



Introduction

At IKEA, our vision of creating a better everyday life for the many people is the driving force behind the actions we take to create an equal, diverse and inclusive workplace. Addressing the gender pay gap is not just a matter of fairness—it is essential for fostering inclusive growth, improving productivity, and ensuring that workplaces reflect the diverse and equitable societies we work in.

Across IKEA Ireland, the gender pay gap analysis reflects a modest disparity, with a higher representation of female co-workers in lower-paid, hourly roles, contributing to an overall difference in average earnings. Although the workforce is predominantly female, salaried and higher-paying roles are more frequently held by men, particularly in specialised positions like night shift and equipment operation. This pattern underscores an opportunity to enhance balanced representation across all pay levels, fostering greater equity throughout the organisation.

Our approach, which combines long term strategies, targeted actions and investment ensures we are in the best position possible to continue closing the pay gap. Initiatives such as our flexible working approach also play a role in closing our pay gap and improving the experience of our co-workers by better supporting their individual needs.

As we look forward to 2025, we acknowledge that there is still work to be done. However, we continue to be encouraged by what has been achieved over the past year and energised by the opportunities ahead to realise our goals and longer-term vision to create a more equal everyday for our people and the communities we serve.

**Darren Taylor Country People & Culture Manager,
IKEA UK and Ireland**

Understanding our gender pay gap report

What is the gender pay gap?

The gender pay gap is the difference in the average hourly wage of men and women across our Irish coworkers. The Gender Pay Gap Information Act 2021 requires IKEA to report on our hourly gender pay gap across a range of metrics.

Why does the gender pay gap matter?

The gender pay gap is influenced by many structural and societal factors. For example, the ways in which different types of work and roles have traditionally been viewed and valued, contributing to disproportionate amounts of men in higher paid jobs. Without a concerted effort to address these disparities, they are likely to persist across all industries.

Who is represented in our data?

Our figures track the pay of all “relevant full paid IKEA co-workers” in Ireland in line with government criteria. This includes consideration of full-time, part-time and temporary co-workers, whether hourly or salaried.

What about non-binary co-workers?

The focus of our gender pay gap report is the binary gender that is required by law: women and men. However, at IKEA we acknowledge that gender identity goes beyond the binary definitions. We have a systematic and comprehensive approach to LGBT+ inclusion to minimise discrimination against people of all sexual orientations and gender identities.

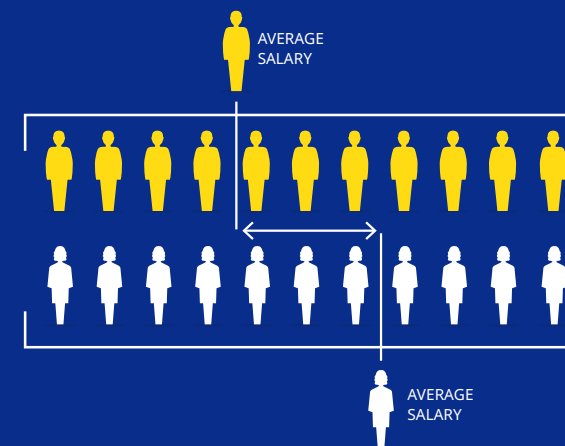


Mean vs Median

We report on two different data sets relating to our gender pay gap – the mean and the median.

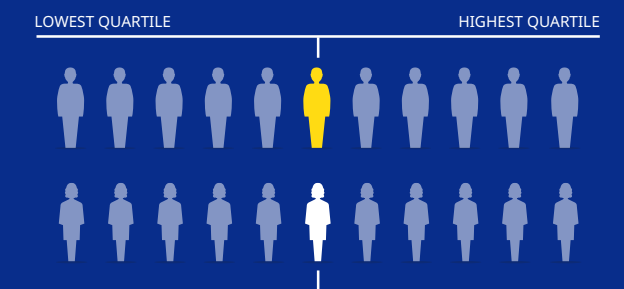
Mean: This is the difference between the average male salary and the average female salary. It takes account of total hourly pay, divided by number of co-workers, to compare the gender split of salaries across the entire organisation.

Calculating mean:



Median: Lining up all the male employees in order of earnings, the salary of the male in the centre of the line is the median male salary. Comparing this to the median female salary gives us the median gender pay gap. The median is less skewed by extreme values, (for example, if one person is paid significantly more than many others across the organisation).

