





#### Hej\*

Welcome and thank you to all who joined us for our third ONE HOME, ONE PLANET. We're delighted to have hosted OHOP again this year, as part of our engagement at COP26. From businesses, activists and governments to the many people at home, we all have a voice and a role to play in protecting the home we share. This is why we believe in bringing the many together to inspire, collaborate and learn from our different perspectives. Thank you for your time, energy and commitment.

Words give us hope, but actions create change. We believe actions speak louder than words. OHOP 2021 brought our collective purpose together to explore how to harness the power of businesses to accelerate a transition to a net-zero world where sustainable living is affordable and accessible for all. In this report you will find our main learnings and opportunities for further exploration – both within and outside of IKEA.

These are open-source thoughts and ideas, and we encourage everyone to investigate how you might implement some of them in your own sphere of influence.

Sustainability cannot be a luxury for the few. We believe to make a difference we must develop solutions that are both climate-smart and wallet smart. Personally, my favourite moment from OHOP has been meeting and learning from the youth leaders who are making a difference today. They are the ones that will take over from us and build on what we do now into the future.

So let's get started and let's take action.

Juvencio Maeztu

Deputy CEO and Chief Financial Officer of Ingka Group and speaker at OHOP 2021.

<sup>\*</sup>Swedish for 'hello'

## Imagine climate change is a problem we've already solved

# There is an action gap we need to fill

Against the backdrop of COP26, ONE HOME, ONE PLANET took place in Glasgow this year with a momentum of 'less talk, more action'. Now in its third edition, OHOP 2021 set up two days of frank, action-oriented problem-solving between business leaders and other thinkers and doers within NGOs and policy, and activist across generations. Collaborating with <a href="TheB">TheB</a> Team: a global nonprofit initiative of business leaders, the event had the ambitious goal of breaking down some of the barriers that slow us from solving urgent people and planet challenges.

#### Our actions speak the loudest

Spread over two <u>Town Hall</u> sessions which explored topics such as 'ensuring purpose and profit work together' and 'accelerating climate action through equitable relationships, the event then deep-dived further with action-driven CoLabs, where participants rolled up their sleeves to problem-solve possible solutions to three interlinked challenges: Making circular solutions scalable, making healthy and sustainable living the new norm and accelerating the uptake of healthy, plant-based food. You will find our ideas, insights and suggested actions summarised further in.

Imagine if everything we did empowered the many people to live healthier and more sustainable lives. We believe this future is within our grasp.

## Inspiring action and sparking change.

ONE HOME, ONE PLANET 2021 consisted of two complimentary parts.

#### The Town Hall

Thought-leadership by bright minds and inspired experts. Our Town Hall sessions sought to stretch our thinking and inspire action.

#### The CoLabs

These deep-dive collaboration sessions combined small groups and powerfully effective ideation sprints.



"Save the planet, I think we can save the planet, if we come together. We just want to act, and we ain't sitting back"

A.Y. Young

UN Sustainable Goals Leader, Clean Energy Advocate, Singer



while the humans form the subplot.

I'm interested in placing Climate Hub

Hub.

6

# Ideas with impact

In 3 years the ONE HOME, ONE PLANET community has connected over 700 committed changemakers helping us all accelerate our efforts in creating a fairer, healthier planet for the many people.

#### The OHOP Journey so far

2019

#### Meaningful work:

Participants fed into an operational framework now used in the IKEA Employability Programme for Refugees.

#### **Measuring impact:**

Our CoLabs ideated a tool to support businesses consider people, planet, profit and perception.

**Driving innovation:**CoLab input was fed into clean energy, urban farming and circular proposals over 2020.

#### Powering plant-based choices:

Our 2020 CoLabs applied datadriven nudging techniques to increase sales of plant-based food. Now being tested in IKEA Japan, Germany and the UK.

Now

#### **Hungry for more?**

Watch the OHOP 2020 Town Hall <u>here, here</u> <u>and here.</u>

#### #BuyBackFriday:

Inspired by a 2020 CoLab, #BuyBackFriday was a first-of-its-kind campaign inviting customers to return furniture they didn't need in return for a double-value buy-back voucher.



