



Inter IKEA Group
PRESS RELEASE

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IKEA Sustainability Report FY20: Forestry goal and circular assessment of the product range achieved

The financial year 2020* was challenging in many ways. The pandemic called for extraordinary measures to mitigate the effects for co-workers, business partners and communities across the value chain. At the same time, the IKEA business continued to deliver on the long-term sustainability strategy. Important achievements include reaching the 2020 forestry goal, assessing 9 500+ products for circular capabilities and improvements throughout the value chain to further reduce the climate footprint. The IKEA Sustainability Report FY20 is issued by Inter IKEA Group and covers the collective efforts from the contributors in the IKEA franchise system and value chain.

Today, IKEA is also launching a new 2030 Forest Positive Agenda to further ramp up the work to enhance biodiversity and mitigate climate change globally ([Click to read more](#)).

“This exceptional year has made us even more determined to accelerate our efforts to tackle climate change and advocate for a circular and equal society. The COVID-19 crisis is in many ways a people crisis,” says Lena Pripp-Kovac, Chief Sustainability Officer, Inter IKEA Group. “Important movements have not been put on hold. We are on our way to develop a product range that is more circular, and we are making progress towards 100% renewable energy in production. With the new 2030 Forest Positive Agenda we want to make responsible forest management the norm, going beyond our own business.”

Highlights from the financial year 2020 include:

- Mitigating the effects of the COVID-19 pandemic, protecting and supporting the health and livelihood of co-workers, customers, suppliers and communities across the IKEA value chain.
- Reaching the forestry goal for 2020. Today, more than 98%** of the wood used is from more sustainable sources (FSC certified or recycled wood). All wood used in IKEA products is sourced from responsibly managed forests which do not contribute to deforestation.
- Continuing to decrease the IKEA climate footprint (even when taking the loss in sales into account as a result of closed stores): a 7% reduction per EUR of retail sales FY19-FY20, due to several improvements for example using more renewable energy in production and transport, increasing the energy efficiency in the lighting and appliances ranges as well as introducing more plant-based food such as the HUVUDROLL plant-ball, with 4% of the climate footprint compared to the ingredients of the traditional meatballs.
- Completing the circular assessment of 9500 + products - from furniture to accessories.
- Testing more circular services such as buy-back programmes and new ownership models.
- Offering affordable solutions to enable people to clean air, minimise waste and save water and generate clean energy in their homes.

“FY20 marks a change in people’s relationship with the home, since many have spent so much more time there. People continue to want a healthier and more sustainable life, but as our research shows, they struggle to do so. For IKEA, this is a great possibility, and a responsibility. We want to make healthy and sustainable living the default option – offering attractive and accessible products and solutions at low prices for the many people”, says Jon Abrahamsson, CEO, Inter IKEA Group.



You can find more examples of our progress in the IKEA Sustainability Report FY20. The report shows progress from across the entire IKEA value chain, including Inter IKEA Group, franchisees and suppliers. The IKEA People & Planet Positive sustainability strategy outlines the ambitions and commitments, creating a common agenda towards 2030. Each part of the IKEA business sets goals and road maps to deliver on the strategy and to allow for locally tailored and relevant activities. The largest IKEA franchisee Ingka Group is releasing its Annual Summary & Sustainability Report January 28.

*The financial year 2020 (FY20) is the period from 1 September 2019 to 31 August 2020.

** We consider a goal to be fully reached when we achieve more than 98% fulfilment overall. Due to unexpected disruptions or development of new suppliers/business partners, we cannot guarantee 100% fulfilment at every given point in time.

About IKEA

IKEA offers well-designed, functional and affordable, high-quality home furnishing, produced with care for people and the environment. There are several companies with different owners, working under the IKEA Brand, all sharing the same vision: to create a better everyday life for the many people. IKEA was founded in Sweden in 1943.

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 product range, supply products and deliver communication solutions. Today, 12 different groups of companies have the right to 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 and IKEA Industry AB related businesses. Inter IKEA Holding B.V. is the holding company for the Inter IKEA Group.