Calculating median:

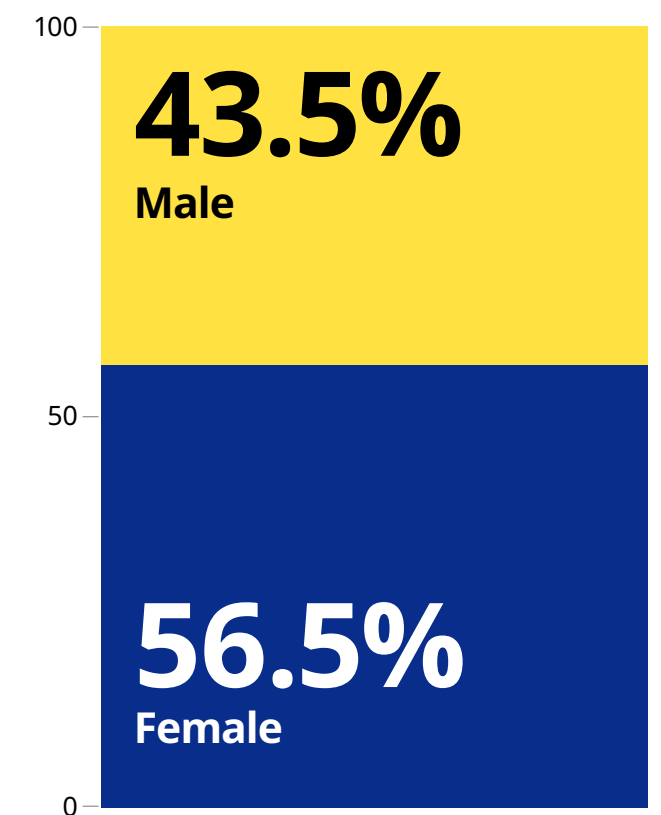


Our results 2024

Gender split of co-workers in retail

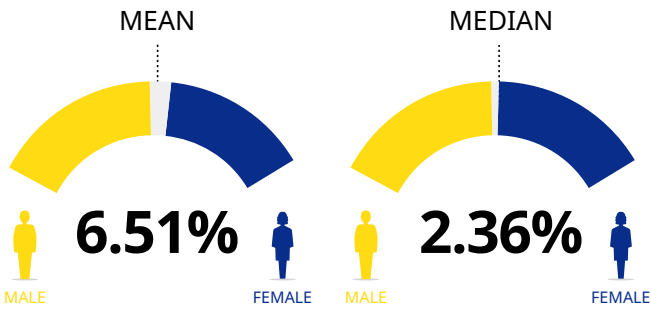
We have a high proportion of female co-workers overall, which is a positive indicator for gender diversity across IKEA.

A significant proportion of our female co-workers are concentrated in the lower paid quartiles, particularly hourly roles. This higher representation of female co-workers tends to lower the overall mean gender pay gap. Whilst this highlights a gender distribution challenge, it suggests that the gap is not necessarily due to unequal pay for similar roles, but rather due to the concentration of female co-workers in lower-paid positions.

