

Introduction

At IKEA, our vision of creating a better everyday life for the many people goes beyond home furnishing. We want to have a positive impact on our world, in our communities, and for our people. Our Gender Pay Gap Report is not just a tick box exercise, it is an important tool in building an inclusive and fair workplace that truly reflects the societies we work in.

Across IKEA Ireland, the overall gender pay gap analysis reflects a small pay gap, where on average male co-workers earn more than female co-workers. Comparatively there is a larger median gender pay gap which is a reflection of the higher proportion of male co-workers in specialsed roles that receive payment supplements such as forklift and night shift premiums.

At IKEA Ireland we have a higher proportion of female coworkers, which we view as a positive indicator of gender diversity across the organisation. However, this does have an impact on the pay gap as a significant portion of these female co-workers are in lower paid roles, particularly in hourly roles and part-time positions which are less likely to be salaried. This higher representation of women in lower-paying positions tends to lower the overall gender pay gap.

There remain opportunities to enhance balanced representation across all pay levels and continue our work to develop greater equity throughout IKEA Ireland. We continue to build upon our long-term strategies, targeted actions and investment to ensure we are in the best position possible to continue closing the pay gap.

We are motivated by this year's results and looking ahead to 2026 we know that there is still work to be done. There are opportunities in the year ahead for us to make progress on our goals and move towards our longer-term vision of creating a more equal everyday for our people and the communities we serve.

Darren Taylor Country People & Culture Manager, IKEA UK and Ireland

Understanding our gender pay gap report

What is the gender pay gap?

The gender pay gap is the difference in the average hourly wage of men and women across our Irish coworkers. The Gender Pay Gap Information Act 2021 requires IKEA to report on our hourly gender pay gap across a range of metrics.

Why does the gender pay gap matter?

The gender pay gap is influenced by many structural and societal factors. For example, the ways in which different types of work and roles have traditionally been viewed and valued, contributing to disproportionate amounts of men in higher paid jobs. Without a concerted effort to address these disparities, they are likely to persist across all industries.

Who is represented in our data?

Our figures track the pay of all "relevant full paid IKEA co-workers" in Ireland in line with government criteria. This includes consideration of full-time, part-time and temporary co-workers, whether hourly or salaried.

What about non-binary co-workers?

The focus of our gender pay gap report is the binary gender that is required by law: women and men. However, at IKEA we acknowledge that gender identity goes beyond the binary definitions. We have a systematic and comprehensive approach to LGBT+ inclusion to minimise discrimination against people of all sexual orientations and gender identities.

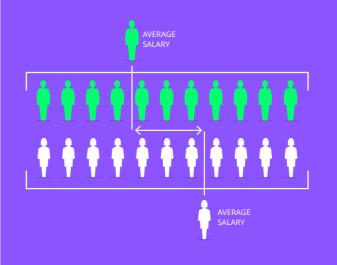


Mean vs Median

We report on two different data sets relating to our gender pay gap – the mean and the median.

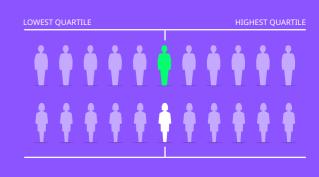
Mean: This is the difference between the average male salary and the average female salary. It takes account of total hourly pay, divided by number of co-workers, to compare the gender split of salaries across the entire organisation.

Calculating mean:



Median: Lining up all the male employees in order of earnings, the salary of the male in the centre of the line is the median male salary. Comparing this to the median female salary gives us the median gender pay gap. The median is less skewed by extreme values for example, if one person is paid significantly more than many others across the organisation.

