

A message from Steve

"We're going all-in to transform IKEA into an even more sustainable business that's fit for the 21st Century. We made great progress in FY14, but we've got a lot more to do. We have a huge opportunity to make a positive difference for people and the planet, and when we all work together, there is no limit to what we can achieve."

Steve Howard

Chief Sustainability Officer, IKEA Group

The financial year 2014 of the IKEA Group (INGKA Holding B.V. and its controlled entities) refers to the period between September 1, 2013, and August 31, 2014.

IKEA Group Sustainability Summary FY14



A MORE SUSTAINABLE LIFE AT HOME

We want to inspire and enable millions of people to live a more sustainable life at home

That means developing affordable and attractive products and solutions that enable our customers to live healthier lives, save and generate energy, reduce and recycle waste, and save water.

58%
increase in sales of products that contribute to a more sustainable life at home, compared with FY13.

75%
of all lighting products sold were LED or compatible with LED bulbs
Our LEDARE LED light bulbs use 85% less energy and last 20 times longer than traditional (incandescent) bulbs. In FY14, we reduced prices so that many more people could enjoy the benefits of LED.

We are making home solar affordable

"There's really no excuse not to install solar in your home," says Alan Cotton, a customer from Southampton, England, who bought Hanergy solar panels through IKEA this year. "Installation was so easy. It took just one day to get it up and running, and we've halved our electricity bills within two months. It's changed our lives."

288 million
Up to 288 million litres of water saved by taps we sold globally in FY14, compared to conventional taps without an aerator. That's enough to fill 115 Olympic-sized swimming pools!

313
co-worker ambassadors in the UK tested products and developed new solutions that help people live a more sustainable life at home.

RESOURCE AND ENERGY INDEPENDENCE

We want to become resource and energy independent

That means transforming the supply of our key raw materials like cotton and wood, becoming more energy efficient in our buildings and supply chain and investing in renewable energy. And it means making every product more sustainable.

19%
improvement in energy efficiency of home furnishing suppliers, compared to FY12. Our sustainability developers completed 40 energy projects in over 15 countries.

42%
Generated renewable energy equivalent to 42% of our total consumption – on track for 100% by 2020. We purchased our first wind farm in the US, which was our largest renewable energy investment globally to date. The wind farm will produce electricity equivalent to the needs of 34,000 average American households.

Walk the walk for climate change

On 21 September 2014, Peter Agnefjäll and Steve Howard joined nearly half a million people on the streets of New York for the People's Climate March, to urge world leaders to take action on climate change. Thousands of customers and co-workers showed their support virtually through the #WalktheWalk campaign.

41%
of wood from more sustainable sources¹ – on track for 100% by 2020. This is in addition to the requirement that all suppliers meet our IWAY Forestry Standard.

3/4
of cotton from more sustainable sources² – on track for 100% by August 2015. In FY14, we invested €1.34m in projects to help around 110,000 farmers improve their incomes and produce cotton using less water and chemicals.

¹More sustainable sources for wood are: Forest Stewardship Council® certified or recycled. FSC N001972. ²More sustainable sources for cotton are: Better Cotton, cotton grown to other sustainability standards in the USA and cotton from farmers working towards the Better Cotton Initiative standards.

A BETTER LIFE FOR PEOPLE AND COMMUNITIES

We aim to create a better everyday life for the many people

And we are committed to having a positive influence on the lives of our co-workers, suppliers' co-workers and the communities around us.

100%
IWAY approval at all home furnishing suppliers (or were pending scheduled audit or being phased out). We completed over 1,000 audits of suppliers in FY14.

147,000
co-workers in 42 countries
We celebrate diversity and recognise that it's the unique contribution of each co-worker that makes IKEA a success. After all, it's our differences that make us great!

Working with social entrepreneurs, small businesses and co-operatives

Five limited-edition collections created by social entrepreneurs in India and Thailand. Most IKEA suppliers are large companies. But we have discovered the huge potential of working with social entrepreneurs – small businesses and co-operatives that bring benefits to their communities.

100 million
children will benefit from current IKEA Foundation-funded programmes, which improve the lives of children in the world's poorest communities.

€17.8 million
raised to support children and families through the good cause campaigns: Soft Toys for Education and Brighter Lives for Refugees.

IKEA Group Sustainability Summary FY14

Download our full Sustainability Report FY14 from IKEA.com

A more sustainable life at home

50% less energy³

Energy-saving induction hobs

Produced renewable energy equivalent to 42% of total energy use

€1.5 billion allocated to invest in renewable energy by end 2015

85% less energy than incandescent bulbs

50% less water⁷

58% increase in sales of products for a more sustainable life at home, compared to FY13

100 million children will benefit from current IKEA Foundation-funded programmes

€7.7 million raised by Brighter Lives for Refugees campaign

A better life for people and communities

100%

home furnishing suppliers IWAY-approved (or being phased out or pending a scheduled audit)

147,000 co-workers responsible for the People & Planet Positive strategy

Home furnishing suppliers (tier 1) 19% more energy efficient than FY12

3/4 of cotton from more sustainable sources⁶

41% of wood from more sustainable sources⁵

Resource and energy independence

700,000 solar panels on our buildings

13% less CO₂ from goods transport, compared to FY11⁴

BECOMING PEOPLE & PLANET POSITIVE

³Energy-consuming products on average 50% more efficient than our range in 2008.

⁴Reduction in CO₂ per cubic metre of products transported.

⁵More sustainable sources for wood are: Forest Stewardship Council® certified or recycled. FSC N001972.

⁶More sustainable sources for cotton are: Better Cotton, cotton grown to other sustainability standards in the USA and cotton from farmers working towards the Better Cotton Initiative standards.

⁷All our taps use an aerator that reduces water flow by up to 50% (compared with the EU standard) while maintaining pressure.

