



Ingka Group industry association climate position review 2023



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About

IKEA

IKEA, founded in Sweden in 1943, offers a wide range of well-designed, functional and affordable, home furnishing products, produced with care for people and the environment. There are several companies with different owners working under the IKEA Brand. All share the same vision – to create a better everyday life for the many people.

Inter IKEA Group

Inter IKEA Group includes Inter IKEA Systems B.V., IKEA of Sweden AB, IKEA Supply AG, IKEA Industry AB, and related businesses. Inter IKEA Holding B.V. is the holding company for the Inter IKEA Group.

Ingka Group

With IKEA retail operations in 31 markets, Ingka Group is the largest IKEA retailer and represents about 90% of IKEA retail sales. It is a strategic partner in developing and innovating the IKEA business and helps define common IKEA strategies. Ingka Group owns and operates IKEA sales channels under franchise agreements with Inter IKEA Systems B.V. It has three business areas: IKEA Retail, Ingka Investments and Ingka Centres. Read more on Ingka.com.

Dear co-workers, partners and stakeholders

At IKEA, we are guided by our vision to create a better everyday life for the many people. A better planet is a better home for us all.

We are in the most important decade in history when it comes to climate action. The climate crisis is no longer a distant threat but a visible reality, impacting millions worldwide.

To have a chance of limiting global warming to 1.5 degrees Celsius, emissions must halve by 2030 and reach net zero by 2050. Keeping warming to 1.5 degrees has clear benefits as adaptation will be less difficult.

That's why we're committed to driving climate action and advocating for a net zero world.

At IKEA, we are taking action to transform our business. We are committed to the Paris Agreement and to contributing to limiting the global temperature rise to 1.5 degrees Celsius above pre-industrial levels. This includes a commitment to reducing absolute greenhouse gas (GHG) emissions from the value chain by at least 50% by 2030, compared to a 2016 baseline, and to reach net-zero emissions by 2050, at the latest, without using carbon offsets. In addition, to become climate-positive, we will remove and store carbon through forestry and agriculture, along with contributing to additional reductions in society by going beyond our value chain ¹.

Besides transforming our own business, we want to play a role in accelerating climate action even further by advocating and positively influencing the private sector and governments and inspiring the many people to work towards limiting temperature rise to 1.5 degrees.

We can only do this because we're also taking responsibility for our own emissions ². We recognise our responsibility – and opportunity – to lead by example and be at the forefront of movements pushing for change. Whether that's driving services and products to encourage a circular economy or supporting greater transparency around corporate climate advocacy, we're committed to working collaboratively to enable the transition to a net-zero economy.

The [Action Declaration on Climate Policy Engagement](#), a commitment to align the Ingka Group climate policy engagement activities with the Paris Agreement, is a case in point. Together, in our positions as Deputy CEO/CFO and CSO, we are proud to sponsor and oversee our inaugural 'Ingka Group Industry Association Climate Position Review 2023' and the subsequent engagement with membership organisation that represent us. Following an in-depth desktop review of publicly available information, we've identified where there's (mis)alignment between our climate policy positions and those of the associations that represent us.

It's encouraging to see that many of our major trade associations publicly advocate for climate policies that will keep 1.5 degrees Celsius within reach. This activity has not been an exercise in reporting but is to serve as the foundation for engagement and further advocacy by both us and the associations we are

members of. Where we discover a lack of clarity in positions or misalignment with our own climate priorities, we proactively engage with the organisations to understand how to work together to reduce the gap.

This report, one of the first from a privately owned company, is one way in which we aim to drive and inspire action from all types of companies, not just those obligated by legislation to demonstrate transparency and corporate governance.

We're grateful for the leadership of groups like Climate Action 100+, Corporate Knights, The We Mean Business Coalition and InfluenceMap in pushing and enabling action on transparent climate lobbying.

It's only by working together that we'll be able to assemble a better future.



Juvencio Maeztu
Deputy CEO, Management Board member and Chief Financial Officer



Karen Pflug,
Chief Sustainability Officer

¹ Ingka Group follows the Science Based Targets Initiative (SBTi) established target-setting process to commit to and set science-based targets. We first set climate SBTs in 2018 and updated our targets in 2023 in alignment with the Net-Zero Standard and have submitted these to SBTi for approval in November 2023 - they are now under review. Under the IKEA brand there are several entities, therefore Ingka Group and Inter IKEA have set climate science-based targets and report on these separately. Ingka's SBT cover scope 1,2 and 3

emissions from Retail (as the biggest IKEA franchisee), Ingka Investment and Ingka Centres.
² In FY23, we achieved a 53.2% reduction from our baseline of FY16 and a 23.1% absolute reduction from FY22. Read more: [ingka-group-annual-summary-and-sustainability-report-fy23.pdf](#)

The Ingka Group climate policies and engagement³

³With IKEA retail operations on 31 markets, Ingka Group is the largest IKEA retailer and represents about 90% of IKEA retail sales. It is a strategic partner to develop and innovate the IKEA business and help define common IKEA strategies. Ingka Group owns and operates IKEA sales channels under franchise agreements with Inter IKEA Systems B.V. It has three business areas: IKEA Retail, Ingka Investments and Ingka Centres. Read more on www.ingka.com.

We are committed to acting on climate change and leading by example by taking responsibility for our own emissions. We are taking action to transform our business and have committed to the Paris Agreement to contributing to limiting the global temperature rise to 1.5 degrees Celsius above pre-industrial levels. This includes a commitment to reducing absolute greenhouse gas (GHG) emissions from the value chain by at least 50% by 2030, compared to a 2016 baseline, and to reach net-zero emissions by 2050, at the latest, without using carbon offsets. In addition, to become climate-positive, we will remove and store carbon through forestry and agriculture, along with contributing to additional reductions in society by going beyond our value chain.

Throughout our value chain, we take bold steps to reduce the climate footprint. Beyond mitigating our direct impacts, we push for progressive climate action through policy change and partnership engagement, for example, through lending our voice to calls to strengthen the EU Nature Restoration Law or challenge the decline in ambition on net-zero targets. The Ingka Group

executive team hold positions of strategic influence with several partners, for example the World Economic Forum (WEF) Alliance of CEO Climate Leaders (Co-Chair), the B Team (Chair), World Resource Institute (WRI) (Board member) and The Platform for Accelerating the Circular Economy (PACE) (member) and foster dialogues with stakeholders and policymakers during the Conference of the Parties, NY Climate Week and the World Economic Forum and support initiatives at the forefront of accelerating climate action, like the SME Climate Hub.

The Action Declaration on Climate Policy, which Ingka signed at COP27, is another initiative pushing climate policy forward. It encourages proactive engagement with governments to implement ambitious climate policies and requires a review for (mis)alignment between a company's own climate positions and that of its major trade associations. The expectation is that engagement will follow to harmonise the lobbying that happens directly- through Ingka's actions - and indirectly through our trade association memberships.



