

PRESS RELEASE 3 March 2022

## A message from IKEA Philippines:

We at IKEA Philippines share the shock and sadness of the many people in our community as we watch from afar the humanitarian crisis unfolding in Ukraine.

The owner of our stores, the Ikano Group, have allocated €500,000 to support efforts and organizations responding to this crisis. Several other initiatives to support emergency relief have already started through other IKEA entities together with established humanitarian organizations. The IKEA Foundation is donating €20 million for humanitarian assistance in answer to the emergency appeal from UNHCR, the UN Refugee Agency, to scale up its assistance and protection to people affected by the conflict in Ukraine.

As one among a dozen IKEA franchisees in the world, we sell products that are developed and supplied through the IKEA franchisor. Our franchisor released the following statement on March 3, together with the franchisee that is operating IKEA stores in Russia, Belarus and Ukraine:

## **IKEA** pauses operations in Russia and Belarus

**Netherlands, 3 March 2022** — The devastating war in Ukraine is a human tragedy, and our deepest empathy and concerns are with the millions of people impacted. The immediate actions of the IKEA franchisor, Inter IKEA Group, and the IKEA retailer in the impacted markets has been to support the personal safety and security of IKEA co-workers and their families, and we will continue to do so.

The war has both a huge human impact and is resulting in serious disruptions to supply chain and trading conditions, which is why the company groups have decided to temporarily pause IKEA operations in Russia. This means that:

- Inter IKEA Group has taken the decision to pause all export and import in and out of Russia and Belarus.
- Inter IKEA Group has taken the decision to pause all IKEA Industry production operations in Russia. This also means that all deliveries from all sub-suppliers to these units are paused.
- Ingka Group, the IKEA franchisee operating in Russia, has taken the decision to pause all IKEA Retail operations while the shopping centers it owns continue to be open with essential services.

These decisions have a direct impact on 15,000 IKEA co-workers, and we will continue to secure employment and incomes and provide support to them and their families in the region. The situation is extremely critical and fast moving. IKEA companies are dedicated to navigate in this reality, with the best interest of people as the highest priority.



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**About the IKEA franchise System** The IKEA retail business is operated through a franchise system with franchisees that are authorized to market and sell the IKEA product range within specified geographical territories. Inter IKEA Systems B.V. is the owner of the IKEA Concept and worldwide IKEA franchisor, who also assigns different IKEA companies to develop the range, supply products and deliver communication solutions. Today, 12 different groups of companies own and operate IKEA sales channels under franchise agreements with Inter IKEA Systems B.V.

**About Inter IKEA Group** Inter IKEA Group includes Inter IKEA Systems B.V., IKEA of Sweden AB, IKEA Supply AG, IKEA Industry AB and related businesses. Inter IKEA Holding B.V. is the holding company for the Inter IKEA Group.

**About Ikano Retail** Ikano Retail is one of 12 IKEA franchisees. We are committed to creating a better everyday life for the many people in Singapore, Malaysia, Thailand, Mexico and the Philippines – with plans to open more markets in the years ahead. Our Ikano Centers, anchored by IKEA, are meeting places at the heart of our communities. We are the only franchisee owned by the Ikano Group and the family of Ingvar Kamprad, who founded IKEA in 1943.