



IKEA Foundation

Annual Review 2022

Children from Varanasi, India.
Credit: GLOBAL ENERGY ALLIANCE
FOR PEOPLE AND PLANET (GEAPP)

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This work has never been more urgent

At the IKEA Foundation, we want to help create a brighter future for children and their families living in some of the most vulnerable communities. It's a bold ambition, in a world where poverty and climate change are making the future seem less secure than ever.

We know that tackling these threats will require unprecedented international collaboration and deep changes to global systems. We also know that we can't do this on our own.

That's why in 2022 we were grateful to work with 147 partners around the world, providing them with over €268 million in grants to create sustainable livelihoods and address the climate crisis.

Our partners give us reason to believe that change is possible, if we act together.

We continued to develop and share evidence of models that work, helping our partners to achieve greater scale and impact. Only by learning from what works can we make real progress collectively.

This work has never been more urgent. Our planetary

boundaries, from our biosphere and oceans to land use and climate, are being stretched like never before. The impact of this is already being felt. In 2022, flooding left a third of Pakistan under water. In East Africa, millions continued to be affected by drought. In Europe, heatwaves caused thousands of deaths.

Disasters like these show how closely poverty and the climate crisis are linked. They destroy homes and livelihoods, underlining the importance of limiting global warming to 1.5°C and dramatically reducing greenhouse gas emissions.

The IKEA Foundation is proud to be at the forefront of philanthropy's efforts to reduce emissions in this decisive decade for our planet. A failure to act now will impact all of us, particularly the most vulnerable communities in the world.

2023 marks the halfway point in the implementation of the 2015 Paris Climate Agreement and the UN Sustainable Development Goals. The world is currently far behind where it needs to be if we're to meet these essential targets by 2030. In coming years, we must dramatically accelerate our progress towards them.

The facts are clear, solutions exist, and resources can be made available. All that remains is the will. If we decide to act together, we at the IKEA Foundation are confident that a brighter future is possible.



Per Heggernes
CEO of the IKEA Foundation

About the IKEA Foundation

The IKEA Foundation is a strategic philanthropy that focuses its grant making efforts on tackling the two biggest threats to children's futures: poverty and climate change. Together with more than 140 partners, we work to improve family incomes and quality of life while protecting the planet. Recognising the inequalities that underpin poverty and climate change, we aim to transform unfair systems and support those affected. By building and sharing evidence of what works, the IKEA Foundation aims to help drive the positive change that is required.

We build long-term partnerships to benefit the many people and protect our planet.

Founded by Ingvar Kamprad in 1982 to support design and architecture, the Foundation received its extended mandate in 2009 to enable families to create a better future for themselves and their children, and fight and cope with climate change. Since then, the IKEA Foundation has paid out more than €1.8 billion to its partners. In 2021, the board of the IKEA Foundation decided to make an additional €1 billion available over the subsequent five years – on top of its annual grant making budget – to accelerate the reduction of greenhouse gas emissions.



*Pupils studying in Kalkeri village in Karnataka, India.
Credit: SELCO FOUNDATION*

Our vision

... is to create a better everyday life for the many people. Families need both a sustainable livelihood and a healthy environment to build a better future for themselves and their children. That's why our commitments to help families improve their incomes and to protect the planet go hand in hand.