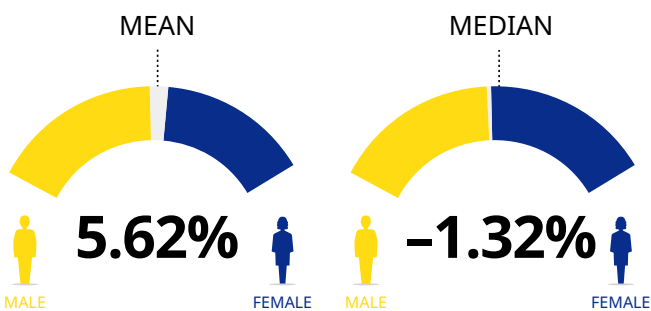


Gender pay gap 2024

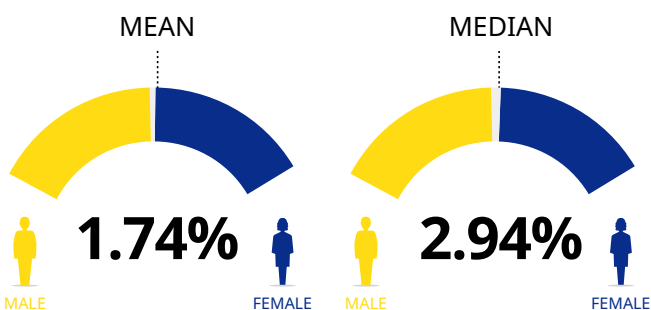
Overall Gender pay gap



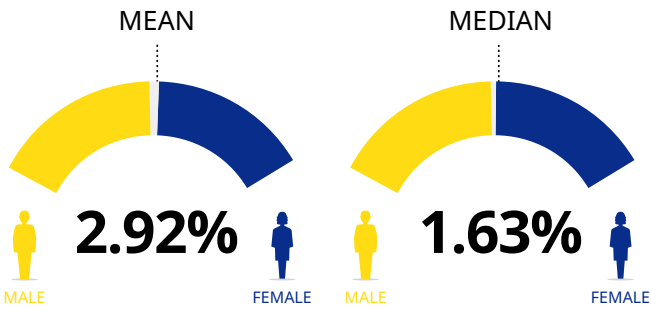
Full-time gender pay gap



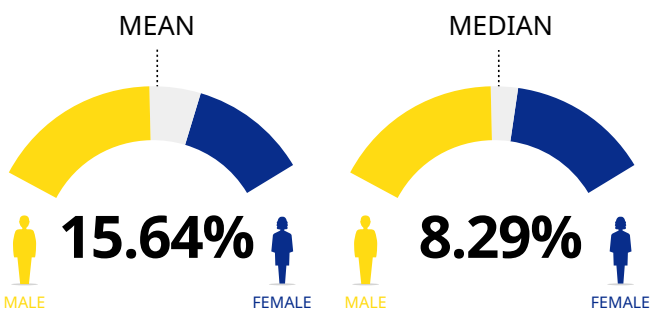
Part time gender pay gap



Hourly gender pay gap



Salaried gender pay gap



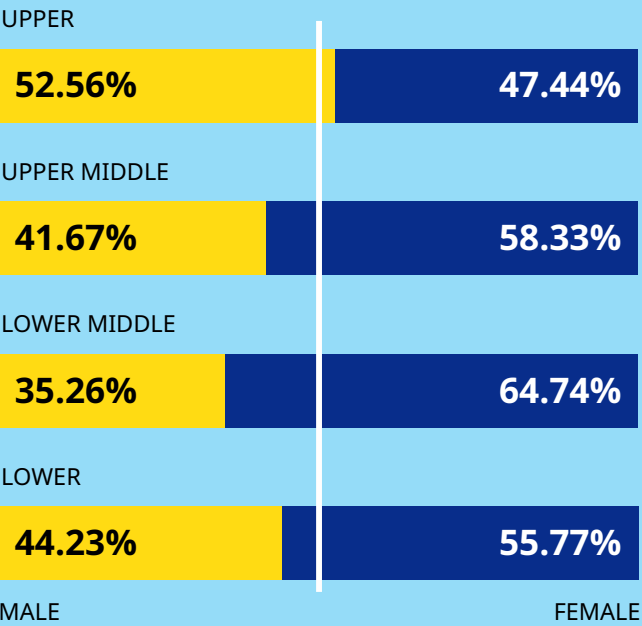
These results reflect a moderate gender pay gap at the organisation level, where on average, male employees earn 6.51% more than female employees. The smaller median pay gap of 2.36% suggests that for most employees the pay difference between genders is relatively low.

The negative median pay gap for full-time workers indicates that, at the midpoint, female employees are paid slightly more than their male counterparts, which is an encouraging sign of pay equity in full-time roles.

The pay gap for hourly employees is relatively small, which suggests that there is more equity in pay for this group. On the other hand, salaried positions show a significantly larger pay gap which indicates a disparity in higher-level roles.

Proportion of employees in each pay quartile

Quartiles are calculated by listing the pay rates for each coworker, from lowest to highest, splitting the list into four equal-sized groups and calculating the percentage of men and women in each.



In three of the four pay quartiles, there are more female co-workers than males, suggesting strong female representation in a wide range of roles. However, in the upper quartile, there is a higher proportion of male co-workers suggesting a gender imbalance in the highest-paid roles.

This means that a significant proportion of the lowest paid co-workers are females. This further highlights the concentration of women in lower paid roles within IKEA contributing to the overall mean gender pay gap.

Some roles are more dominated by men, particularly in forklift truck operations and nightshift work. Over the last year, only a small number of female co-workers earned pay for forklift truck operations compared to male co-workers. Similarly, for nightshift roles, there are a larger portion of male co-workers compared to female co-workers.

The substantial differences in earnings from these roles underscores the financial forces that contribute to the gender pay gap. The male dominance in higher paying roles, coupled with the concentration of females in lower-paid positions, explains why we see fewer males in the lower quartiles.

