

Under embargo until 00:01am 14th October

IKEA AUSTRALIA TO TRANSFORM THEIR ICONIC BIG BLUE BOXES INTO CLEAN ENERGY POWER STATIONS

Construction set to commence on Australia's largest grid-connected commercial microgrid of its kind by Planet Ark Power at IKEA Adelaide

IKEA Australia has today announced the launch of Australia-first clean energy storage initiative that will support the South Australian power grid, in addition to powering its Adelaide store.

The IKEA Australia Clean Energy Transformation Project will transition IKEA Adelaide to operating with 100% renewable energy by 2025 and will generate low cost and clean energy for the Adelaide community. The project is being run in conjunction with Planet Ark Power, the South Australian Government, SA Power Networks and Epic Energy.

Stage 1 of the project will see 1.2MW of solar panels installed onsite on the rooftop of IKEA Adelaide, coupled with a 3.4MWh onsite battery, managed by Planet Ark Power's unique digital platform - eleXsys energy management system. The owner and operator of the microgrid, Epic Energy, will provide over 70% of the store's electricity consumption. The installation of the eleXsys technology solution will enable the surplus stored clean energy to be traded into the South Australian network when demand is at its highest.

As part of the project, EV chargers will be erected on site for customers, co-workers and the IKEA delivery fleet servicing South Australia.

The second stage of the project will include the construction of sustainably sourced timber PV shade structures across the IKEA Adelaide car park. These structures will host additional solar panels which will increase the amount of surplus energy to be sold into the grid while continuing to power the site. This stage will generate a further 30% the store's energy needs, resulting in IKEA Adelaide becoming 100% powered by onsite renewable generation.

Following these stages, IKEA and its partners will move to investigate the viability of hydrogen energy being generated on site. Based on the success of the project, in the future there is also the possibility for IKEA to transform itself into an energy provider that can create and sell clean, renewable energy to the energy network.

Quotes attributable to:

Jan Gardberg, CEO and Chief Sustainability Officer for IKEA Australia

"IKEA Australia is excited to be working with such inspirational partners to help shift the dial on clean energy production in Australia.

The IKEA Australia Clean Energy Transformation Project will help us achieve three goals in our sustainability agenda including:

- being powered by 100% clean energy,
- transitioning our delivery fleet to 100% zero-emissions
- inspiring our customers in joining a clean energy movement.

We are thrilled that this project will create new opportunities for job creation, innovation, economic growth and reduced energy costs.

Our ambition is to be the first mover and inspire other IKEA stores to install larger solar installations, batteries and digital solutions. Planet Ark Power's eleXsys energy management system will support the balancing of the electricity grid not just on stores in Australia, but across the IKEA network around the world."

Planet Ark Power's Chief Commercial Officer, Jonathan Ruddick

"The inclusion of Planet Ark Power's unique eleXsys energy management system is the critical link that makes the IKEA, grid-connected microgrid project so innovative and world leading. Our eleXsys technology solution functions to ensure certainty of revenue streams from the export of surplus solar energy and grid stability services into the grid without the risk of curtailment by electricity network operators."

We are particularly proud to contribute to the IKEA journey to achieve 100% renewable energy at their Adelaide site while also helping SA Power Networks provide more secure, clean energy to the broader South Australian community."

Epic Energy's Chief Executive Officer Clive D' Cruz

"Epic Energy is proud to be a partner in the world-leading IKEA Microgrid project, together with IKEA Adelaide, Planet Ark Power, SA Power Networks and the South Australian Government.

"This project creates a unique solar generation and energy storage opportunity to export surplus clean energy into the South Australian power network, while providing support to the network.

"Epic Energy believes this project - and decentralised generation more broadly - sets the foundation for a sustainable new energy model for Australia, that will play an important role in Australia's energy mix over the coming years.

"Our involvement demonstrates the attractiveness of investing in projects that can safely, securely and reliably export surplus clean energy into low voltage urban networks."