PJÄTTERYD

Picture, hej, 50x70 cm

€17



VAPPEBY
bluetooth speaker,
20x20 cm, white/gen 3
€59.99

We expect organisations that engage in climate policy on our behalf to uphold these positions and ambitions, ideally working in concert to progress them. Therefore, following our review, we will engage individual associations where this is not currently the case. Also, we will seek to better understand why there may be misalignment and work with the impacted organisations to align our climate positions more closely.

We value our membership of the many trade associations we belong to worldwide, which we benefit from in several ways – through professional development, knowledge sharing

In the Ingka Group climate advocacy engagement, with stakeholders, we are guided by the IKEA policy positions on climate change and the transition to net zero:

1. IKEA is committed to the Paris Agreement and to contributing to limiting the global temperature rise to 1.5 degrees Celsius above pre-industrial levels.
2. IKEA is committed to halving greenhouse gas emissions in absolute terms from the value chain by 2030 and becoming net zero by 2050, at the latest.
3. IKEA strives towards 100% renewable energy and phasing out fossil fuels across the value chain by 2030.
4. IKEA is committed to zero-emission transport across our operations for all the supply of IKEA products between suppliers and retailers by 2040.
5. The IKEA ambition is to be circular and climate-positive by 2030. As a part of this, IKEA has a zero-waste-to-landfill commitment, has developed circular design principles for its products, and is providing more circular offerings to help

or representation when working with regulators, plus more. We recognise that every industry association will have different priorities guided by their membership and operate in various geopolitical environments that might influence their activities. Our aim is meaningful engagement, and we will consider these factors when we identify (mis)alignment with our own climate policies. First and foremost, we seek to influence as members and are committed to working collaboratively. However, where we discover misalignment in support of the goals of the Paris Agreement and are unsuccessful in reconciling divergent positions, we may take more serious action (outlined in Section 5).

prolong the life of our products. We advocate for wide-scale system change through circular legislation and collaborations and invest in circular capacity including industrial recycling facilities.

6. IKEA supports the need to develop regulated carbon markets with an escalating carbon price to enable greater competitiveness of low-carbon technologies, and control leakage through international cooperation on a global, connected carbon market.
7. IKEA supports the European Commission in its aims to promote high-quality ESG standards through the proposed Corporate Sustainability Reporting Directive (CSRD) and the International Sustainability Standards Board (ISSB) to develop globally accepted standards for sustainability reporting that can be compatible with a double materiality approach.

Transparency is essential. To share how we've carried out this review is a responsibility we take seriously. As project sponsor, the Ingka Group Chief Financial Officer (and member of Management Board) will oversee the process for taking action based on the findings of this report. Overall, the Ingka Group management board reviews and signs off on all climate advocacy positions and engagement. This governance process ensures that there is oversight and accountability for the Ingka Group climate lobbying activity.

Approach to industry association climate review



KRUX
LED work lamp, white
€39.99

Methodology

For our 'Ingka Group Industry Association Climate Position Review 2023', we considered all the associations we provide with financial, political or in-kind support, whether at the global-, regional- or country level. This includes associations where the central mission is to ensure climate action and where we have close and long-standing relationships established, such as the World Economic Forum (WEF), The B Team, the We Mean Business Coalition (WMB), World Business Council for Sustainable Development (WBCSD), World Resources Institute (WRI) and Platform for Accelerating the Circular Economy (PACE), as well as those associations where the primary focus is not sustainability-related.

Together with our sustainability and country teams, the Ingka Group Public Affairs team identified 36 industry associations as the focus of this report based on the size and/or significance of the association, its influence on policy, the level of financial support Ingka provides, the geographic representation, and the likelihood that the association will have a perspective on climate policy.

The location of the 36 associations broadly reflects the global footprint of Ingka Group but notably excludes Japan and India, where we are currently not members of relevant national retail associations.

In July and August 2023, research teams comprised of native language speakers assessed the policy alignment of each association by reviewing publicly available material hosted on association websites such as press releases and policy papers, statements in the public domain by association leadership and official association social media channels. Information from the last three years was prioritised, but sources beyond this timeframe

were considered where appropriate. Any information hosted behind a paywall was excluded from consideration, as were past or forthcoming events at which the association leadership spoke but recordings were unavailable.

The assessments from the country teams were reviewed centrally to ensure consistency in approach, and a native speaker undertook a second review to ensure alignment. The Ingka Group Public Affairs and Climate Leadership, along with our Deputy CEO, Management Board member and Chief Financial Officer, have overseen the project and endorsed the final report's findings.

As project sponsor, the Ingka Group Chief Financial Officer (and member of Management Board) will oversee the subsequent engagement by the Ingka Public Affairs teams with those membership organisations where there is a need to address misalignment or a need for more clarity in positions. Further details on this process are outlined in Section 5.

Assessing alignment

We assessed the public positions of industry associations in seven areas, according to the Ingka Group sustainability priorities, to determine whether there are notable differences in our direct and indirect lobbying on climate.

We are firmly committed to the Paris Agreement and its goals and believe upholding this international climate agreement is essential for achieving a better future for all. We urge businesses, governments and policymakers to demonstrate their support. So – in line with best-practice guidance on climate related lobbying disclosures – we have reviewed associations based on their public support for the **Paris Agreement and its goals**, as well as support for **Net Zero emissions by 2050 at the latest, including commitments to limiting the rise in global temperature to 1.5° degrees Celsius above preindustrial levels.**

The IKEA ambition is to be circular and climate-positive by 2030, and we see the adoption of wide-scale systems change to a circular economy as a huge opportunity to enable the many people to live a better everyday life within the boundaries of the planet. Based on this, we have also evaluated associations starting from their public support for developing **a circular economy, circular business models, and circular principles.**

We continuously work to engage partners on other key issues that will enable a net-zero future. We have therefore assessed our associations in four additional policy areas where we seek to make a change – achieving the energy transition by 2030, **decarbonising transport** by 2040, supporting the introduction of **regulated carbon pricing** mechanisms and introducing **globally aligned standards for sustainability reporting.**

Defining alignment

	Aligned	The industry association's position on the issue is fully aligned with Ingka Group.
	Partially aligned	The industry association's position does not fully match the Ingka Group position or the position isn't sufficiently detailed to be considered a full alignment.
	Mis-aligned	The industry association actively opposes the Ingka Group position or commitment on the issue.
	No position	The industry association has no position on the issue or the industry association has made only high-level statements on the issue that are deemed insufficient evidence of a full position.

Further information on the policy areas and detailed criteria for assessment can be found in Appendix 1.

