



## 1. IWAY - The IKEA Code of Conduct for Suppliers

“The IKEA Way on Purchasing Products, Materials and Services” is our Supplier Code of Conduct. It describes the minimum requirements on environment, social and working conditions that all IKEA suppliers and service providers must meet at all times, when supplying products, materials and services to IKEA.

IWAY helps us to ensure that we only work with suppliers that share our values and contributes to helping people and workers to live better lives.

IWAY is based on widely recognized international documents and conventions, such as the Universal Declaration of Human Rights, the United Nations Convention on the Rights of the Child, the eight core conventions defined in the Fundamental Principles of Rights at Work and the Ten Principles of the UN Global Compact Framework. IWAY reflects the IKEA commitment to sustainability which is outlined in our [People & Planet Positive sustainability strategy](#)<sup>1</sup>.

## 2. The IKEA Concept

### *Our Vision*

To create a better everyday life for the many people.

### *Our Business idea*

We shall offer a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them.

This shall be achieved by:

- Efficient product range development and by adapting product design to production conditions,
- Efficient distribution in combination with a caring meeting with the many people,
- A strict cost-consciousness in all areas of our business.

## 3. Customers and Suppliers in Focus

We have decided once and for all to side with the many. This is an objective that carries obligations. We want to offer our customers low prices for well-designed and functional home furnishing products of good quality, manufactured under acceptable working conditions by suppliers that care for the environment.

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<sup>1</sup> [http://www.ikea.com/ms/en\\_GB/pdf/people\\_planet\\_positive/People\\_planet\\_positive.pdf](http://www.ikea.com/ms/en_GB/pdf/people_planet_positive/People_planet_positive.pdf)



## The IKEA WAY on Purchasing Products, Materials and Services

We strive to build long-term relationships with suppliers and service providers that share our commitment to promote good practices, and who want to grow and develop together with IKEA.

### **4. Minimum Requirements for Environment and Social & Working Conditions**

The IWAY Standard and its Forestry and Transport Sections specify all the minimum requirements related to environment and social & working conditions that IKEA demands all suppliers and service providers to comply with, in order to work with IKEA.

The IWAY Standard covers the following topics:

- Forced and bonded labour
- Accident insurance
- General Conditions
- Business Ethics
- Environment
- Chemicals
- Waste
- Emergencies and Fire Prevention
- Worker Health & Safety
- Recruitment, Working Hours, Wages and Benefits
- Accommodation
- Child Labour and Young Workers
- Discrimination
- Worker involvement
- Harassment, Abuse and Disciplinary Actions

For more details on the exact requirements, please refer to the IWAY Standard and, when applicable, the IWAY Forestry Section and the IWAY Transport Section.

### **5. Implementation and support**

IKEA suppliers must communicate the content of the “IWAY Way on Purchasing Products, Materials and Services” to all co-workers and sub-suppliers, and ensure that all measures required are implemented accordingly.

IKEA strongly believes that we can do good business while being a good business, by having long-term relationships with our suppliers that share our vision and ambition. Through a network of IKEA representatives spread throughout all the regions where IKEA has operations, IKEA supports our suppliers to improve their processes and practices and to implement the IWAY Standard at suppliers' operations, with the aim of improving environmental and social & working conditions.



## The IKEA WAY on Purchasing Products, Materials and Services

IKEA believes in long-term relationships, and does not terminate relations due to non-compliance only, as long as there is a willingness from the supplier to improve in the right direction, with a clear and agreed action plan to comply with all IWAY requirements within a mutually agreed time frame.

### 6. Monitoring

IKEA takes the responsibility to monitor the suppliers and service providers in the IWAY implementation process. In order to ensure compliance with the requirements and to support and follow up on developments, IKEA has its own team of auditors that do regular announced and unannounced IWAY audits at suppliers, review and follow up on action plans in the case of non-compliances and support suppliers in IWAY implementation.

Furthermore, IKEA also has the Compliance and Monitoring Group, an internal independent group that is responsible for independent verification of implementation and compliance activities related to IWAY and Sustainability.

IKEA reserves the right to make unannounced visits at any time to all places of production for goods, materials and services intended for supply to IKEA, including sub-suppliers.

Furthermore, IKEA has assigned independent third party companies to conduct inspections on behalf of IKEA, in order to ensure compliance with IWAY, our code of conduct.

### References

- R1 "The IKEA Way on Preventing Child Labour and Supporting Young Workers" (Ed. 4, 2016)
- R2 IWAY Standard (Ed 5.2, 2016)
- R3 IWAY Forestry Section (Ed 5.2, 2015)
- R4 IWAY Transport Section (Ed 5.1, 2012)