In our Town Hall sessions we spoke frankly about forging better relationships between profit and purpose, and accelerating climate action through equitable partnerships.





# Town Hall: Part One Making peace between the P's

How can we ensure purpose and profit work together? In this discussion we looked at the challenges and opportunities facing this relationship.

## **Building trust in challenging times**

A conversation about how intergenerational partnerships can effect corporate change with Andy Karsner and Alexandria Villaseñor. Moderated by Sara Vaughan.

It's difficult to imagine how the Paris Agreement on climate change could have been cemented without the support of business. However, underneath this welcome progress lies an uncomfortable truth: most business strategies are still predicated on unchecked financial growth (particularly on more people buying more goods) and board members and investors are often behind this pushing for higher returns. We invited Andy and Alexandria to have a conversation together about trust, accountability, and what we can all do to push corporate boards to be accountable for their actions.

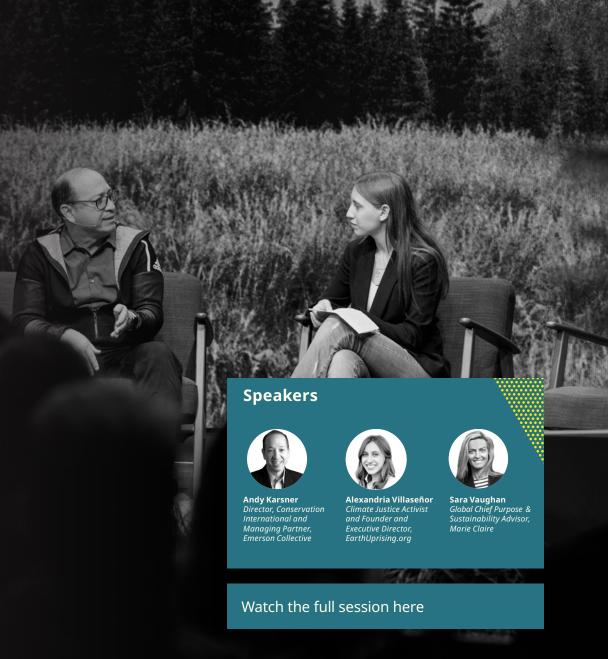
AV: Why should young activists trust corporations?

AK: Trust is not given, it's earned. On the route to trust, you need transparency, communication and accountability. The bigger a corporation is, the more capacity it has to do good or to do ill. All the unbelievable youthful movements with the integrity of ideals to hold those to account helps those companies get better.

"The most important thing that we can do is dream and be creative to get the solutions we want."

Alexandria Villaseñor
Founder and Executive Director,

EarthUprising.org



#### How can civil society help push that implementation?

Rather than abdicate or leave them for other people to dwell in their method, be involved with the energy and vitality of protesting very clearly what you do not wish to have, but just as importantly you also need a plan with actionable insight to seriously influence and affect what you want. You need both!

#### Are oil and gas companies likely to put forward credible net-zero plans, with credible metrics?

All carbon-intensive industries need credible engagement with stakeholders that is transparent. The real question will be implementation. What are the tactics, timetable and metrics?

#### How can there be more productive intergenerational conversations?

We need to recognise the value of pairing creative wisdom and networks and experience with the people who have the energy and enthusiasm and vitality to spark change.

"My call to people would be, to believe sufficiently in the evolution of democratic society that even when it's broken, you can actually do something anyway despite it all."

#### **Andy Karsner**

Director, Conservation International and Managing Partner, Emerson Collective



## Beyond jargon, measurements and reporting

Measuring what matters:
A better way to
communicate climate
action with Juvencio
Maeztu, Katharine Hayhoe,
Sanda Ojiambo and Kevin
Mtai. Moderated by Halla
Tómasdóttir.

Conversations about environmental, social and governance (ESG) metrics have come to the forefront as more companies commit to measuring and reporting publicly on their sustainability performance.