VINTERFINT
Scented candle
in metal tin, 24 hr
€2.99



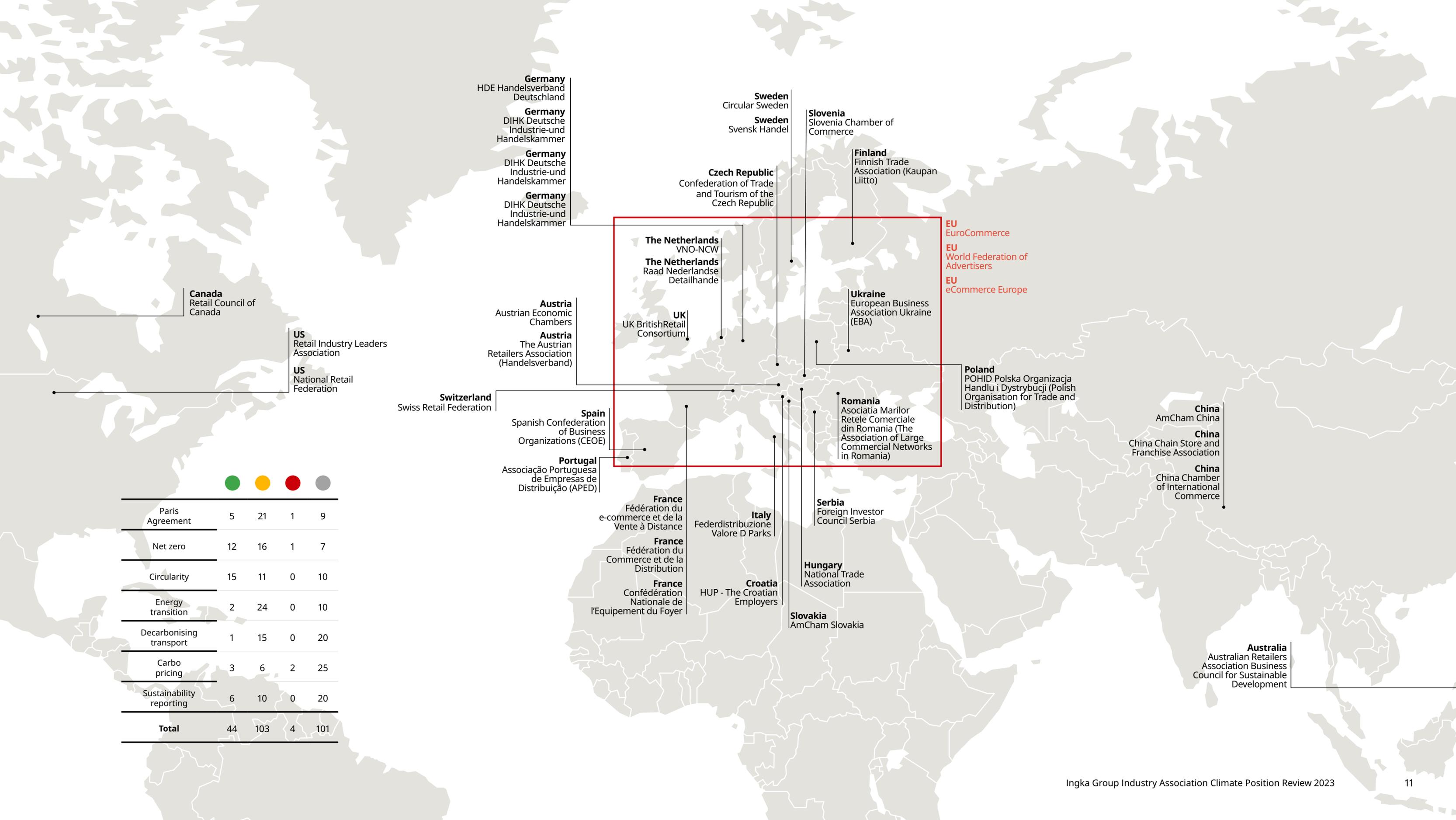


LIVELYCKE
Tray table, red, 50 cm
€29.99

Summary of findings

We examined the positions of 36 industry associations in 25 territories across seven policy areas to understand whether meaningful differences exist between the associations' positions and our own.

Of the total 252 assessments made, we found that 17% of the industry associations had fully aligned positions, 41% of the associations' positions were partially aligned, and only 2% were misaligned. In 40% of instances, the associations had no public position on the Ingka Group climate policy priorities.



Canada
Retail Council of Canada

US
Retail Industry Leaders Association
US
National Retail Federation

Germany
HDE Handelsverband Deutschland
Germany
DIHK Deutsche Industrie-und Handelskammer
Germany
DIHK Deutsche Industrie-und Handelskammer
Germany
DIHK Deutsche Industrie-und Handelskammer

Sweden
Circular Sweden
Sweden
Svensk Handel

Slovenia
Slovenia Chamber of Commerce

Finland
Finnish Trade Association (Kaupan Liitto)

Czech Republic
Confederation of Trade and Tourism of the Czech Republic

The Netherlands
VNO-NCW
The Netherlands
Raad Nederlandse Detailhande

UK
UK BritishRetail Consortium

EU
EuroCommerce
EU
World Federation of Advertisers
EU
eCommerce Europe

Ukraine
European Business Association Ukraine (EBA)

Austria
Austrian Economic Chambers
Austria
The Austrian Retailers Association (Handelsverband)

Switzerland
Swiss Retail Federation

Poland
POHID Polska Organizacja Handlu i Dystrybucji (Polish Organisation for Trade and Distribution)

China
AmCham China
China
China Chain Store and Franchise Association
China
China Chamber of International Commerce

Spain
Spanish Confederation of Business Organizations (CEOE)
Portugal
Associação Portuguesa de Empresas de Distribuição (APED)

Romania
Asociatia Marilor Retele Comerciale din Romania (The Association of Large Commercial Networks in Romania)

France
Fédération du e-commerce et de la Vente à Distance
France
Fédération du Commerce et de la Distribution
France
Confédération Nationale de l'Equipement du Foyer

Italy
Federdistribuzione Valore D Parks

Serbia
Foreign Investor Council Serbia

Hungary
National Trade Association

Croatia
HUP - The Croatian Employers

Slovakia
AmCham Slovakia

Australia
Australian Retailers Association Business Council for Sustainable Development

Paris Agreement	5	21	1	9
Net zero	12	16	1	7
Circularity	15	11	0	10
Energy transition	2	24	0	10
Decarbonising transport	1	15	0	20
Carbo pricing	3	6	2	25
Sustainability reporting	6	10	0	20
Total	44	103	4	101



Our reflections

Overall, we are strongly encouraged by the fact that the climate advocacy positions of our partner associations broadly reflect our own. We are pleased to see the level of engagement and support for the circular economy, with 15 associations fully aligned with our position. We know that shifting to a circular economy is a hugely effective way to achieve our shared climate goals – energy-related action can only address 55% of emissions globally, with the remaining 45% attributed to meeting consumer and business demand for materials, products and food ⁴.