Our mission

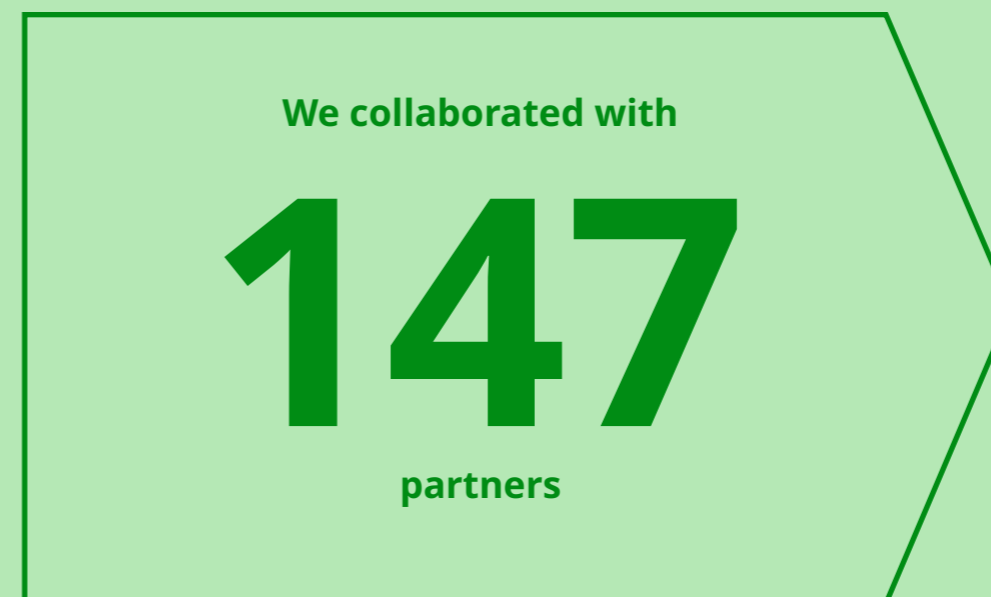
... is to improve the lives of vulnerable children by enabling their families to create sustainable livelihoods, and fight and cope with climate change.

Our values

... are at the heart of everything we do.

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

2022 in numbers



Supporting our partners to make an impact

Helping families to afford a better life

Throughout 2022, our partners helped people living in some of the most vulnerable communities around the world to build sustainable livelihoods. To do this, they developed new pathways and models providing important insights and learnings in our areas of focus. For example, we supported partners like **PRADAN**, **icipe** and **Kilimo Trust** to help farming families regenerate the natural resources they depend on and shift to planet-positive agriculture.

Our partners including **CLASP**, **SELCO Foundation**, **Collectives for Integrated Livelihood Initiatives** and **Carbon Trust** brought solar-powered technologies to communities in Africa and Asia. Thanks to their efforts, access to renewable energy is becoming easier and supporting families to enjoy a better life.

We joined forces with **TechnoServe Inc.** and **BOMA** to prove that green entrepreneurship is a viable way to create sustainable livelihoods. And we started working with **WASTE** and **VSO Nederland** to improve the livelihoods of waste pickers in India and Kenya, together with city authorities and large private sector waste recyclers.

We saw how circular waste models in the textile and food sectors can create jobs, save millions of litres of water, and divert waste from landfills in our partner Enviu's first report.

There's also increasing evidence that the types of interventions we're funding – like the programme by **UNHCR**, **the UN Refugee Agency** in Dollo Ado, Ethiopia – are helping to build self-reliance among refugees and host communities. And people who've experienced forced displacement had an opportunity to raise their voices in a first-of-its-kind publication by the **University of Oxford Refugee-Led Research Hub** in Nairobi.

Waste workers in a sorting facility in Udaipur, India.

Credit: WASTE





Francoise runs a food stall in Nairobi, Kenya with support from GiveDirectly.

Credit: GIVEDIRECTLY

DID YOU KNOW

In 2022,
we launched

8 new

evaluations with
our partners

Innovating and making progress

Learning how to do things better is at the heart of the IKEA Foundation. We believe there are always ways to improve, so we and our partners can increase our impact for people and planet. As part of this, we use monitoring and evaluation to learn with our partners and with other funders. In 2022 we launched eight evaluations, in cooperation with our partners, to better understand their impact in the communities they work in.

