



IKEA Group
(Ingka Holding BV and its controlled entities)

Shanghai, 5 June 2017

PRESS RELEASE

IKEA Group releases its China sustainability report for the fiscal year 2016

The IKEA Group today released its first China sustainability report for the fiscal year 2016 (FY16), showing its progress towards its People and Planet Positive strategy.

"Today, we are delighted to present our first country sustainability report, which demonstrates how our work is making a positive impact on the many people in China. Taking into account our impressive array of changes over the course of the fiscal year, we have full confidence that sustainability will not only continue to play an integral role in our business, but will also function as a key enabler of growth in the years ahead. We will continue to drive transformational change to fulfill future customer needs, secure sustainable access to resources, and improve lives across China." Angela Zhu, Country Manager, IKEA Retail China.

In 2012, the IKEA Group announced its ambitious People & Planet Positive sustainability strategy by outlining a new set of goals and actions to be implemented by 2020. Guided by this strategy, IKEA has focused its efforts on three areas in order to achieve people and planet positive growth.

First, IKEA Group wants to inspire and enable its many customers to live a more sustainable life at home. In FY16, IKEA provided more than 400 products and numerous inspirational ideas to Chinese customers, enabling them to live more sustainably. Since converting their entire lighting range to LEDs in September 2015, IKEA China stores sold 4 million LED light bulbs in FY16. The energy saved amounts to a year's supply of electricity for 130,000 families in China.

Second, IKEA Group strives for resource and energy independence. Committed to renewable energy, IKEA Industry Nantong produced 3.53Gwh of renewable power from its 13,500 solar panels, equivalent to a year's supply of electricity for 1,400 families. This initiative reduced our CO2 emissions by a total of 3,600 tons. In addition, 11 IKEA stores in China produced 3 Gwh of renewable power from 37,894 solar panels, reducing their CO2 emissions by 3,000 tons.

Third, IKEA Group is committed to taking a lead in creating a better life for the many people and communities impacted by its business. In 2016, IKEA China initiated *I Care* in China, a social project that builds *I Home* family dormitories for the migrant workers of our suppliers in order to keep families together. This project also builds *I Center* community centers to provide safe spaces for migrant children to learn, play and grow up happily. Two IKEA campaigns (Soft Toys for Education and Brighter Lives for Refugees) in China were initiated to support IKEA Foundation in donating over €1.5 million for good causes worldwide.

"In China, we all want to build a sustainable economy and prosperous society. Working together with our customers, co-workers, business partners and the many people in China, IKEA will continue leverage our strength to help achieve this goal. We hope more people will join us in driving forward positive change," noted Freda Zhang, Purchasing & Logistic Area East Asia Manager.

Other FY16 sustainability highlights from IKEA in China include:

- Offering veggie balls to enable customers and co-workers to eat well. The carbon footprint of a vegetable ball is 30 times less than that of a traditional meatball.

About IKEA Group

The IKEA vision is to create a better everyday life for the many people and we offer well designed, functional and affordable, high quality home furnishing, produced with care for people and the environment. The IKEA Group owns and operates 340 stores in 28 countries under franchise agreements with Inter IKEA Systems B.V. In addition there are more than 40 stores run by other franchisees. The IKEA Group had 783 million visits during FY16 and more than 2.1 billion people visited www.IKEA.com



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- 100% of cotton, 90% of bamboo and 64% of wood and paper sourced in China came from more sustainable sources.
- Valuing and respecting every co-worker by promoting diversity and inclusion. Female co-workers represent 50.8% of our workforce and hold 48% of management roles.
- 97% of IKEA suppliers in China have met the standards of IWAY, our supplier code of conduct, ensuring that all of our suppliers take responsibility for the environment and social & working conditions.

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