However, many associations only engage at a regional- or national level, and more can be done to push for global policymaking to support the shift to a circular economy. This is our greatest opportunity for action, and we will engage our partners on the international policy-making stage to advocate for standardised definitions and supportive legislation to enable a shift to a more circular economy.

We were surprised to note that only five associations reviewed were fully aligned in their support for the Paris Agreement and its goals, including limiting global temperature rises to 1.5 degrees Celsius – although this may be due to the strict criteria set to meet full alignment. Our criteria required the associations’ support for the Paris Agreement to be explicit and unequivocal in order to be fully aligned, and on this basis, most were partially aligned as their support was only implied. We encourage our partners to explicitly support this critical global agreement, which has been established to guide climate policymaking at all levels and is essential to create a better planet for people today and for future generations.

In many instances, the associations’ advocacy positions were biased towards regional-level policy. For example, many associations in EU member states expressed their indirect support for Net Zero by making clear statements of support for the EU ‘Fit for 55’ legislation package, which ultimately serves the broader global Net Zero target. Whilst support for regional-level policy is key, we view it as an opportunity for associations to demonstrate equivalent support for global climate agreements. This is essential to encourage global momentum behind critical international climate agreements. There was relatively little engagement around carbon pricing policy. We recognise this is a complex area for engagement for retail associations, but we welcome greater clarity and advocacy on supporting carbon pricing mechanisms.

Finally, it’s worth noting that 3 out of 4 instances of misalignment were associated with the European Business Association (EBA), based in Ukraine. We understand the incredible challenges the Ukrainian government and business community face in supporting global climate policy as a consequence of the war. However, for consistency of process, we cannot make allowances in categorisation. We hope for a swift resolution of the conflict and look forward to reviewing the EBA position in future reports.

⁴ Ellen MacArthur Foundation, Completing the picture: How the circular economy tackles climate change (2019).

We have summarised our full findings below

● Aligned
 ● Partially aligned
 ● Misaligned
 ● No position

Association	Territory	Paris Agreement	Net zero by 2050	Circularity	Energy transition	Decarbonising transport	Carbon pricing	Sustainability reporting
Australian Retailers Association Business Council for Sustainable Development	Australia	Partially aligned	Aligned	Partially aligned	Aligned	Aligned	Misaligned	No position
The Austrian Retailers Association (Handelsverband)	Austria	No position	Partially aligned	No position				
Austrian Economic Chambers	Austria	Aligned	Partially aligned	Aligned	Partially aligned	Partially aligned	Partially aligned	Aligned
Retail Council of Canada	Canada	Aligned	Partially aligned	Partially aligned	Partially aligned	No position	No position	Aligned
China Chamber of International	China	Partially aligned	Aligned	No position	No position	No position	No position	No position
China Chain Store and Franchise	China	No position	Aligned	Partially aligned	Partially aligned	No position	Partially aligned	Partially aligned
AmCham China	China	Partially aligned	Aligned	Partially aligned	No position	No position	No position	No position
The Croatian Employers' Association (CEA)	Croatia	No position	Partially aligned	No position	Partially aligned	No position	No position	Partially aligned
Confederation of Trade and Tourism of the Czech Republic	Czech Republic	No position	No position	Partially aligned	No position	No position	No position	No position
World Federation of Advertisers	EU	Partially aligned	Aligned	No position	Partially aligned	No position	No position	No position
eCommerce Europe	EU	Partially aligned	Aligned	Aligned	Partially aligned	No position	No position	No position
Eurocommerce	EU	Aligned	Aligned	Aligned	Partially aligned	Partially aligned	Partially aligned	Aligned
Finnish Trade Association (Kaupan Liitto)	Finland	Partially aligned	Partially aligned	Aligned	Partially aligned	Partially aligned	No position	Aligned
Confédération Nationale de l'Équipement du Foyer	France	No position	No position	No position				
Fédération du e-commerce et de la Vente à Distance	France	Partially aligned	Partially aligned	Partially aligned	No position	Partially aligned	No position	No position
La Fédération du Commerce et de la Distribution	France	Partially aligned	Aligned	Partially aligned	Partially aligned	Partially aligned	No position	No position
Handelsverband Deutschland (HDE)	Germany	Partially aligned	Aligned	Partially aligned	Partially aligned	Partially aligned	Aligned	Partially aligned
DIHK Deutsche Industrie-und Handelskammer	Germany	Partially aligned	Aligned	Aligned	Partially aligned	Partially aligned	Aligned	Partially aligned

Association	Territory	Paris Agreement	Net zero by 2050	Circularity	Energy transition	Decarbonising transport	Carbon pricing	Sustainability reporting
Országos Kereskedelmi szövetség	Hungary	No position	No position	No position				
Federdistribuzione Valore D Parks	Italy	Partially aligned	Partially aligned	Aligned	Partially aligned	Partially aligned	No position	Partially aligned
Raad Nederlandse Detailhandel	Netherlands	No position	No position	No position				
VNO-NCW	Netherlands	Aligned	Aligned	Aligned	Partially aligned	Partially aligned	Aligned	Aligned
POHID Polska Organizacja Handlu i Dystrybucji (Polish Organisation for Trade and Distribution)	Poland	No position	No position	Aligned	Partially aligned	No position	No position	No position
Associação Portuguesa de Empresas de Distribuição (APED)	Portugal	Partially aligned	Partially aligned	Aligned	Aligned	Partially aligned	No position	Partially aligned
Asociația Marilor Rețele Comerciale din Romania (The Association of Large Commercial Networks in Romania)	Romania	Partially aligned	Partially aligned	No position	No position	No position	No position	No position
Foreign Investor Council Serbia	Serbia	No position	No position	Aligned	Partially aligned	No position	No position	Partially aligned
AmCham Slovakia	Slovakia	Partially aligned	Partially aligned	No position	Partially aligned	No position	No position	No position
Slovenia Chamber of Commerce	Slovenia	Partially aligned	Partially aligned	Partially aligned	Partially aligned	No position	No position	No position
Spanish Confederation of Business Organizations (CEOE)	Spain	Partially aligned	Partially aligned	Aligned	Partially aligned	Partially aligned	No position	Partially aligned
Circular Sweden	Sweden	Partially aligned	Partially aligned	Aligned	Partially aligned	No position	No position	No position
Svensk Handel / Swedish Trade	Sweden	Aligned	Partially aligned	Aligned	Partially aligned	Partially aligned	No position	No position
Swiss Retail Federation	Switzerland	Partially aligned	Partially aligned	Aligned	Partially aligned	No position	No position	No position
European Business Association	Ukraine	Misaligned	Misaligned	Aligned	Partially aligned	No position	Misaligned	No position
British Retail Consortium	United Kingdom	Partially aligned	Aligned	Partially aligned	Partially aligned	Partially aligned	Partially aligned	Partially aligned
Retail Industry Leaders Association	United States	Partially aligned	Partially aligned	Partially aligned				
National Retail Federation	United States	Partially aligned	Partially aligned	No position	No position	Partially aligned	No position	Aligned

