With just half the saturated fat and 3-5% of the carbon footprint of our traditional meatballs, this is another step towards making our food range healthier and more sustainable.



4,033 co-workers and 146 customers

tried products to enable them to live more sustainably at home. The first of these projects launched in France and Switzerland, and more will follow in FY16.

29%

increase in sales of products that contribute to a more sustainable life at home, compared with FY14.

RESOURCE AND ENERGY INDEPENDENCE



We want to become resource and energy independent

That means helping to transform the industry for our key raw materials like cotton and wood, investing in renewable energy and becoming more efficient in our operations and supply chain. And it means making every product more sustainable while keeping the quality, function, form and affordability our customers love.



Now all of the cotton we use for IKEA products comes from more sustainable sources¹. This means that the farmers supplying cotton use less water, chemical fertilisers and pesticides, while increasing their profits.

¹ Cotton from more sustainable sources includes cotton grown to the Better Cotton Standard¹ by farmers working towards Better Cotton², and more sustainable cotton from the USA (such as the e3 Cotton Program³).

EUR 600 million

We committed EUR 600 million to renewable energy, building on the EUR 1.5 billion we have invested in wind and solar since 2009. This will help us to reach our 2020 target to produce as much renewable energy as the energy we use across our operations.

50%

of our wood came from more sustainable sources², meeting our target two years ahead of schedule! By August 2020, we aim to source 100% of our wood, paper and cardboard from more sustainable sources.

53%

We produced renewable energy equivalent to 53% of our total energy consumption. Adding all the wind farms that we have committed to own and operate, we will generate renewable energy equivalent to over 70% of our FY15 consumption.

Sustainable seafood—Fish and seafood sold and served in IKEA stores around the world now comes from sustainable and responsible sources³.

² More sustainable sources for wood are currently defined as FSC™-certified or recycled wood. ³ Crayfish is an exception as there are currently no certified fisheries.

BETTER LIFE FOR PEOPLE AND COMMUNITIES



We want to create a better life for the people and communities impacted by our business

That includes everyone involved in our business, from our suppliers' co-workers to our own co-workers, our customers and the communities around us.



EUR 400 million

The IKEA Foundation committed EUR 400 million to support communities most impacted by climate change.

Supporting suppliers with IWAY (our supplier code of conduct)

Together with our suppliers, we significantly reduced working hours, while maintaining salaries, for the people who work for our suppliers in China.

82%

Our VOICE survey showed that 82% of co-workers agree with the statement, "I am proud of the way that IKEA works with sustainability", and 79% agree with the statement, "Within my department sustainability is a natural part of everyday work".

EUR 20.9 million

donated by IKEA Foundation to improve opportunities for children and families in some of the world's poorest communities as a result of the Brighter Lives for Refugees and Soft Toys for Education campaigns⁴.

⁴ Figures for the Soft toys for education campaign are from November and December 2014, figures for the Brighter lives for refugees campaign are from February and March 2015

TACKLING CLIMATE CHANGE

WILL STRENGTHEN ECONOMIES AND BUILD A CLEANER, FAIRER AND MORE PROSPEROUS FUTURE FOR ALL.

€600 million

announced for investments in wind and solar power, building on the

€1.5 billion

invested since 2009.

€133 million

saved through energy efficiency measures since FY10.¹

Committed to own and operate

314

wind turbines.

Will produce renewable energy equivalent to

100%

of our energy consumption by 2020.

100%

Now all of the cotton we use for our products comes from more sustainable sources.²

50%

of our wood came from more sustainable sources, and we are aiming for 100% by FY20.³

18%

increase in energy efficiency at suppliers compared with FY12.⁴

100%

Our entire lighting range is now converted to energy efficient LED.

€10.8 million

donated by the IKEA Foundation through the Brighter Lives for Refugees campaign. This will provide lighting, renewable energy and education for refugee children and their families.

€400 million

committed by the IKEA Foundation to support families and communities most impacted by climate change.

See how we're going **#AllIn**

If all IKEA FAMILY members changed a bulb to LED, it would save enough electricity to power over 600,000 homes for a year⁵

Produced enough renewable energy to power Ireland for two weeks.

700,000

solar panels on our buildings.

BECOMING ENERGY INDEPENDENT

Tackling climate change drives innovation and renewal. It's an opportunity to make our business better and meet customer needs.

MORE SUSTAINABLE MATERIALS AND SUPPLY CHAIN

With our partners we are making materials more sustainable and cutting emissions in our supply chain.

ENABLING MORE SUSTAINABLE LIVING

Sustainability should not be a luxury for the few, but affordable for the many. With billions of visitors to our stores and IKEA.com, we can enable many people to live a more sustainable life at home.

IKEA FOUNDATION SUPPORTS FAMILIES AND COMMUNITIES

The IKEA Foundation funds programmes to create new opportunities for some of the world's poorest communities, helping them to build resilience to climate change and improve their lives.

€1 BILLION FOR CLIMATE ACTION⁶

We're going all in to tackle climate change, leading by example and calling for strong policies from governments.

¹ In our own operations. ² Cotton from more sustainable sources includes cotton grown to the Better Cotton Standard; by farmers working towards Better Cotton; and more sustainable cotton from the USA (such as the e3 Cotton Program). ³ More sustainable sources for wood are currently defined as FSC™-certified or recycled wood. ⁴ At tier 1 home furnishing suppliers. ⁵ Compared to a traditional incandescent bulb. Calculation based on the electricity consumption of an average European household. ⁶ In 2015, IKEA Group committed €600 million and the IKEA Foundation committed €400 million for climate action.