Our partner, **GiveDirectly**, commissioned an evaluation of an intervention to provide displaced people living in the Kiryandongo refugee settlement in Uganda with an unconditional cash transfer of \$1,000. A 19-month evaluation, which concluded in 2022, showed that families receiving this grant experienced improved quality of life even after the transfer had been spent, enjoying an increase in food consumption and durable assets.

Coming together to advocate for change

At UN Climate Week in September, our partner **The Museum for the United Nations – UN Live**, launched its “Global We” initiative. The programme invited people from all walks of life into conversations with one another through digital portals located around the world. Here, more than 4,000 people have already shared experiences and solutions to help unlock some of the most complex challenges around climate change.

Many of our partners, including the **Global Alliance for the Future of Food**, are leading the way in developing untapped opportunities to combine food systems change and climate action.

For the first time ever, food was on the agenda at COP27, where we sponsored the Food Systems Pavilion to highlight how a large-scale shift in food systems will benefit people, nature and the climate.

We joined partners at the **AGRF – Africa’s Foods Systems Forum Summit**, to discuss how regenerative agriculture can combat climate change and provide sustainable livelihoods. We also supported **Regen10** to explore how more of the world’s food can be produced in a way that delivers positive outcomes for people, nature and the climate.



MUSEUM THE UN UN.LIVE

Supported by

 IKEA Foundation

Powered by

 SHARED
STUDIOS

*A live conversation portal
located in New York City.*

Credit: MUSEUM FOR THE
UNITED NATIONS, UN LIVE



Collaborating for climate action

The agreement to create a Loss and Damage Fund at COP27 was a landmark decision to help developing countries respond to the effects of climate change.

Several of our partners played roles in this achievement. **The International Climate Politics Hub** helped keep negotiations on track, while the **Climate Emergency Collaboration Group** strengthened expert and institutional capacity for the fund. The **Africa Climate Foundation**, the **Climate Justice Resilience Fund**, and awardees of the **Climate Breakthrough** project also played key roles in securing agreement on the fund. Their work demonstrated the impact philanthropy can have in encouraging ambitious climate action.

In that spirit, we unveiled research at COP27 identifying the highest impact opportunities for global philanthropy to reduce greenhouse gas emissions.

This research, conducted by Systemiq and RMI, is informing how the IKEA Foundation deploys much of our 2021 pledge to invest an additional €1 billion in emissions reduction initiatives over 5 years. We hope its publication will inspire other philanthropies to join us in funding climate action urgently.

A business and philanthropy roundtable at COP27, hosted by We Mean Business and the IKEA Foundation.