More detail on instances of misalignment and partial alignment are provided in Appendix 2

Engaging associations on climate policy alignment



UPPHETTA
Coffee/tea maker,
glass/stainless steel
€9.99

How we will prioritise our engagement

Ingka Group has conducted this analysis so that we can engage our trade associations in a meaningful way and work collaboratively to support an ambitious climate policy. Below you find the outlines of the process, guided by a decision-making matrix to support engagement over the next year:

Policies	 Misaligned	 No position	 Partially aligned	 Aligned
Paris Agreement, Net zero, Circularity	Actively engage		Actively engage	Maintain or collaborate
Energy transition, decarbonising transport, carbon pricing, credible reporting	Actively engage	Request association clarifies position	Monitor and assess	Maintain or collaborate

Engagement process:

1. Engage associations responsible for the four instances where we have identified misalignment.
2. Seek clarification for the 26 instances where associations currently hold no public position for our three priority policy areas: the Paris Agreement and its goals, support for Net Zero emissions by 2050 and support for the development of a circular economy, circular business models, and circular principles.
3. Engage on the 48 instances where there is partial alignment with our three priority policy areas.
4. Monitor the 55 remaining instances of partial alignment and assess whether further engagement is required.
5. Where alignment is identified, continue collaborating on policy areas of interest.
6. Where positions are unaltered due to step 1, begin remediation with affected associations.
7. Provide an update on progress made as a result of this report in 2025.

1. Addressing misalignment

Ingka Group is committed to working with our partners to reconcile instances of misalignment wherever possible. Via our national public affairs teams, we will notify the impacted associations of the findings, welcome clarification of any perceived miscategorisation, and clarify the Ingka Group policy positions and expectations for indirect lobbying. Where misalignment remains, we will proactively engage with the associations' leadership to review and adapt their position and begin advocating in line with our climate policy positions.

We believe this will resolve misaligned positions within one year of publication. However, where it's not possible to reduce the gap in position, we will move to a remediation process to encourage closer alignment.

The Ingka Group global public affairs team will lead the remediation process with oversight from the Ingka Group Chief Financial Officer (and member of Management Board). A formal review of our membership will be undertaken and accompanied by a clear timeline for action. As part of this review, Ingka will clearly state the expectations, for example, the position expected to be adjusted, the timings for this and potential consequences if a misalignment persists. The greatest likelihood for progress is through collaboration, and we would only move to more drastic actions, such as reducing funding or re-evaluating trade association membership, as a last resort. If forced to, we would agree on an annual review for re-joining based on future policy changes.

2. Addressing partial alignment

The Ingka Group national Public Affairs teams will proactively engage with associations that partially align with our three priority policy areas: the Paris Agreement and its goals, Net Zero emissions by 2050 and the development of a circular economy, circular business models, and circular principles. We will clarify our policy positions, ensure we have correctly understood theirs, and, where partial alignment remains, encourage them to strengthen their support or add further detail to their policy positions so that they are in full alignment.

Given that most instances of partial alignment are due to insufficient detail in the associations' positions – rather than opposition to any of the Ingka Group policies – we anticipate that our engagement will result in alignment across many of the 48 instances within one year of publication.

3. Collaborating on climate advocacy where there is alignment

Where we are aligned, we will continue collaborating with industry associations to jointly accelerate policy-making that helps tackle climate change and creates a circular economy. By working in partnership, we will sustain our ongoing engagement with policy agendas on emergent climate issues and in line with emerging science at a national, regional and global level.

4. Clarifying where there is no position

There were 101 instances in which the associations had no position on the Ingka Group policies. Given the volume, Ingka Group will prioritise working with associations that lack clear positions in relation to the Paris Agreement and its goals, Net Zero emissions by 2050 and the development of a circular economy, circular business

models, and circular principles. Through our national Public Affairs teams, we will engage with and invite associations to clarify their advocacy on existing issues, add depth to the available information where it's currently lacking or explain why they do not hold a position on these topics.

Whilst we encourage our partners to take an active position on all policy areas in this review, we recognise that every industry association will have different priorities guided by their membership and operating environments. Therefore, 'no position' may be valid in certain instances.

Responsibilities

Whilst the Ingka Group national Public Affairs teams will act as the primary point of contact for the associations in their market, the Global Public Affairs team will ensure the engagement process is carried out. The Global Public Affairs team will also act as a point of escalation in instances of persistent misalignment and will be responsible for determining whether it's necessary to pursue a remediation policy. If such a policy is deemed necessary, the local and global teams will work together to shape the formal requirement posed to the relevant market, and the steps, timings and sequencing of remediation.

Both teams will seek formal approval from the project sponsor, the Ingka Group Chief Financial Officer (and member of Management Board), before taking any action materially affecting existing association relationships, including decisions to reduce funding or re-evaluate memberships.

Next steps

AFTONSPARV
Children's tent,
rocket white/red

€19.99



Ingka is committed to ambitious, collaborative and transparent climate action. In line with this commitment, we want to ensure that our industry associations and other stakeholders understand how this report and its findings will inform our advocacy approaches.

Following the report's publication, the Ingka Group local Public Affairs teams will begin to engage the relevant association(s) in their market to address instances of partial alignment and misalignment in accordance with the process outlined in Section 5. We will provide an update following the engagement to report any changes in (mis) alignment as a result of our activity and the status of discussions where progress has not been achieved.

Simultaneously, the Ingka Group Global Public Affairs and Sustainability teams will ensure that the report's findings inform advocacy activities at upcoming global climate events and engagements, beginning with COP28, where we will encourage other businesses to review, assess and report on their direct and indirect climate lobbying in pursuit of pushing forward climate policy.

This is the first time we have conducted a report of this nature and we recognise there is always room for improvement. We warmly welcome feedback on the report and our proposed next steps from our co-workers, industry associations and other stakeholders.

Finally, we want to express our gratitude to our colleagues who have supported us in this process. Without you we would not be where we are.

Appendices

Appendix 1

About Ingka Group

With IKEA retail operations in 31 markets, Ingka Group is the largest IKEA retailer and represents about 90% of IKEA retail sales. It is a strategic partner in developing and innovating the IKEA business and helps define common IKEA strategies. Ingka Group owns and operates IKEA sales channels under franchise agreements with Inter IKEA Systems B.V. It has three business areas: IKEA Retail, Ingka Investments and Ingka Centres. Read more on Ingka.com.