Calculating median:

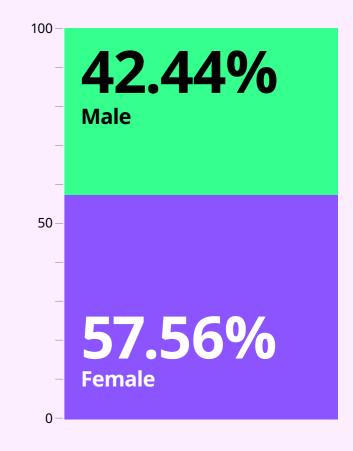


Our results 2025

Gender split of co-workers in retail

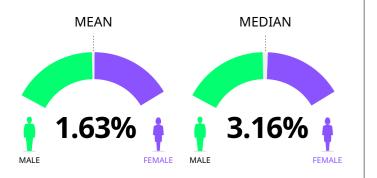
We have a high proportion of female coworkers overall, which is a positive indicator for gender diversity across IKEA.

A significant proportion of our female coworkers are concentrated in the lower paid quartiles, particularly hourly roles. This higher representation of female co-workers tends to lower the overall mean gender pay gap. Whilst this highlights a gender distribution challenge, it suggests that the gap is not necessarily due to unequal pay for similar roles, but rather due to the concentration of female co-workers in lower-paid positions.

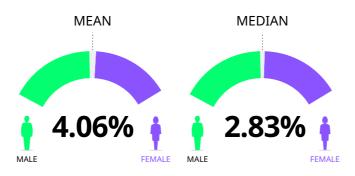


Gender Pay Gap 2025

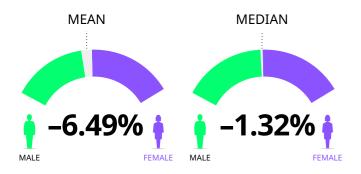
Overall Gender pay gap



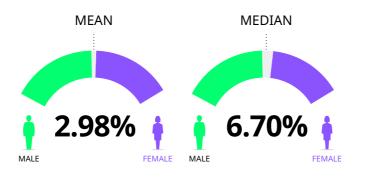
Hourly gender pay gap



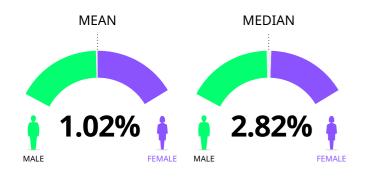
Full-time gender pay gap



Salaried gender pay gap



Part time gender pay gap



These results reflect a small gender pay gap where, on average, male co-workers earn 1.63% more than female co-workers. The larger median pay gap figure is reflective of a higher proportion of male co-workers in roles that receive payment supplements such as Forklift and Night Shift premiums.

The negative pay gap for full-time workers indicates that, at the midpoint, female co-workers are paid slightly more than their male counterparts, which is an encouraging sign of pay equity in full-time roles.

The pay gap for hourly employees is quite small though still noticeable. It can mostly be attributed to supplementations to hourly pay such as Forklift Training and Night Shift Premiums.

This is similar to the results for salaried positions which show a small but still present pay gap, and also for part-time co-workers where females

generally earn slightly less than males but the gap remains modest.

A higher proportion of females are represented as the lowest paid co-workers accounting for 29% more of the lowest paid group than males. This again highlights the concentration of women in lower paid roles within the organisation contributing to the overall mean gender pay gap.

Proportion of employees in each pay quartile

Quartiles are calculated by listing the pay rates for each coworker, from lowest to highest, splitting the list into four equal-sized groups and calculating the percentage of men and women in each.

UPPER

46.79%		53.21%
UPPER MIDDLE		
49.68%		50.32%
LOWER MIDDLE		
35.90%		64.10%
LOWER		
37.42%		62.58%
MALE		FEMALE

In all four pay quartiles, there are more female co-workers than males, suggesting strong female representation in a wide range of roles. This is an improvement on our figures for FY24 where the upper quartile had a higher proportion of male coworkers.

With 57.56% of the workforce being female, this naturally skews the gender balance within each quartile. The higher overall number of female coworkers means that, even without other factors,

there is a tendency for females to dominate certain pay bands. However, this is not the only reason for the uneven distribution. Other factors, such as the types of roles women and men are occupying and historical gender patterns in job roles also play a part in this imbalance. While the higher proportion of females influences the distribution, it is important to consider these additional dynamics when interpreting the data.