Credit: THE IKEA FOUNDATION

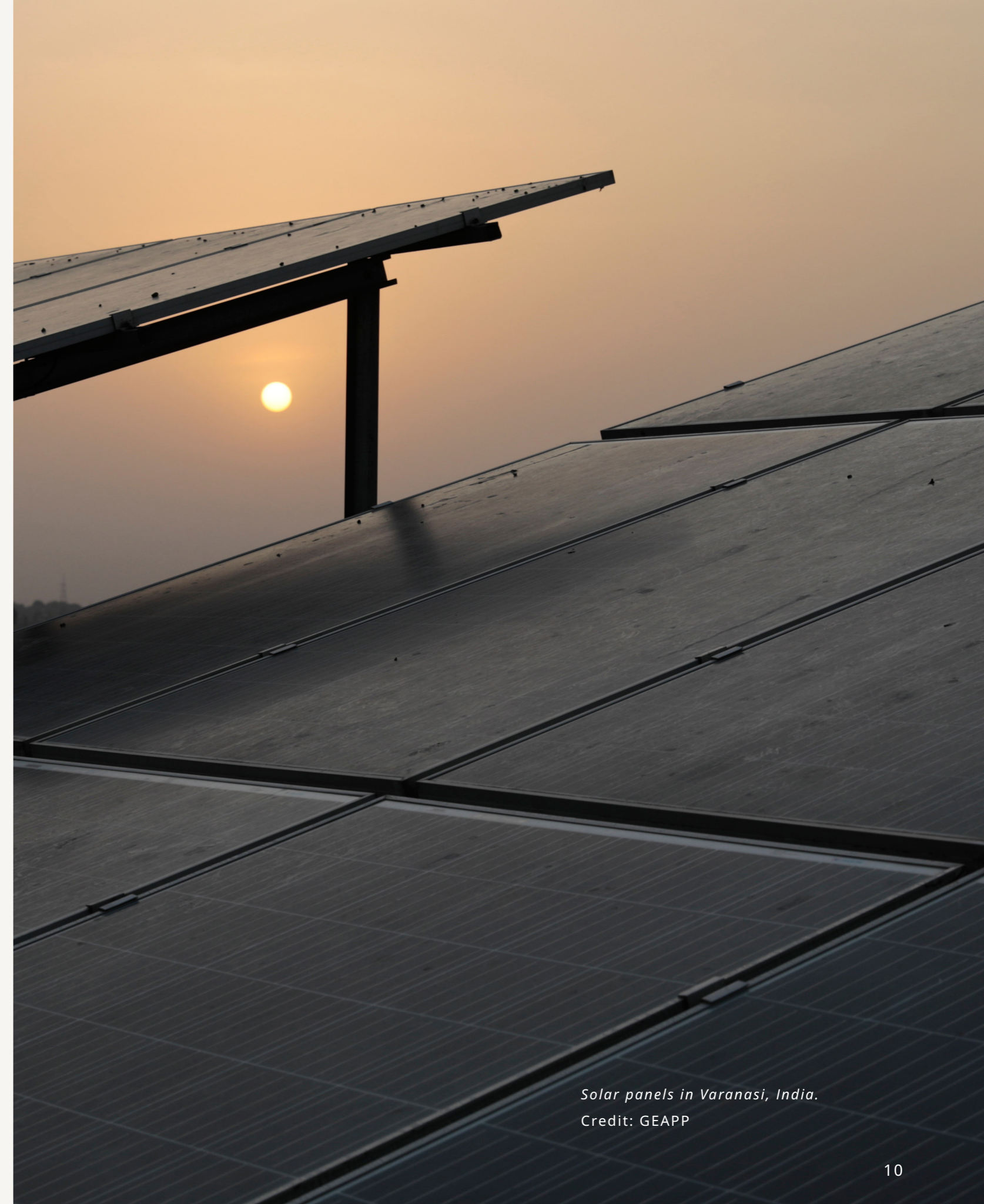
Taking the lead in reducing emissions

Our largest partner in this mission is the **Global Energy Alliance for People and Planet** (GEAPP), which is accelerating investment in green energy transitions and renewable power around the world. 2022 was GEAPP's first full year of operation.

Building on the projects of its philanthropic founders, the alliance has now added more than 245,000 new or improved energy connections, enabled 25 MW renewable energy capacity and averted or avoided 117,000 tons of carbon.

Last year, we announced two further grants to partners working to reduce emissions. These included \$25 million in funding to the **Clean Cooling Collaborative** to support its work encouraging the development of efficient, climate-friendly cooling technologies. The program targets regions projected to be responsible for 75% of all cooling-related emissions over the next 30 years: India, China, Southeast Asia, and the United States.

We also provided a \$20 million grant to the **Global Methane Hub**, which is working to cut international methane emissions by 30% by 2030. At least 25% of today's warming is driven by methane from human actions, with the oil and gas industry, livestock and landfills being the heaviest emitters. Reducing methane emissions is the single most effective way to rapidly slow the rise in global temperatures.



Solar panels in Varanasi, India.

Credit: GEAPP

Fast-tracking emergency support

Alongside our long-term grants, we also provided emergency support to trusted partners working on humanitarian disasters in 2022.

In early March, we announced an immediate donation of €20 million to **UNHCR, the UN Refugee Agency**, to respond to the humanitarian emergency in Ukraine and neighbouring countries.

