



Leiden, March 27, 2020

Press release from Ingka Group

Ingka Holding B.V. and its controlled entities

IKEA grants €26m to protect the health and livelihoods of communities, co-workers, suppliers and consumers impacted by coronavirus

IKEA touches the lives of millions around the world and has long promised to stand by the side of the many people. This is true now more than ever.

To that end, IKEA Retail (Ingka Group) today announced a series of wide-ranging commitments to help protect the health and livelihoods of those affected by the coronavirus pandemic, including communities, customers, co-workers and its partners. In addition, IKEA Foundation is announcing a funding commitment to support the emergency response.

“We are guided by a simple, yet powerful vision of creating a better everyday life for the many people. It is forever part of our business and guides us no matter how good or challenging times are. Our focus is now on accelerating the actions we are taking to help the communities most affected and supporting the many people and our partners across the world”, said Jesper Brodin, CEO, Ingka Group.

Helping the communities most in need

Ingka Group will be taking an initial step of supporting emergency relief with €26m of in-kind donations, allowing its 30 countries in which it has operations, to take more immediate action in their local communities. Prioritising the needs of high-risk groups and those leading relief efforts, this will focus on providing necessities such as beds, bedding, food and toys to hospitals, medical centers and shelters.

All over the world, the IKEA business has already been supporting local communities in a variety of ways. For example, furniture, face masks and gloves have been donated to hospitals in China, Spain, Italy and Sweden and the IKEA Hyderabad store in India has helped to set up a quarantine centre with 200 beds, bedding and furniture.

The IKEA Foundation is also committed to provide up to €10 million, primarily to help existing partners with coronavirus specific programmes supporting communities around the world in conjunction with the response plans of national governments.

Caring for our 166,000+ co-workers

People are at the heart of the IKEA business. A main priority is to therefore secure the livelihoods for as many co-workers as possible for as long as possible. This is also one of the reasons to continue to keep some of the operations safely open through e-commerce and click and collect. The company has provided its country operations with a framework of support and secure income stability for the initial phase and will continue to develop a long-term approach as the situation evolves. Additionally, it is offering additional parental leave for those at home with children, provided more flexible work arrangements and enabled training and competence development from home for all of its co-workers.



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Reassuring our suppliers and tenants

Ingka Group is working together with the most vital and vulnerable small and medium sized suppliers and service providers including social entrepreneurs, supporting them with a set of proactive measures including cash flow relief. In this way Ingka Group will ensure the continuity of vital business processes and services and come back stronger than before. Additionally, the company believes that by working together and supporting tenants it will manage the new situation. As a result, Ingka Centres, operating shopping centres, if there is a government decree, will ensure that the period of closure will be rent and service charge free for some 2000 tenants (as per 26 March).

Helping people enjoy a better life at home

People depend on IKEA for affordable, good quality furniture that makes their homes and lives better. With almost a third of the world's population now at home, this is more important than ever.

To continue to meet their needs, IKEA Retail is taking immediate steps to improve ecommerce such as safely converting many stores to fulfilment centres and introducing new services such as drive-thru click & collect and contactless deliveries. The launch of the IKEA app into additional countries will also be expedited. In-store, customers and co-workers are being protected with increased hygiene practices, new routines and physical distancing.

"We are still adjusting to this new reality but are doing all we can to ensure business continuity for the future and continue to make people's lives at home better. We do not know when this challenge will be behind us, but by working together we believe we will emerge stronger than ever," said Brodin.

Today, around 282 out of 380 IKEA stores around the world operated by Ingka Group are temporarily closed. In China, all stores have reopened other than the store in the Wuhan district. The situation is being assessed hour by hour and all decisions are being made in collaboration with governments, local authorities and health care professionals.

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About Ingka Group

Ingka Group (Ingka Holding B.V. and its controlled entities) is one of 12 different groups of companies that own and operate IKEA retail under franchise agreements with Inter IKEA Systems B.V. Ingka Group has three business areas: IKEA Retail, Ingka Investments and Ingka Centres. Ingka Group is a strategic partner in the IKEA franchise system, operating 380 IKEA stores in 30 countries. These IKEA stores had 839 million visits during FY19 and 2.6 billion visits to www.IKEA.com. Ingka Group operates business under the IKEA vision – to create a better everyday life for the many people by offering a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible can afford it.



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About IKEA Foundation

The IKEA Foundation (Stichting IKEA Foundation) works to create a better everyday life for the many people. As the philanthropic arm of Ingka Foundation, the owner of the Ingka Group of companies, we focus on improving the lives of vulnerable children by enabling their families to create sustainable livelihoods, and to fight and cope with climate change. Learn more at www.ikeafoundation.org and www.facebook.com/IKEAfoundation.