

Inter IKEA Group response to the Business and Human Rights Resource Centre

The Inter IKEA Group (IIG), its business partners and IKEA franchisees operate in a global supply chain that includes raw material sourcing, production, transportation, consolidation, handling, storage and sales to customers.

All suppliers to Inter IKEA Group, regardless of industry or where they operate in the world, are required to comply with IWAY, the IKEA supplier code of conduct.

IWAY is the IKEA way of responsibly procuring products, services, materials and components. IWAY is based on internationally recognised standards and principles, such as the UN Guiding Principles on Business and Human Rights, the UN Sustainable Development Goals and International Labour Organization Conventions, and sets clear requirements and ways of working on environmental, social and working conditions and animal welfare. This applies to all our suppliers.

Our suppliers take ownership for implementing IWAY in their value chain to fit their business setup, and IKEA takes responsibility for providing support along the way. To verify compliance with the IWAY requirements, we organise announced and unannounced audits at the IKEA suppliers, conducted by approved IKEA auditors, as well as third-party auditors. If deviations from IWAY are discovered, we work together with our suppliers to correct these. For more information on IWAY, please visit this link. While no system is a guarantee against all risks, should we receive indications of misconduct, we immediately investigate and act on them.

The two incidents of unauthorised landfill and the felling of a native tree determined as violations of local laws by Brazilian authorities are also defined as IWAY violations. This is not an acceptable practice according to our supplier code of conduct, which has been communicated to the supplier. We have been in dialogue with Artemobili and have secure that the supplier has addressed these violations, to ensure that such an incident does not occur again. As of today, the company is not currently supplying any IKEA products.

The local IKEA team plays an important role in supporting our suppliers in Brazil and securing that our mandatory requirements concerning working conditions, social and environmental standards are being met at suppliers at all times. The team keeps regular contact with suppliers to support with both compliance and development activities. Any warning signs of violations and non-compliance with our supplier requirements are immediately investigated.

If you have further questions, please contact <u>media.relations@inter.ikea.com</u>.