Appendix 2

Assessment criteria for each policy

Policy area and position	Policy area and position	Partial alignment	Misalignment
Paris Agreement Support for the goals of the Paris Agreement and limiting global temperature rises (below 1.5°C) .	Publicly support the Paris Agreement and its goals, including commitment to limiting the rise [in global temperature] to 1.5°C above pre-industrial levels.	Suggestive, but not explicit, support for the goals of the Paris agreement or Support for the Paris Agreement and its goals but no explicit support for limiting temperature rise to 1.5°C.	No public support for the Paris Agreement or its goals or Working to undermine or challenge the Paris Agreement and its goals.
Net zero by 2050 Support for achieving net zero emissions globally by 2050 at the latest, [including the necessity of clear interim targets at a national level]* * Targets to be aligned with fair share contribution to global Paris Agreement goals, in line with independent science-based analysis by Climate Action Tracker (https://climateactiontracker.org)	Publicly support the transition to net-zero globally by 2050 at the latest. This includes [legally binding] nationally defined targets, in line with fair share contribution to global efforts to reducing greenhouse gas emissions, [and supported by clear interim targets]. Or Publicly support the EU Fit for 55 Package as a proxy for net zero.	Support for emissions reduction or carbon neutrality without explicitly supporting net zero, [or defined interim targets]	No public support for the transition to net zero or an interim target or Working to undermine or challenge net zero.
3. Circularity Be supportive of the development of a circular economy, circular business models, and circular principles.	Public support for the development of a circular economy, circular business models, and circular principles, e.g., upholding waste hierarchy (including keeping products in circulation for as long as possible, at their highest value, and recycling only when there is no viable alternative) or enabling legislation e.g. Extended Producer Responsibility, Eco Design.	Support for circular actions or behaviours, but tokenistic in focus, i.e, not calling for systemic change, i.e, 'a circular economy' but focusing on one part of 'reduce, reuse, repair'.	Working to undermine the development of a circular economy, circular business models and circular principles, for example not upholding the waste hierarch, not keeping materials at their highest possible value, sending waste to landfill.
4. Energy transition Must not advocate against 100% renewable energy and the phasing out of fossil fuels by 2030	Public support for 100% renewable energy and the phasing out of fossil fuels by 2030.	Support for renewable energy but as part of an energy mix with fossil fuels, or targets beyond 2030.	Working to undermine calls to phase out fossil fuels.
5. Decarbonising transport Must not advocate against timebound transition towards zero emission transport.	Public support for timebound, decarbonisation of transport: By 2040, zero emission fuels for ocean shipping and zero-emission on heavy-duty vehicles.	Support for decarbonisation of transport but calling for targets beyond: 2040 for zero emission fuels for ocean shipping and zero-emission on heavy-duty vehicles Or Evidence of support for broad efforts to decarbonise transport but lacking specificity on freight or ocean-shipping.	Working to undermine or challenge the transition to zero emissions transport.
6. Carbon pricing mechanism Must not advocate against carbon pricing mechanisms with an escalating carbon price in regulated carbon markets.	Public support for regulated carbon pricing mechanism with an escalating carbon price.	Support for carbon pricing mechanism but calling for voluntary replacement to regulated markets.	Working to undermine regulated carbon pricing mechanisms in compliance led markets.
7. Sustainability reporting must not advocate against globally aligned standards for sustainability reporting.	Public support for uptake of frameworks like the EU CSRD, ISSB that aim to harmonise reporting to enable comparison globally.	Support for sustainability reporting where that isn't as comprehensive as the CSRD or reporting that is not globally accepted.	Working to undermine the EU CSRD or globally accepted standards for sustainability reporting.

Appendix 3

Context on instances of misalignment and partial alignment Instances of misalignment

Instances of misalignment

There are 4 instances of misalignment. In each instance, we have explained our rationale for making this assessment, outlined in order of policy priority.

It is worth noting that 3 out of the 4 instances of misalignment were associated with the European Business Association (EBA), a trade associate based in Ukraine. We understand the incredible challenges the Ukrainian government and business community face in supporting global climate policy as a consequence of the war. However, for consistency of process we cannot make allowances in categorisation. We hope for a swift resolution of the conflict and look forward to reviewing the EBAs position in future reports.

Support for the goals of the Paris Agreement and limiting global temperature rise to below 1.5°C

European Business Association (EBA) Country: Ukraine		
Policy criteria	Association position	Ingka position
Publicly support the Paris Agreement and its goals, including commitment to limiting the rise [in global temperature] to 1.5°C above pre-industrial levels.	The association consistently highlights the challenges faced by Ukrainian businesses to meet the objectives outlined in the Paris Agreement. The Association recognises that the ongoing war has led to the suspension or postponement of numerous environmental initiatives aimed at fulfilling these objectives. As a result, the EBA calls for a postponement in the implementation of climate measures, arguing that Ukrainian businesses are not adequately prepared and may encounter substantial difficulties and financial burdens while implementing the Paris Agreement goals in the current circumstances.	IKEA is committed to the Paris Agreement and to contribute to limiting the global temperature rise to 1.5°C above pre-industrial levels.
Sources: <ul style="list-style-type: none"> https://www.ingka.com/sustainability/climate-change-advocacy/ https://eba.com.ua/biznes-zustrivsyia-z-natsradoyu-z-vidnovlennya-ukrayiny-vid-naslidkiv-vijny/ https://eba.com.ua/chy-vypravdav-2021-nadiyi-na-ekologichni-zminy/ https://eba.com.ua/wp-content/uploads/2021/12/EBA_Proposals.pdf 		

Support for achieving net zero emissions globally by 2050 at the latest

European Business Association (EBA) Country: Ukraine		
Policy criteria	Association position	Ingka position
Publicly support the transition to net-zero globally by 2050 at the latest. This includes [legally binding] nationally defined targets, in line with fair share contribution to global efforts to reducing greenhouse gas emissions, [and supported by clear interim targets]. Or Publicly support the EU Fit for 55 Package as a proxy for net zero	The European Business Association advocates for alternative emission reduction targets for Ukraine. Instead of adhering to the goal of reducing emissions by 65% by the year 2030 (based on the 1990 emission levels), the EBA calls for the revision of the Nationally Determined Contributions (NDC2) and proposes a new target within the range of 40%-45%. In doing so, the association is working to challenge Net Zero by 2050.	IKEA is committed to becoming net-zero by 2050 at the latest and halving greenhouse gas emissions in absolute terms from the total IKEA value chain by 2030.*
Sources: <ul style="list-style-type: none"> https://www.ingka.com/news/climate-week-nyc-2022-positive-movements-on-the-climate-crisis-but-more-action-needed/ https://eba.com.ua/biznes-ochikuyete-vid-uryadu-realnogo-planu-dij-dlya-zmenschennya-vykydiv-so2-v-ramkah-paryzkoyi-ugody/ https://eba.com.ua/biznes-otsinyuyete-potentsial-skorochennya-vykydiv-parnykovykh-gaziv-ukrayini-do-40-45-do-2030-roku/ https://eba.com.ua/derzhava-ta-biznes-bachat-ukrayinu-vugletsevo-nejtralnoyu/ 		

Be supportive of the development of a circular economy, circular business models, and circular principles

No instances of misalignment.

