

From: Mikhail Tarasov [REDACTED]
Sent: 15 June 2021 17:24
To: Tom Elliott [REDACTED]
Cc: Grace Huber [REDACTED]
Subject: RE: Information in our upcoming report pertaining to your company

Dear Mr Lawson and Mr Elliott,

Thank you for informing us of your upcoming report regarding the alleged misuse of sanitary felling by a business operator in the Irkutsk region with connections to our Russian supply chain. We take the allegations very seriously.

For several months we have been further analysing the forestry sector in Siberia including the practices of the business operator in question. Based on our findings, we took a decision to no longer accept wood from these companies earlier this spring. Let's be clear – the wood in question which entered our supply chain is legally harvested. However, some of the practices are of concern and therefore we decided to take this extra safety measure in accordance with our internal Due Diligence System.

We agree that the misuse of sanitary felling is a serious issue and have worked for several years, alongside local as well as global partners, to address and improve the system in Russia and beyond. It is also true that more remains to be done. However, we disagree with parts of your assessment as you have omitted information or misrepresented some key facts. For example, your assessment that IKEA has failed to address illegalities in Ukraine is incorrect. We continue to work to address the issue of conflicting legislation both with government and key stakeholders.

As you may be aware, we consciously use our scale and global reach to drive a positive change within the forestry sector and we will continue to do so. Wherever we operate in the world, we believe that our presence can contribute to the development of local forest management and have a positive impact to strengthen biodiversity, enable efficient production and support local communities.

As we have expressed before, we want to work together. Your continued approach towards sharing a list of allegations without providing supporting evidence, nor offering a reasonable time frame, does not allow for meaningful discussion and effective collaboration. We are in general disappointed that our numerous efforts to engage you in a productive dialogue have been ignored. Through a proper channel and in a productive setting, we would welcome future discussion.

Sincerely,

Mikhail Tarasov

Mikhail Tarasov
Global Forestry Manager, IKEA of Sweden AB

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From: Tom Elliott [REDACTED]
Sent: Thursday, 17 June 2021 17:29
To: Mikhail Tarasov [REDACTED]
Cc: Grace Huber [REDACTED]
Subject: RE: Information in our upcoming report pertaining to your company

Dear Mr Tarasov

Many thanks for your reply of 15th June.

We have some questions of clarification regarding your response.

In your response, you state that IKEA decided to no longer accept wood from this 'business operator', with that decision taken 'earlier this spring'. You go on to state that the decision was due to 'practices of concern', but insist that all wood from the supplier was legally harvested.

Our questions are as follows:

- In your answer, when referring to "the business operator in question" and "these companies", please can you clarify exactly which individuals and companies have been excluded from your supply chain? Also, can you clarify whether this exclusion is permanent, or could be lifted in future?
- 'Earlier this spring' covers a wide range of possible dates. Please can you let us know the exact date that this decision was made? Please can you also let us know on what date you first became aware of the 'practices of concern' that you refer to?
- Please can you provide details on the precise nature of these 'practices of concern'? What were they, and how exactly did IKEA detect them? If they were not about illegality, what were they about? Please can you also provide a copy of your company's Due Diligence procedure so that we can understand what this document entails.

I look forward to hearing your response.

Kind regards

Sam Lawson

PS we would welcome further discussions regarding IKEA's response to this and our earlier reports, once the current report is published.

From: Mikhail Tarasov [REDACTED]
Sent: 06 July 2021 10:03
To: Tom Elliott [REDACTED]
Subject: RE: Information in our upcoming report pertaining to your company

Dear Mr Lawson and Mr Elliott,

Thank you for your mail.

At this point in time we believe we have made our position clear that we will not be providing further information.
We would be happy to have a meeting to discuss these matters further after the vacation period in early Autumn.

Kind regards
Mikhail Tarasov

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