And while reporting frameworks should provide us with a holistic picture of what a company does, a multitude of metrics and standards have left us without the ability to compare meaningfully. Indeed, the accelerated uptake of ESG measurement and reporting practices creates a risk of diversion from the root causes of problems such as corporate behaviour and unsustainable business models. Nevertheless, there are positive signals.



"One of the best news coming out of COP26," Halla Tómasdóttir, CEO of The B Team says. "Is that the International Sustainability Standard Board was established. This means we will actually start measuring what matters."

Another critical element is the importance of mobilising employees and bringing customers, the supply chain, other companies in our ecosystems, and our peers along on this journey. How do we take the

conversations that are happening in forums such as COP, and make the conversations available for the many, not just for a few?

Providing one answer to this challenge, Katherine Hayhoe explains, "the planet does not care why we reduce our emissions, as long as we do. Meeting people where they are, finding out what they care about, and allowing others to see the issue through their own lens will be essential to progress together."





### Town Hall: Part Two

Making change with the many

In part two, we unpacked how we can practically accelerate climate action through equitable partnerships.

#### Addressing the action gap

How do people around the world think, feel and act in relation to climate change? A report with Karen Pflug, Chief Sustainability Officer of Ingka Group

One attribute all good businesses share is the ability to see the world through the eyes of their customers. In this discussion, Karen Pflug, CSO of Ingka Group, spoke to us about how the many IKEA customers around the world think, feel and act about climate change. Incorporating a worldwide GlobeScan study interviewing 34,000 people in 32 markets, Karen explained that:

- There is an intention to action gap among individuals. While 7 in 10 people worry about climate change and 9 in 10 are willing to take action only 4 in 10 are currently integrating changes into their lives. The biggest demographic for this action gap is amongst 18-24-year-olds, who want to take action but don't know where to start.
- 8 in 10 people believe that they can make a difference. However, there are 5 barriers blocking them from doing so.

Firstly and secondly, a lack of support from both governments and businesses. Thirdly, too many additional costs are associated with living more sustainably. Fourthly, a lack of knowledge on what to do and lastly, not seeing enough action around them, leading to inertia.

- Of these five barriers, the most significant is cost.
   Around the world sustainability and climate action are seen as more expensive options.
   Conversely, the chance to save money is seen as an extremely good motivator for taking more action.
- Three-quarters of individuals surveyed 'absolutely' expect governments and businesses to step up. Governments are expected to increase their financial support for clean and renewable energy and businesses to offer sustainable and affordable solutions for individuals to act while advocating for and raising the concerns of the many people to climate-related issues.

"With the most significant barrier to climate change action being affordability, the *loudest voice we hear from our customers is* that our solutions must be both good for the planet and good for the wallet." Karen Pflug CSO, Ingka Group Watch the full session here

#### **Action speaks!**

A conversation on how to accelerate climate action and create the right conditions for a just and inclusive transition with with Geraldine Matchett, Sharan Burrow and Kehkashan Basu, led by Van Jones.

In our final Town Hall session we asked ourselves 'what have we learned so far?' In this discussion, we determined: There's an action gap that we need to fill. Climate change doesn't just affect a select few. We need to tap into our collective knowledge and understand the needs and roles of all stakeholders. Digging deeper we unpacked that it's imperative to pay attention to the intersections of climate and inequality and understand that climate justice is impossible without racial justice, gender justice and labour justice.

As the effects of climate change disproportionately impact marginalised communities, poor and vulnerable populations tend to suffer a higher affliction of environmental changes and economic transitions. Our speakers explained that we cannot address climate change

without also addressing social inequality and systems of marginalisation. As we transition to greener and more sustainable economic models it's mandatory to include interventions and deliver solutions that secure livelihoods without excluding parts of society. As moderator Van Jones explains,

"The key in this third wave of environmentalism is to create something we might call ecological equity, where the work, wealth, and health benefits of the green economy are given to the people who most need wealth, and most need health."

