**Ingka Group Response to the AFL-CIO Report**

**It is always our intent to act in a manner consistent with the international human rights standards. We respect and welcome the free choice of our co-workers to seek representation through any kind of co-worker association. We firmly believe that the freedom of choice exclusively belongs to each of our co-workers, and we will not take side or express preference to any association. The right to join or not join a union remains squarely with the worker, not IKEA nor the union.**

Ingka Group complies strictly with all regulations relating to union organizing activities everywhere we operate. When our co-workers do choose to be represented by a co-worker association, we are open to having a constructive and cooperative dialogue with their representatives and to engage in collective bargaining in good faith.

IKEA Retail U.S. has trade union representation in five of its Distribution centers in different sections of the country. All these represented co-workers bargain collectively through the International Aerospace and Machinist Union (BWI) and the International Brotherhood of Teamsters (UNI). IKEA Retail U.S. engages in social dialogue with the I.A.M. and Teamsters and have bargained several successor contracts – without incident of strikes or work stoppages.

IKEA Retail U.S. has never instructed their leaders and managers to engage in anti-union behavior and continues to invest in protecting co-workers’ freedom of association and their right to make an informed decision to join or not to join a union. IKEA Retail U.S. does not condone the dissemination of false or derogatory statements against unions, IKEA Retail U.S or its co-workers.

Like every organization operating in the U.S, IKEA Retail U.S. works with external law firms. American law firms represent companies and respect the culture of their clients. To that end, any law firm engaged by IKEA for labor relations work must uphold and respect the co-worker right to choose. No law firm is permitted to employ anti-union tactics at IKEA Retail U.S; they are hired to facilitate the technical aspects of labor law. Ingka Group ensures to train all management teams with the same culture and values in every IKEA Retail country, consistent with the global Co-Worker Principles.

In the ongoing transformation of our retail business the IKEA Retail U.S operations have taken decisions impacting potential new sites for stores all over the U.S, not just in Southern states.

While we do not recognize IKEA policy and practice in working with Social partners described in the AFL-CIO report, we remain open to continued dialogue, including investigating and taking action if needed on any further substantiated allegations referred to in the report.