Temporary contracts gender pay gap

IKEA Ireland does not have the volume of data available to measure the gap for temporary contract workers.

Bonus gender pay gap

We offer a bonus through the One IKEA Bonus scheme, that rewards co-workers with an annual bonus when the business meets or exceeds specific business goals. The bonus award varies every year and is based on the performance of the business unit, or a retail country and market area. If eligible, each co-worker receives the same level of bonus relative to their annual salary. There was no bonus paid out in FY25.



^{*}The pay data covers all employees active as of June 30, 2024, and includes earnings from July 1, 2023, to June 30, 2024. This analysis encompasses all co-workers within IKEA Ireland during this period.

What are we doing to reduce our gender pay gap in Ireland?

Equality, Diversity and Inclusion (ED&I) Co-Worker Resource Groups

Throughout FY25 we have seen a significant shift in our most senior leadership structure, which has meant the appointment of two new women replacing roles that were previously held by men. This also reflects why there has been a key shift in the positive movement in the Ireland mean gender pay gap, this has also brought the senior structure in Ireland close to our 50/50 ambition.

We continue to work with our Co-worker Resource Groups (CRG) with a purpose of;

- Community building and storytelling, focusing on sharing lived experiences and building relationships.
- Giving input to the strategic inclusion initiatives and ongoing business actions.
- Inviting more co-workers to become EDI Ambassadors and get involved through activating our co-worker belonging calendar activities.

We continue the good practice of having members of our Country Management Team involved in our CRG's. For example, Kym Bradbury (Country Communications Manager) serves as the senior sponsorship for the women's EmpowHer CRG.

We have previously utilised a reciprocal mentorship initiative called Win-Win which has supported high potential female co-workers and those from underrepresented groups to take their next step into leadership roles within a 12–18-month timeframe. We plan to adapt this model and integrate its successes into our total mentorship offer giving us the ability to scale this to a larger pool of people, with the ambition to always have our 50/50 gender balance in leadership roles at top of mind.





Leadership accountability

Leadership accountability is imperative in our approach, so we have rolled out antibias training for leaders across the organisation, whilst the most senior leaders in the organisation have had coaching sessions on bridging intentions into positive actions. This is all supplemented by ongoing training for all co-workers across the broader landscape of ED&I topics. We also have a clear accountability and awareness across our leadership population about our ambition to achieve 50/50 gender split in leadership roles, which supports our wider message of reflecting the societal demographics we serve, locally and nationally.

What are we doing to reduce our gender pay gap in Ireland?



Flexible working

Our flexibility approach and policy, enables co-workers in Ireland to access flexible working arrangements from day one of employment. Through ongoing flexibility conversations, all co-workers have the opportunity to change contract sizes and shift patterns, to work compressed hours, or to reduce hours temporarily during student exam time or other life events.

Pay initiatives

We are aligned with Living Wage Ireland and exceed their published hourly rate recommendations for all co-workers. This independent body is dedicated to ensuring adequate minimum income standards for everyone to have a socially acceptable standard of living. Our Total Reward Roadmap accelerates progression of co-workers through our pay ranges to more quickly address the gender pay gap and achieve pay equity. This initiative combines training and development opportunities, as well as more regular performance monitoring.

Recruitment and sourcing

We continue to analyse and adjust our recruitment approach to ensure we attract and retain diverse talent and implement measures to improve the transparency, attractiveness, and accessibility of our roles. We have embedded changes such as including the 'start from' salary on job postings and introducing reasonable adjustments into recruitment processes to support needs without bias or prejudice. Our most senior leaders are measured on creating diverse teams and talent pipelines that are representative of the local communities including meeting the 50/50 split of males and females. In the lower pay quartile, we are still looking at ways to make higher paid opportunities, such as our nightshift allowance and forklift truck operating roles more attractive and accessible to all genders.