Van Jones

TV Host, Author and Changemaker



# The CoLabs

Building on diverse perspectives and skills, the OHOP CoLabs saw participants split into teams to problemsolve together. In this section we summarise their insights and potential actions we can all take into the future.

# THE OHOP 2021 CoLabs focused on three interlinked topics to help us solve our overarching challenge:

How can we harness the power of businesses to accelerate the transition into a new economic model that makes sustainable living affordable and accessible for all?

- Closing the Loop: Making circular solutions scalable
- Life at Home: Making healthy and sustainable living the new norm
- **Food for People and Planet:** Accelerating the uptake of healthy plant-based food for the many people

#### Powerful problem-solving: Our CoLab Methodology

#### **Establish the challenge**:

First, we determine the 'status quo' of the challenge context, then we produce a rapid-fire list of barriers to solving it.

#### **Understand the system:**

We capture participants' areas of expertise and experience to record change within the broader system of the challenge.

#### Identify areas for intervention:

Working backward from an ambitious future goal, we brainstorm tangible actions we might take in the present.

#### Closing the loop

# Closing the loop:

Making circular solutions scalable

While a significant number of consumers and businesses want to lower their environmental impact and increase resource efficiency, few have a clear understanding of what exactly the circular economy is and how it connects to their own behaviours and choices. In this CoLab we explored the challenges and opportunities of both an immediate transition to a circular economy and an incremental, inclusive one.

#### **Breakout 1:**

How might we spur business and society to stop accepting that things will be wasted as a consequence of their activities, and transition towards a mindset of seeing waste as a resource?

#### Insights

- Second-hand and circular options are becoming trendier and more interesting to consumers. However, consumers are still hesitant to pay a premium for circular goods, and retailers should make affordability a priority.
- Hopeful new trends are emerging at the local level, like Buy Nothing and Facebook Marketplace. Even so, communities still need to be able to see the impact of re-using in order to value or understand it.
- Government policy will be an important driver – through carrots and sticks – to accelerate the adoption of circular models. However this support is in the early stages of development and implementation.

- Single-material products:
   Businesses should explore redesign of products to make recycling easy and efficient by only using a single material or materials that are easily separable.
- Business waste circularity pilot: Businesses could create a circularity pilot focused on one of their waste streams and find local partners that can utilise that waste as an input.
- 20% community time:
   Businesses could allow employees to spend a set amount of their paid time on developing and managing circular initiatives in their communities. This can help facilitate the integration and collaboration between businesses and communities.

#### **Breakout 2:**

How might we rethink how businesses sell and promote products in order to enable and inspire circular and more sustainable behaviours?

#### Insights

- When thinking of circular products, traits like recyclability and reparability are a given.
   However, we rarely talk about other incentives such as versatility, aesthetics, or use of high-quality materials
- The circular economy needs a narrative that does not alienate certain groups of consumers.
   We all want quality, durability, functionality and affordability.
- As people are becoming aware of the current climate crisis and that their own choices have an impact, this often results in a feeling of guilt when purchasing and consuming.

#### Ideas for potential actions

- A unifying story of the circular economy: Idea to co-create a common vision and inclusive narrative by engaging with all groups of consumers to test and refine assumptions.
- Guilt-free, positive consumption experiences: Explore the real barriers to consumers making valuealigned choices today in order to develop relevant and enabling solutions.
- The Circular Economy
  Platform: Address the need
  for clear and trustworthy
  information on how to engage
  in the circular economy with a
  platform where companies and
  individuals can contribute to a
  circular ecosystem.

#### **Breakout 3:**

How might we demystify the concept of circularity and create an accessible, common language between businesses, consumers and regulators?

#### Insights

- Has the concept of the circular economy been watered down and reduced to 'repairing' or 'reusing' items – behaviours that do not necessarily create circular ecosystems?
- Who is currently leading the conversation on circularity: consumers, businesses, or regulators? Do retailers have an outsized role to play, or a greater responsibility given the size and reach of their platforms?
- Retailers need to communicate with full transparency to earn credibility; set a tone that highlights the many advantages of circular behaviour, and share success stories to make the concept more actionable.