Must not advocate against 100% renewable energy and the phasing out of fossil fuels by 2030.

No instances of misalignment.

Must not advocate against timebound transition towards zero emission transport.

No instances of misalignment.

Must not advocate against carbon pricing mechanisms with an escalating carbon price in regulated carbon markets.

Australian Retailers Association Business Council for Sustainable Development Country: Australia		
Policy criteria	Association position	Ingka position
Must not advocate against carbon pricing mechanisms with an escalating carbon price in regulated carbon markets.	Publicly opposed the Australian Government's carbon tax proposals (the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013).	IKEA supports the need to develop regulated carbon markets with an escalating carbon price to enable greater competitiveness of low-carbon technologies, and control leakage through international cooperation on a global, connected carbon market.
Sources: <ul style="list-style-type: none"> https://www.ingka.com/news/ceos-ask-world-leaders-to-support-bold-net-zero-commitments/ https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/Clean_Energy_Legislation/report/c0 https://www.applianceretailer.com.au/australian-retailers-association-welcomes-carbon-tax-repeal-predicts-stronger-consumer-confidence/ 		

European Business Association Country: Ukraine		
Policy criteria	Association position	Ingka position
Must not advocate against carbon pricing mechanisms with an escalating carbon price in regulated carbon markets.	While the EBA supports the implementation of the Emissions Trading System (ETS) mechanism as a step towards closer integration with the EU and the harmonisation of national legislation with EU standards, it does not extend the same level of support to the introduction of Carbon Border Adjustment Mechanism (CBAM). The EBA advocates for Ukraine to receive exemptions from CBAM, as it believes that its implementation could have a negative impact on Ukrainian exporters, placing a significant financial burden on them.	IKEA supports the need to develop regulated carbon markets with an escalating carbon price to enable greater competitiveness of low-carbon technologies, and control leakage through international cooperation on a global, connected carbon market.
Sources: <ul style="list-style-type: none"> https://www.ingka.com/news/ceos-ask-world-leaders-to-support-bold-net-zero-commitments/ https://eba.com.ua/en/dlya-stvorennya-rynku-torgivli-kvotamy-na-so2-v-ukrayini-znadobysya-nemenshe-10-rokiv/ https://eba.com.ua/en/vugletseve-myto-dlya-ukrayiny-v-2023-rotsi-mozhe-vbyty-eksport/ https://eba.com.ua/ekologiya-chy-ekonomika-shho-treba-znaty-pro-yevropejskij-zelenyj-kurs 		

Must not advocate against globally aligned standards for sustainability reporting. No instances of misalignment

Instances of partial alignment

There are 103 instances of partial alignment. Given the number of instances, we have not included a case-by-case explanation of how we made our assessment. Instead, we have outlined associations that are partially aligned by policy area. Should reviewed associations wish to understand the rationale for categorisation of partial alignment, this is available on request.

Policy: Net Zero by 2050	
Partially aligned industry associations	Country
Austrian Economic Chambers	Austria
Retail Council of Canada	Canada
The Croatian Employers' Association (CEA)	Croatia
Finnish Trade Association (Kaupan Liitto)	Finland
Fédération du e-commerce et de la Vente à Distance	France
Federdistribuzione Valore D Parks	Italy
Associação Portuguesa de Empresas de Distribuição (APED)	Portugal
Asociația Marilor Rețele Comerciale din România (The Association of Large Commercial Networks in Romania)	Romania
AmCham Slovakia	Slovakia
Slovenia Chamber of Commerce	Slovenia
Spanish Confederation of Business Organizations (CEOE)	Spain
Circular Sweden	Sweden
Svensk Handel / Swedish Trade	Sweden
Swiss Retail Federation	Switzerland
National Retail Federation	United States
Retail Industry Leaders Association	United States
Total: 16	

Policy: Paris Agreement and its goals	
Partially aligned industry associations	Country
Australian Retailers Association Business Council for Sustainable Development	Australia
AmCham China	China
China Chamber of International	China
eCommerce Europe	EU
World Federation of Advertisers	EU
Finnish Trade Association (Kaupan Liitto)	Finland
Fédération du e-commerce et de la Vente à Distance	France
La Fédération du Commerce et de la Distribution	France
DIHK Deutsche Industrie-und Handelskammer	Germany
Handelsverband Deutschland (HDE)	Germany
Federdistribuzione Valore D Parks	Italy
Associação Portuguesa de Empresas de Distribuição (APED)	Portugal
Asociația Marilor Rețele Comerciale din România (The Association of Large Commercial Networks in Romania)	Romania
AmCham Slovakia	Slovakia
Slovenia Chamber of Commerce	Slovenia
Spanish Confederation of Business Organizations (CEOE)	Spain
Circular Sweden	Sweden
Swiss Retail Federation	Switzerland
British Retail Consortium	United Kingdom
National Retail Federation	United States
Retail Industry Leaders Association	United States
Total: 21	

Policy: Circularity	
Partially aligned industry associations	Country
Australian Retailers Association Business Council for Sustainable Development	Australia
Retail Council of Canada	Canada
AmCham China	China
China Chain Store and Francise	China
Confederation of Trade and Tourism of the Czech Republic	Czech Republic
Fédération du e-commerce et de la Vente à Distance	France
La Fédération du Commerce et de la Distribution	France
Handelsverband Deutschland (HDE)	Germany
Slovenia Chamber of Commerce	Slovenia
British Retail Consortium	United Kingdom
Retail Industry Leaders Association	United States
Total: 11	

Policy: Energy transition	
Partially aligned industry associations	Country
Austrian Economic Chambers	Austria
Retail Council of Canada	Canada
China Chain Store and Francise	China
The Croatian Employers' Association (CEA)	Croatia
World Federation of Advertisers	EU
eCommerce Europe	EU
Eurocommerce	EU
Finnish Trade Association (Kaupan Liitto)	Finland
La Fédération du Commerce et de la Distribution	France
Handelsverband Deutschland (HDE)	Germany
DIHK Deutsche Industrie-und Handelskammer	Germany
Federdistribuzione Valore D Parks	Italy
VNO-NCW	Netherlands
POHID Polska Organizacja Handlu i Dystrybucji (Polish Organisation for Trade and Distribution)	Poland
Foreign Investor Council Serbia	Serbia
AmCham Slovakia	Slovakia
Slovenia Chamber of Commerce	Slovenia
Spanish Confederation of Business Organizations (CEOE)	Spain
Svensk Handel / Swedish Trade	Sweden
Circular Sweden	Sweden
Swiss Retail Federation	Switzerland
European Business Association	Ukraine
British Retail Consortium	United Kingdom
Retail Industry Leaders Association	United States
Total: 24	

