

## Ingka Group (Ingka Holding B.V. and its controlled entities)

January 22, 2019

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# Inkga Group achieves zero emissions target for home delivery in Shanghai, a year ahead of schedule

Ingka Group<sup>1</sup> has reached the target for zero emission home delivery in the inner city areas of Shanghai one year ahead of the 2020 goal. Thanks to new technology, strong collaboration with local partners and innovative ways of working, all home deliveries are now done by electrical vehicles (EVs). This makes Shanghai the first city in the IKEA franchisee system to achieve EV transition, with Amsterdam, Los Angeles, New York and Paris the next priorities.

Ingka Group aims for 100% of home deliveries by EV or other zero-emission solutions by 2025. In addition, the company will be part of creating infrastructure and supporting customers to move to electric vehicles, providing easy access to charging stations across all touchpoints; stores, offices and distribution centres by 2020.

"We have made a commitment to our customers to become even more affordable, convenient and sustainable. As we intend to explore city centre locations and experience a growing interest for services such as home delivery, we are increasingly conscious of our impact air quality and people's health. We have ambitious plans to grow but this has to be done responsibly and sustainably," says Jesper Brodin, CEO, Ingka Group.

Zero emission home deliveries are an essential part of how Ingka Group is transforming its business. This is also preparing the company for any future regulation, as a number of cities are also committed to creating zero emission areas by 2030, some countries will even move faster in order to limit transport related air and noise pollution.

"This is a milestone for us and I'm so excited that we have succeeded in Shanghai. The fast movement shows that the technology is here and we're not willing to wait. As we accelerate our investments and expand into city centre locations, we want to have a positive impact on both people and the community. Reaching our target in Shanghai is just the first step, we have ambitious plans of completing in four more cities by 2020; Amsterdam, Los Angeles, New York and Paris," says Jesper Brodin, CEO, Ingka Group.

The transition to EV s and focus on home delivery can in the future also enabled IKEA Retail China to speed up the digital transformation creating an even better customer meeting with shorter lead times, lower costs and improving precision. Collaboration and partnership with the community and service providers is an essential part of the success.

"This achievement is a great win for everybody– for business, for people in China and for the planet. For us it's not about switching vehicles from petrol or diesel to electric, it's about optimising, reinventing and innovating new ways of working. Together with our Chinese partners, we're using a digital platform making sure that we use delivery capacity as sustainably and efficiently as possible, says Anna Pawlak Kuliga, Country Manager, IKEA Retail China.

Ingka Group was one of the first partners to join the global initiative, EV100, in September 2018. The initiative is bringing together companies committed to accelerating the transition to electrical vehicles by 2030.

#### **About the Ingka Group**

 $<sup>^1</sup>$  Ingka Group is a strategic partner and the largest franchisee of the IKEA franchisee system, owning and operating 367 IKEA stores and digital touchpoints in 30 markets



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#### Ingka Group's long term targets include:

- Zero emission home deliveries, targeting five prioritized inner cities (Amsterdam, Los Angeles, New York and Paris) by 2020. Shanghai achieved one year ahead of time.
- Aim for 100% of home deliveries across all 30 markets by electric vehicles (EV) or other zero-emission solutions by 2025.
- Access to charging stations for EVs across all Ingka Group touchpoints across 30 markets, such as stores, offices, and distribution centres by 2020.
- Aim to halve relative emissions from co-workers and customers travelling to Ingka Group touchpoints by 2030.

<u>Read more</u> about the IKEA sustainability commitments and ambitions set for the entire IKEA franchise system: <a href="https://www.ikea.com/gb/en/this-is-ikea/newsroom/press-release/ikea-launches-new-people-planet-positive-strategy/">https://www.ikea.com/gb/en/this-is-ikea/newsroom/press-release/ikea-launches-new-people-planet-positive-strategy/</a>

<u>For more on Ingka Group's</u> sustainability performance, await the Annual & Sustainability Summary report that will be available January 31<sup>st</sup> at www.ingka.com

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