- Results speak louder than theory: We need genuine examples of closed loops, and we need to share them widely. Businesses can do this by being transparent with their processes and using consistent metrics.
- More action, less talk:

   Language should spur
   consumers and businesses
   to action. The language used
   should enable stakeholders to
   be active contributors.
- Accessible and inclusive: There
  is a need to bring the many into
  the circularity conversation.
  Cross-generational and
  cross-sectorial engagement is
  important to better understand
  what language resonates.

#### Life at home:

Making healthy and sustainable living the new norm

There is a significant business opportunity in bridging the gap between people's aspirations to live a more sustainable and healthier life at home and the current reality. In this CoLab we explored how we can enable aspirations for healthy and sustainable living for more of the many.

#### **Breakout 1:**

How might we apply lessons from behavioural science to inspire and enable sustainable lifestyles more widely?

#### Insights

- Nudges are an effective way to drive impact at scale. A positive example is the greater number of consumers choosing the renewable energy option for electricity when it was offered as the default option.
- Rebranding initiatives are needed to inspire sustainable lifestyles; for example, calling food 'field-grown' rather than vegetarian increases uptake.
- Generation Z is highly engaged and wants to be involved in the solution for climate change. How can they take action?

- Opportunity to harness the power of the community to offer product swaps and resale opportunities, training in refurbishment practices and a place for like-minded people to come together.
- Rewards and gamification for sustainability: Offering rewards for individuals who help the community exchange, repair and re-use products. Rewards systems are being used widely for sustainability nudging, e.g. limiting CO<sub>2</sub> emissions.
- Enabling education
   for change: Education
   opportunities for children and
   adults about the impacts of
   their behaviour could be offered
   by local community hubs.

#### **Breakout 2:**

How might we facilitate affordable and accessible solutions for more households to lower their energy footprint - including using less energy, using energy smarter, and using and generating renewable energy at home?

#### Insights

- Consumers want low-cost green options. Businesses like IKEA which have a large trust base have an opportunity to bring convenient energy solutions to their customers.
- On the tech and innovation side, solutions are not often designed for a consumer-facing market.
   We need to speak to different audiences with different motivational factors.
- There is a gap between customer needs, science and tech solutions, and the policy allowing these solutions to be put into play. Policy support would enable a market of convenient solutions.

#### Ideas for potential actions

- Solutions for my life at home: Opportunity to utilise the existing presence and establish in-store sustainability consultations to co-create personalised solutions tailored to customers' unique needs at home.
- Smart at scale: Collaboration with housing construction companies to identify new ways to holistically provide sustainable and smart solutions for the home at scale.
- Pair the right solutions with the right incentives: If energy saving is not a motivation to change behaviour, pair it with something that does. Use data and personalised engagement and solutions to encourage greater uptake.

#### **Breakout 3:**

How might we enable households to reduce their food waste?

#### **Insights**

- Many widespread 'nudges' are counterproductive to reducing household food waste. For instance, heavy discounting, multi-buys, and fear around 'best before' dates.
- Cultural and social drivers have a big impact on the quantity of food waste in different communities.
- There is an opportunity to apply big data to better understand how, and how much, food is wasted. But will we welcome that intrusion?

- Zero-waste schools: Use the power of community and the platform of inspirational cultural and sports ambassadors, alongside trusted brands, to engage youth in schools around a shared purpose of 'zero food waste'
- 'Perfect Pantry' solutions for homes: Bundle storage products with the right tech and knowledge/skill packages, to encourage the right purchasing behaviours, and to enable households to minimise food waste.
- Nudging via gamification:
   Apps and other gamification platforms could act as a tool to showcase and nudge the right behaviours in an engaging way.

#### **Food for People and Planet**

# Food for People and Planet

Accelerating the uptake of healthy plant-based food for the many people

Research has found that even small reductions in our meat consumption can significantly reduce the carbon footprint of our diets. It's clear that any switch to a healthy and sustainable food system will require substantial shifts – not just with how foods are produced, but with our ability to make choices.