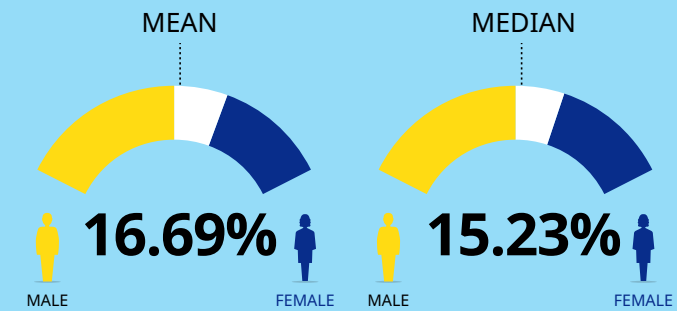
Temporary contracts gender pay gap

IKEA Ireland does not have the volume of data available to measure the gap for temporary contract workers.

Bonus gender pay gap

We offer a bonus through the One IKEA Bonus scheme, that rewards co-workers with an annual bonus when the business meets or exceeds specific business goals. The bonus award varies every year and is based on the performance of the business unit, or a retail country and market area. If eligible, each co-worker receives the same level of bonus relative to their annual salary.

Bonus Gender Pay Gap 2024



*The pay data covers all employees active as of June 30, 2024, and includes earnings from July 1, 2023, to June 30, 2024. This analysis encompasses all co-workers within IKEA Ireland during this period.



What are we doing to reduce our gender pay gap in Ireland?

1

Equality, Diversity and Inclusion (ED&I) Co-Worker Resource Groups

We have a dedicated Co-Worker Resource Group (CRG) that focuses on gender equality and inclusion. The CRG creates a safe space for under-represented co-workers and serves as a focus group on relevant topics, a forum to share lived experiences and to foster professional and personal development opportunities. Leadership Development

We offer a number of leadership and development programmes aimed at growing co-worker competence and readiness to take their first leadership role or the next step in their career. For instance, a reciprocal mentorship initiative called Win-Win, supports high potential female co-workers and those from other under-represented groups to take their next step into a leadership role within 12-18 months.

Leadership accountability

A member of our Country Management Team (CMT) also serves as Senior Ambassador and lead advocate for women's inclusion. As a member of the CMT, the ambassador serves as a senior sponsor playing an active role to champion ED&I initiatives across the organisation and support inclusion topics during key decision-making processes to support systemic and lasting change.

We are rolling out an enhanced training package for all people leaders offering focused training including anti-bias, pay equity, and intention to action coaching. This is supplemented by ongoing training for all co-workers across a broader landscape of equality, diversity, and inclusion topics.

INGKA Equality Roadmap

These initiatives are underpinned and strengthened through the INGKA Gender Equality Roadmap. The three-year strategy, first launched in 2024, focuses on delivering sustainable and systemic change to advance our gender equality agenda across Ingka group over the next year and beyond.

The INGKA Gender Equality Approach outlines the next steps in Ingka's gender equality movement. It is rooted in the IKEA Vision and Values, and the Fundamental Human Rights. It outlines the leadership and actions we will take to be even more fair and inclusive for co-workers of all genders, today and for future generations.

We have reasons to be proud of how our movement on gender balance has benefitted both men and women. Today, we have many examples of progress that have resulted from our commitment and focus to create gender balance in our management teams and to secure an inclusive culture where both women and men are valued for their unique contributions.

2

Flexible working

Our flexibility approach and policy, enables co-workers in Ireland to access flexible working arrangements from day one of employment.

Through ongoing flexibility conversations, all co-workers have the opportunity to change contract sizes and shift patterns, to work compressed hours, or to reduce hours temporarily during student exam time or other life events.

3

Pay initiatives

We are part of the Living Wage Technical Group and follow their published hourly rate recommendations for all co-workers. This independent body is dedicated to ensuring an adequate income for everyone to have a socially acceptable standard of living.

Our Total Reward Roadmap accelerates progression of co-workers through our pay ranges to more quickly address the gender pay gap and achieve pay equity. This initiative combines training and development opportunities, as well as more regular performance monitoring.

4

Recruitment and sourcing

We continue to analyse and adjust our recruitment approach to ensure we attract and retain diverse talent and implement measures to improve the transparency, attractiveness, and accessibility of our roles.

Recent changes include adding the start from salary on job postings and introducing reasonable adjustments into recruitment processes to support needs without bias or prejudice. Our most senior leaders are measured on creating diverse teams and talent pipelines that are representative of the local communities including meeting the 50/50 split of males and females.

In the lower pay quartile, we are looking at ways to make higher paid opportunities, such as our nightshift allowance and forklift truck operating roles more attractive and accessible to all genders.