Policy: Decarbonising transport	
Partially aligned industry associations	Country
Austrian Economic Chambers	Austria
Eurocommerce	EU
Finnish Trade Association (Kaupan Liitto)	Finland
Fédération du e-commerce et de la Vente à Distance	France
La Fédération du Commerce et de la Distribution	France
Handelsverband Deutschland (HDE)	Germany
DIHK Deutsche Industrie-und Handelskammer	Germany
Federdistribuzione Valore D Parks	Italy
VNO-NCW	Netherlands
Associação Portuguesa de Empresas de Distribuição (APED)	Portugal
Spanish Confederation of Business Organizations (CEOE)	Spain
Svensk Handel / Swedish Trade	Sweden
British Retail Consortium	United Kingdom
National Retail Federation	United States
Retail Industry Leaders Association	United States
Total: 14	

Policy: Carbon pricing mechanism	
Partially aligned industry associations	Country
The Austrian Retailers Association (Handelsverband)	Austria
Austrian Economic Chambers	Austria
China Chain Store and Francise	China
Eurocommerce	EU
British Retail Consortium	United Kingdom
Retail Industry Leaders Association	United States
Total:6	

Policy: Credible reporting	
Partially aligned industry associations	Country
China Chain Store and Francise	China
The Croatian Employers' Association (CEA)	Croatia
Handelsverband Deutschland (HDE)	Germany
DIHK Deutsche Industrie-und Handelskammer	Germany
Federdistribuzione Valore D Parks	Italy
Associação Portuguesa de Empresas de Distribuição (APED)	Portugal
Foreign Investor Council Serbia	Serbia
Spanish Confederation of Business Organizations (CEOE)	Spain
British Retail Consortium	United Kingdom
Retail Industry Leaders Association	United States
Total: 10	

Appendix 4

Industry associations with which Ingka group is affiliated

List of all membership organisations, organisations where board membership is relevant or active participation is involved.

36 associations included in this review

1. AmCham Slovakia (Slovakia)
2. AmCham China (China)
3. Asociația Marilor Retele Comerciale din Romania (The Association of Large Commercial Networks in Romania) (Romania)
4. Associação Portuguesa de Empresas de Distribuição (APED) (Portugal)
5. Australian Retailers Association Business Council for Sustainable Development (Australia)
6. Austrian Economic Chambers (Austria)
7. China Chain Store and Franchise Association (China)
8. China Chamber of International Commerce (China)
9. Circular Sweden (Sweden)
10. Confédération Nationale de l'Équipement du Foyer (France)
11. Confederation of Trade and Tourism of the Czech Republic (Czech Republic)
12. DIHK Deutsche Industrie-und Handelskammer (Germany)
13. eCommerce Europe (EU)
14. EuroCommerce (EU)
15. European Business Association Ukraine (EBA) (Ukraine)
16. Fédération du Commerce et de la Distribution (France)
17. Fédération du e-commerce et de la Vente à Distance (France)
18. Federdistribuzione Valore D Parks (Italy)
19. Finnish Trade Association (Kaupan Liitto) (Finland)
20. Foreign Investor Council Serbia (Serbia)
21. HDE Handelsverband Deutschland (Germany)
22. HUP - The Croatian Employers (Croatia)
23. National Retail Federation (US)
24. National Trade Association (Hungary)
25. POHID Polska Organizacja Handlu i Dystrybucji (Polish Organisation for Trade and Distribution) (Poland)
26. Raad Nederlandse Detailhandel (The Netherlands)"
27. Retail Council of Canada (Canada)
28. Retail Industry Leaders Association (US)
29. Slovenia Chamber of Commerce (Slovenia)
30. Spanish Confederation of Business Organizations (CEOE) (Spain)
31. Svensk Handel (Sweden)
32. Swiss Retail Federation (Switzerland)
33. The Austrian Retailers Association (Handelsverband) (Austria)
34. UK British Retail Consortium (UK)
35. VNO-NCW (The Netherlands)
36. World Federation of Advertisers (EU)

Associations considered, but excluded, from this review:

Global

- 1.5 Shift Foundation (SITRA)
- Big Data Value Association (BDVA)
- Breakthrough 2030 Retail Campaign (Race to Zero)
- Business at OECD (BIAC)
- C40
- Cambridge Institute for Sustainable Leadership (CISL)
- Catalyst
- Equal Pay International Coalition (EPIC)
- European Network Against Racism (ENAR)
- EV100
- Global Alliance for Responsible Media (GARM)
- Global Data Alliance / Digital Transformation Network
- Global Deal
- Open for Business
- RE100
- SME Climate Hub
- Stonewall
- Tent.org
- The B-Team
- UN Global Compact
- UNHCR
- We Lead
- We Mean Business Coalition
- WEF
- Workplace Pride
- World Business Council for Sustainable Development (WBCSD)
- World Resource Institute (WRI)

Regional

EU

- CLG Europe
- Solar Power Europe

Country

Australia

- Australia Electric Vehicle Council Australia

Austria

- respACT (Austrian Business Council for Sustainable Development – member)

Canada

- Swedish Canadian Chamber of Commerce

China

- European Chamber in China

Czech Republic

- Změna k lepšímu (Change for Better)
- RETHINK

Finland

- Service Union United PAM
- SITRA

Germany

- NABU Naturschutzbund Deutschland
- EHI Retail Institute

Hungary

- BCSDH (Business Council for Sustainable Development - Hungary) – EffekTeam

Japan

- JCLP - Japan Climate Leader's Partnership
- SCCJ - The Swedish Chamber of Commerce and Industry in Japan
- EBC - European Business Council in Japan
- BRT - EU Japan Business Round Table
- EICN - Economist Intelligence Corporate Network

Poland

- Employer Organization Konfederacja Lewiatan
- Scandinavian-Polish Chamber of Commerce
- UNGC Poland

Portugal

- Associação Zero
- Quercus
- ANP-WWF

Slovakia

- Circular Slovakia
- The Slovak Electric Vehicle Association (SEVA)
- National Union of Employers

Spain

- ANGED
- AECOC
- COTEC
- Multinacionales con España

Sweden

- 100% Förnybart
- Solelkommissionen
- Switzerland
- SwissCleanTech Alliance F

UK

- The Aldersgate Group

US

- Global Business Association
- Ceres
- California Retail Association



Thanks!

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