#### **Breakout 1:**

How might we support consumers to make healthier and more sustainable food choices?

#### Insights

- Just as other diet choices can be stigmatized, the concept of 'plant-based' can sometimes feel exclusionary. Demonising meat eaters is not the way to go, with plenty of evidence showing this tactic is unsuccessful.
- The price of meat makes plantoriented diets the default in many developing countries, with meat considered a 'once in a while' item.
- There is a trust issue based on lots of bogus claims around labelling - 'natural,' 'nutritious,' etc.
- We are psychologically geared to believing healthy, sustainable food is not tasty: this can and should be changed.

- food brand that carries the IKEA ethos beyond IKEA stores. Brands such as IKEA could be an 'everyday advocate' for healthy and sustainable eating opportunity to create a new standalone chain or business line.
- Assess businesses' food portfolio and quantify the impacts across the value chain. Build a powerful narrative about the 'true cost' of the food in terms of impact on the environment and society.
- Normalise sustainably nutritious food as a default.
   Hospitals, schools, and campus cafeterias are a good starting point. This can be strengthened by community ambassadors and influences.

#### **Breakout 2:**

How might we inspire and enable employees, customers and wider society to be ambassadors for healthy and sustainable eating? (Team 1)

#### Insights

- We can do better at assigning a holistic asset value to food, capturing its story from the source, to access, to nutrition, to consequence.
- There is a need to jargon-bust and simplify the messaging for consumers around the world to change their every day incrementally.
- Engage communities as per their values, beliefs, choices and limitations, nudging them to take the first convenient step.

#### Ideas for potential actions

- Create a 100% regenerative food system (RFS) with a positive triple bottom line.
   Engage industry, suppliers and communities to co-develop a new story of food from a people-planet-production viewpoint.
- Target maximum ecological equality and access to affordable healthier food.
   Engage trusted brands and partners to take a position on poor access, unfair wages and ecological apartheid in their value-chains.
- Raise awareness of individuals to drive the right choice. Bring in food research and gamification to soft-nudge behaviours toward a positive impact of food on planet and health in everyday life.

#### **Breakout 3:**

How might we inspire and enable employees, customers and wider society to be ambassadors for healthy and sustainable eating? (Team 2)

#### Insights

- Local contexts, socio-economic situations, culture and identity need to be considered before promoting a transition to a plant-rich diet.
- We need to demonstrate that we have a common end-goal, despite different pathways to getting there.
- Reliable information and commonly accepted and understood basic principles about what "sustainable" and "healthy" means need to be accessible.
- Non-polarising supportive social infrastructure is essential to avoid exclusion and judgement.

- The FEEDback loop: An automated feedback channel for businesses and customers to share their needs and wishes with different parts of the value chain.
- Ask an expert: Enable ambassadors by providing co-workers and customers the opportunity to access experts to help demystify and answer their questions.
- The food pyramid reinvented:
   A gamified food pyramid that is inclusive and informative, to break "bad" habits and encourage intergenerational participation.

## Let's assemble a better future, together

#### Where to go from here?

We would like to give a heartfelt thank you to our participants for their time, energy and commitment — these ideas, insights and actions are the result of your hard work and common purpose. We will continue to explore the CoLab topics and the potential actions and insights. These learnings will be fed into our continued work towards becoming People and Planet Positive. We are encouraged by the level of engagement and willingness to continue the conversations with us and take action.

#### Local challenges, global learnings

Over the course of 2021, we have packaged the ONE HOME, ONE PLANET concept so that we can extend the movement even further. Some Ingka Group markets have taken the opportunity to run their own OHOP with their stakeholders. There they tackle their most critical people and planet topics in their own context. We congratulate Romania, Russia and the US for having started their very own OHOP journeys and look forward to learning from your experiences.

We all have a role to play in sparking change and creating a people and planet positive future.

"We are here to take actions towards the climate-smart economy in a way that it actually becomes more affordable for the many people."

Jesper Brodin CEO Ingka Group