We also donated a total of €6 million to the emergency fund of **Médecins Sans Frontières** to provide life-saving care where the needs were greatest, including in and around Ukraine, and to prevent the Ebola outbreak in Uganda from spreading in East Africa.



A UNHCR, the UN Refugee Agency, staff member assists people forced to flee from the war in Ukraine.

Credit: UNHCR, THE UN REFUGEE AGENCY

Reflections from our community



Jacqueline Novogratz

Founder and CEO of Acumen

Our partnership with the IKEA Foundation began in 2016 with a shared mission to invest in innovative solutions to improve the livelihoods and resilience of low-income communities in the world's riskiest markets, supporting their green pathway out of poverty.

And our partnership works because we believe in the same grounding principles: trust, mutual learning and exchange, and a human-centred approach to taking on the world's

toughest challenges – from energy access to resilient agriculture and refugee livelihoods.

Over the past five years, our investments delivered affordable renewable energy to 1.25 million customers and abated 110,000 tons of CO₂e.

They have also provided invaluable technical assistance to resilient agricultural businesses serving more than 700,000 smallholder farmers and enhancing the livelihoods of around 3.5 million people.

Building on that success, in 2022, the IKEA Foundation's support helped Acumen launch a new \$25 million initiative to invest in renewable energy solutions that increase the incomes and climate resilience of smallholder farmers and micro-entrepreneurs. The Foundation also funded an accelerator programme for ventures serving displaced people in East Africa that trained 14 businesses to improve their investment readiness and increase their impact.



Josephat from Sidonge, Kenya works as an agent for RVE.SOL, a solar power company supported by Acumen.

Credit: ACUMEN



Simon Harford

CEO of the Global Energy Alliance for People and Planet (GEAPP)

The IKEA Foundation has been an anchor partner of GEAPP since its launch at COP26 in Glasgow in 2021.

GEAPP's mission is to address the deep inequities of energy poverty by bringing clean energy to developing countries in need of reliable power. Ending energy poverty and decarbonisation are two sides of the same coin – success hinges upon each being accomplished simultaneously.

GEAPP was formed on a recognition that to combat climate change a new approach and spirit of cooperation is required. We partner with multiple and diverse players united by shared values – governments, private

investors, innovators, philanthropists, and more – coming together at pace to work in radical and unprecedented ways.

Over the course of 2022, with the close support of the IKEA Foundation, we've begun putting this collaboration into action.

2022 highlights included: unlocking new finance flows for the energy sector by supporting Just Energy Transition programmes in South Africa and Indonesia; enabling productive uses of clean energy with Africa's first solar powered large scale irrigation system in Ethiopia; and driving down the cost of renewable energy in countries such as Nigeria, which has seen a 25% cost reduction in technologies for developers.

Alongside the IKEA Foundation, GEAPP is helping to end energy poverty, spark global development and fight climate change. Together, we can change energy for good.



Maria Mendiluce

CEO of the We Mean Business Coalition (WMBC)

With the help of the IKEA Foundation, WMBC has been working since 2014 with the world's most influential businesses to take action on climate change. Collectively we're pushing to halve global emissions by 2030, an essential milestone in keeping temperature rise to 1.5°C.

Recognising that this work is not easy, in 2022 we provided new direct guidance to companies, making it as accessible and simple as possible to enable them to become climate leaders.

Over 10,000 companies are now committed to climate leadership thanks to initiatives such as the Science Based Targets initiative, of which WMBC was one of the founding partners, and the SME Climate Hub which we founded and host.

From energy to transport and heavy industry we're seeing businesses progress in both ambition and action to reduce emissions.

This progress helps drive greater ambition from policymakers. The business support we have mobilised helped secure some big policy wins in 2022 such as the Inflation Reduction Act in the US and the Fitfor55 package in the EU, which will help companies cut emissions even faster.

