

Ethical Framework



IKEA Foundation

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Overview

Our values

- ▶ Togetherness
- ▶ Caring for people and planet
- ▶ Cost-consciousness
- ▶ Simplicity
- ▶ Renew and improve
- ▶ Different with a meaning
- ▶ Give and take responsibility
- ▶ Lead by example

Introduction

At the IKEA Foundation, we have a clear mission to improve the lives of vulnerable children by enabling their families to create sustainable livelihoods, while fighting and coping with climate change. This is a big responsibility and a demanding task that requires both humility and willpower. We want to achieve this by funding long-term projects and programmes that create the necessary conditions for lasting change. Helping people to help themselves is an important cornerstone of our philosophy.

Why we have an ethical framework

We take a long-term perspective towards our activities and programmes. As part of this, we recognise that we have a responsibility towards our co-workers, grantees and partners, and the children, families and communities we work with.

For us, it is all about working tirelessly towards our long-term goals with a down-to-earth approach. We focus on simplicity and dare to be different. Our work is always based on honesty, respect, fairness and integrity.

To ensure we all live up to these expectations, we have supplemented our values with an ethical framework. This sets out the behaviours the IKEA Foundation

The IKEA Foundation Ethical Framework

This Ethical Framework applies to all IKEA Foundation co-workers. The use of the term “Ethical Framework” refers solely to the Ethical Framework for the IKEA Foundation that you are now reading.

This Ethical Framework was adopted by the IKEA Foundation’s board of directors on 28 October 2014 and last amended by the board on 21 October 2021. It can only be amended by the board of the IKEA Foundation.

Acting with integrity

Fair and honest relations with grantees and partners

The way we deal with our grantees and partners shall be characterised by honesty, respect, fairness and integrity.

The IKEA Foundation shall comply with the laws and regulations in all jurisdictions where we conduct our activities. We shall not offer or accept from existing and potential grantees and partners any rewards or benefits that violate any applicable laws or this Ethical Framework.

We will make our grantees and partners, as well as those we do business with, aware of our Ethical Framework and our values.

Zero tolerance towards corruption

Trust, respect, integrity and honesty are essential to the IKEA Foundation. Any type of corruption contradicts the objectives of our work and our activities. We have zero tolerance towards corruption in any form

Avoiding conflicts of interest

At the IKEA Foundation, we shall always make decisions based on what is in the best interests of the Foundation, and ultimately the children and families we work with. Decisions shall never be based on personal considerations or relationships.

A conflict of interest arises when anything interferes with or influences a co-worker's independent judgement about what is in the best interest of the IKEA Foundation. We must avoid situations in which our personal interests may conflict with, or even appear to conflict with, the interests of the Foundation.

Situations we must be aware of

Assessing whether there is a conflict of interest is sometimes difficult. If in doubt, always be transparent and ask your manager. Any conflicts of interest must be reported immediately to your manager.

The following are some types of situations that we must be particularly aware of:

Business opportunities

None of us may take business opportunities for ourselves, which may arise during our duties for the IKEA Foundation, if this could be contrary to the interests of the Foundation.

Nor may any of us use Foundation property or information for any type of personal gain. If in doubt, always ask your manager.

Funding opportunities

None of us may arrange or promote funding opportunities that benefit ourselves and members of the immediate family.

Other employment

Any employment outside of the IKEA Foundation, with or without compensation, must not influence a co-worker's job performance. We may not engage in outside activities that divert time and attention away from our personal work responsibilities or require work during company time.

Board memberships and other outside affiliations

Any service on a board of directors or similar body of any enterprise or institution shall be carefully assessed and approved in accordance with the IKEA Foundation Policy on (potential) conflicts of interest approved by the board in October 2020. All outside professional service must be approved in accordance with the IKEA Foundation Policy on (potential) conflicts of interest approved by the board in October 2020.

Gifts, benefits, reimbursements and entertainment

No co-worker may offer or accept gifts, benefits, reimbursements or entertainment to or from a third party that would constitute a violation of this Ethical Framework or relevant laws.

This also applies to any situation that could affect, or appear to affect, a co-worker's professional judgment or performance of the respective work or duties for the Foundation or a third party.

However, we recognise that the acceptance of modest gifts, as well as hospitality and events, may be a legitimate contribution to building good relationships. In such instances, these gifts should be limited to items of little commercial value. All gifts and hospitality of higher commercial value shall be reported to your manager. If you are in doubt, always ask your manager.

Bribes, kickbacks and similar

We may not, directly or indirectly, demand or accept, offer or give any kind of bribe, kickback, unauthorised loan or any other unlawful or unethical benefit when performing our duties for the IKEA Foundation.

Personal relationships

All IKEA Foundation co-workers must be mindful of potential conflicts of interest involving a family member or close friend and avoid such situations where possible. If a conflict of interest situation does arise, either within the IKEA Foundation or in an external relationship (e.g. with a grantee or business partner), co-workers must report it.

Political neutrality

The IKEA Foundation observes neutrality regarding political parties and candidates. Neither the name nor the assets of the IKEA Foundation shall be used to promote or discredit the interests of political parties or candidates.

Religious neutrality

The IKEA Foundation observes neutrality regarding religious opinions and beliefs. Neither the name nor the assets of the IKEA Foundation shall be used to promote or advance a religious standpoint.

