

## Summary of IKEA investigations into Ukrainian Wood Supply Chain

At IKEA, we believe that to make a difference for the world's forests, through improving responsible forest management, we can accomplish more by working together with others than by working alone. We always take reports and findings from NGOs and other stakeholders very seriously. Following Earthsight's most recent report, we immediately began investigating their allegations. The investigations were made towards our own strict and comprehensive IKEA forestry requirements.

IKEA does not accept illegally logged wood in our products. The results of the 3rd party investigation, facilitated by Legallis LLC, which included visits to the forests sites, and our own internal investigation, carried out by the Wood Supply & Forestry specialist team, showed no indications that illegally logged wood has entered our supply chain.

As a large consumer of wood, we consciously work to use our scale and global reach as a driver for positive change, particularly in regions facing challenges. We believe that by being present in such areas we can contribute to responsible forest management and have a positive impact on the world's forests to strengthen biodiversity, enable efficient production and support local communities. To achieve this, we remain committed long term to investing in specialist competence. Today, IKEA employs a global team of approximately 40 Wood Supply & Forestry specialists. The team works to ensure that the wood we use is responsibly sourced and that we contribute to the further development of responsible forest management.

Both investigations pointed to the challenging interpretation of the law regarding sanitary felling during the silence period\*. We support the action FSC (Forest Stewardship Council) has taken to resolve the issue, and address the issue of conflicting legislation, to further improve responsible forest management in Ukraine and beyond. This demonstrates why we believe FSC is currently the most credible global forest certification available on the market.

\* The silence period refers to the time of mass wildlife breeding and offspring raising, where animals have should be least disturbed and therefore activities like logging and wildlife hunting should be restricted.

### **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 authorised 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.*