We need to move from thousands of companies taking climate action to millions. Thanks to IKEA Foundation leadership, we have set the foundations for that growth.



Alexander Betts

Director of the Refugee Studies Centre,
University of Oxford

The IKEA Foundation has enabled us to do award-winning research on the economic lives of refugees across East Africa - and to share it with policymakers and practitioners in ways that make a difference.

Over the last five years, we've worked with refugee and host communities in camps

and cities in Ethiopia, Kenya, and Uganda, to explain variation in their socio-economic outcomes.

We've been able to publish that research and present it to UN agencies, governments, and NGOs to inform their self-reliance and livelihood policies.

We've also been able to make the research participatory, including refugees in research design and data collection, and supporting people with lived experience to develop research careers through our new Refugee-Led Research Hub in Nairobi. The Hub has produced original insights on themes such as refugee-led organisations and refugees' access to work permits, while supporting many refugees to access graduate degrees in Oxford and elsewhere.



Harish Hande

CEO of SELCO Foundation

The IKEA Foundation has been supporting SELCO to bring renewable energy to underserved communities around India since 2017. In recent years much of our work has focused on the healthcare sector, particularly in response to the COVID-19 pandemic. In 2021, the IKEA Foundation helped us provide 100 public health centres in North-East India with efficient solar energy solutions.

The success of this programme inspired other funders and state governments to support the programme as well. By the end of 2022, it had reached more than 1,700 health care facilities and strengthened health care access for over 9 million people.

With innovations in energy efficient medical appliances, SELCO Foundation has shown that health facilities can optimise energy demand and reduce overall energy consumption by up to 60%.

Both foundations believe that energy and health infrastructure should not be planned in silos. We are fortunate that India is seeing sustainability and energy as core components of healthcare delivery itself. Energy has a critical role in empowering the staff with the right equipment, improving their sense of wellbeing, and improving the service experience of the millions who depend on public health. In leading this effort, India is showcasing the processes and systems that can be replicated in other developing country contexts to accelerate our achievement of the UN Sustainable Development Goals.

Inspiring the IKEA community

When Ingvar Kamprad created the IKEA Foundation, he was clear that he wanted the IKEA community to know about the foundation and be proud of our efforts to create a better everyday life for the many people.

To help fulfil this mission today, the IKEA Foundation visits IKEA stores around the world to share our partners' stories and the extraordinary impact we're achieving together. We also engage a group of IKEA workers every year to act as IKEA Foundation Ambassadors. This group has the opportunity to meet some of our partners in person and learn first-hand about their important work.

During 2022, we trained more than 100 ambassadors so they were ready to communicate about the work of the IKEA Foundation and our partners across 27 different countries.

The ambassadors use their skills to spread the word to their fellow IKEA co-workers, customers and their wider community.

Through our engagement with the IKEA community, we aim to reach and inspire a growing audience to join our mission so that together, we can change the story of our planet for good.



Paul Alkhudary

IKEA Kitchen Specialist in Cardiff, UK and
IKEA Foundation Ambassador

I grew up in Lebanon during the civil war and was internally displaced by the conflict during my childhood. I became an IKEA Foundation Ambassador because I wanted to use my skills and experiences to contribute to the Foundation's mission and be a spokesperson for the Foundation to my IKEA co-workers.

By sharing the work of the Foundation with my co-workers and the IKEA community, I can bring a bit of hope to those around me. I can show them how the Foundation and their partners are creating sustainable livelihoods and tackling climate change.

We work with our partners to develop innovative solutions and change complex systems, so they benefit the many people and protect our planet. We're grateful for their collaboration and expertise.

This review has highlighted just some of their many achievements throughout 2022. Please visit our website to find out more about our ongoing work together.

[IKEAfoundation.org](https://ikeafoundation.org)



Most things still remain to be done

Ingvar Kamprad

Founder of IKEA and the IKEA Foundation



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