Human rights and the working environment

Equal opportunities

The IKEA Foundation respects and promotes fundamental human rights. We recognise our responsibility to observe those rights that apply to the activities involving our co-workers and the communities in which we work and live.

We hire and treat our co-workers in a manner that does not discriminate on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, or social or ethnic origin.

A good working environment

We try to create the best possible work environment for our co-workers. This includes providing the conditions for a safe and healthy working environment. We must all be proactive when it comes to protecting health and the working environment.

Harassment is not tolerated

No form of harassment is tolerated within the IKEA Foundation. This includes, but is not limited to, intimidation, any form of discrimination, sexual harassment, racism and other forms of bullying, as well as acts or threats of violence.

Right of association

At the IKEA Foundation, we respect every co-worker's right to freedom of association and preference within the institutional and recognised co-worker associations. We respect co-workers' right to join, form, or not to join a co-worker association of her or his choice without fear of reprisal, interference, intimidation or harassment.

No forced labour or child labour

We do not tolerate any form of forced or compulsory labour or child labour.

Alcohol and drug abuse is not acceptable

We do not tolerate alcohol abuse or the use or distribution of illegal drugs on any IKEA Foundation premises.

No one may work under the influence of alcohol or any substance that prevents him or her from performing work duties safely and effectively.

Resources and sustainable development

Best use of resources

For us, sustainability is all about making a difference. This means thinking about how we can make the biggest difference we can with the resources we have available.

We actively work towards sustainability and making the best possible use of resources. Every co-worker has a role to play in living up to this commitment in our daily work. Managers and leaders have a special responsibility to communicate this commitment clearly and ensure everyone adheres to it.

Protection of assets and confidential information

Protecting assets

The IKEA Foundation has significant assets, and the most valuable of these is our co-workers. The Foundation also has a wide variety of other assets, such as funds, confidential information, copyrights and intellectual property. We are all responsible for protecting the Foundation's assets and must report any loss to our nearest manager.

Proper use of assets

Our tools—such as office equipment, IT systems, software and other assets—shall only be used for conducting IKEA Foundation activities. Other uses or other related purposes can be authorised by the relevant manager, or by directives or local rules.

Proper use of funds

All IKEA Foundation co-workers and those acting on the Foundation's behalf shall strive to perform our activities in such a way that funds are not exposed to misuse. Funds must be used efficiently, effectively, responsibly and prudently.

Protecting intellectual property

The IKEA Foundation has a licence to use the IKEA logo, which is the intellectual property of Inter IKEA Systems B.V. As a key part of the IKEA brand identity, the logo is a valuable asset and must be treated with care. Co-workers must always follow the brand guidelines, which set out how to use and protect the logo. Please seek advice if you are in doubt.

Our use of the IKEA logo and association with the IKEA brand mean that any potential reputation risk to the IKEA brand must be considered in all our activities and actions.

Intellectual property created by co-workers is transferred and assigned to the IKEA Foundation by law and/or her or his employment agreement.

Protecting confidential information

Any IKEA Foundation co-worker who has access to confidential information owned by the IKEA Foundation or by third parties, shall safeguard this information at all times.

This refers to financial information, business plans, technical information, information about co-workers and/ or grantees and partners, grants or programmes as well as other types of sensitive knowledge.

Everyone working at the IKEA Foundation who has access to such assets or confidential information must act in accordance with the employment agreement, relevant laws, and the Foundation's policies and rules.

Our Ethical Framework and the law

All IKEA Foundation co-workers are subject to laws and regulations in the countries and jurisdictions around the world where we conduct our programmes. We refer to this set of relevant requirements as “the law” in our Ethical Framework.

All co-workers are expected to comply with the law and the Framework. In the unlikely event that the Ethical Framework conflicts with the law, the law always prevails over the Ethical Framework. If the Ethical Framework stipulates higher demands than the law, the Framework prevails.

Each of us must understand the Ethical Framework and take responsibility for complying with the Ethical Framework and the law.

Using common sense

Co-workers must always use sound judgement and common sense. In the course of your daily work, you may face difficult situations.

If you are in doubt about any of your actions, ask yourself the following questions:

- ▶ Is it consistent with our Ethical Framework?
- ▶ Is it ethical?
- ▶ Is it legal?
- ▶ Is it consistent with our culture?
- ▶ Will it reflect well on the IKEA Foundation and the IKEA brand?
- ▶ Am I willing to stand up for my behaviour publicly?

If the answer to any of these questions is no, do not do it. Whenever you are uncertain, always be transparent and ask your manager for guidance.

The IKEA Foundation strives to have an open culture of inclusiveness. All co-workers are encouraged and should

feel empowered to come forward to discuss ideas, improvements, different views and, in good faith, any concerns they might have.

To sustain an open culture of inclusiveness and honesty, our way is to be transparent. If you have a concern, discuss it with or report it to your nearest manager—or a higher-level manager, if necessary—so matters can be dealt with in a straightforward way.

Leading by example

It is the responsibility of all managers at the IKEA Foundation to communicate and demonstrate the content and the spirit of this document in their daily work and to bring it into the projects the IKEA Foundation is funding.

All managers must ensure that the co-workers they lead understand their responsibilities under the Ethical Framework. All co-workers have an active duty to ensure their behaviour complies with, and is in the spirit of, the Ethical Framework.



IKEA Foundation