Global Head of Climate & Energy for Ingka Group, Karol Gobjczyński

"Collaborations like this have always been a cornerstone of the IKEA way – this is more important now than ever in order to tackle the climate crisis. Change will only come if we work together. We are convinced that climate action drives innovation and development. IKEA Australia is taking action together with our customers, partners and governments to do our part in creating society powered by 100% renewable energy."

Minister for Energy and Mining Dan van Holst Pellekaan

"The project, the first of its kind in Australia, received \$1.95 million in funding through the State Government's Renewable Technology Fund and will combine solar power and battery with Schneider's microgrid management systems and Planet Ark Power's voltage management system.

"These together allow IKEA to help SA Power Networks to manage the local network to improve the quality of power to nearby homes and businesses.

“The project will let IKEA significantly reduce its carbon footprint and make it easier for other companies to adopt low carbon technologies, and will combine innovative grid integration technology with 1.2MW of rooftop solar photovoltaics and a 3MWh (3.4MWh) CATL battery and is a significant project for the state.

“We’re pleased to work with industry and show how large commercial facilities like IKEA can help power our state.”

- ENDS -

For further information, please contact:

- Patricia Routledge, PR Leader
0456 645 962, patricia.routledge@ingka.ikea.com

About IKEA: IKEA offers well-designed, functional and affordable, high-quality home furnishing, produced with care for people and the environment. There are several companies with different owners, working under the IKEA Brand, all sharing the same vision: to create a better everyday life for the many people. IKEA was founded in Sweden in 1943.

Ingka Group: Ingka Group (Ingka Holding B.V. and its controlled entities) is one of 12 different groups of companies that own and operate IKEA retail under franchise agreements with Inter IKEA Systems B.V. Ingka Group has three business areas: IKEA Retail, Ingka Investments and Ingka Centres. Ingka Group is a strategic partner in the IKEA franchise system, operating 374 IKEA stores in 30 countries. These IKEA stores had 839 million visits during FY19 and 2.6 billion visits to www.IKEA.com. Ingka Group operates business under the IKEA vision - to create a better everyday life for the many people by offering a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible can afford it.

* IKEA Climate Positive means to reduce more greenhouse gas (GHG) emissions than the IKEA value chain emits by 2030, while growing the IKEA business. IKEA is committed to the Paris Agreement and to contribute to limiting the global temperature rise to 1.5°C above pre-industrial levels. This includes a commitment to halve the absolute net GHG emissions from the total IKEA value chain by 2030. We will achieve this by drastically reducing GHG emissions through science based target and by removing carbon from the atmosphere through natural processes and storing it in land, plants and products through better forest and agriculture management within the IKEA value chain. Ingka Group has committed to following science-based targets.:

- By 2030, reduce GHG emissions from across all Ingka Group operations (Scope 1 &2) by 80% in absolute terms, compared to 2016.
- Ingka Group also commits to reduce scope 3 GHG emissions from customer and co-worker travel and customer deliveries 50% per person by financial year 2030, compared to 2016.
- Inter IKEA Group, which is responsible for developing the IKEA range and supply chain, commits to reduce emissions relating to home furnishing products and food by at least 15% in absolute terms for the same period. This translates to a 70% reduced climate footprint on average per IKEA product.
- We will contribute to further greenhouse emission reductions in society by going beyond IKEA, such as enabling customers to generate renewable energy at home. We will not use carbon offsetting.

About Planet Ark Power’s eleXsys

Invented in Australia, eleXsys is an internationally award-winning technology solution to the challenge of voltage volatility created by increasing distributed energy resources competing to dispatch energy into energy grids. The ever-increasing popularity of solar PV, wind and other clean energy distributed resources will continue to create challenges for network operators both around Australia and internationally to provide ongoing safe and stable energy to consumers. Planet Ark Power's eleXsys represents an important contribution to the stability solutions sought by network operators and their consumers, without the need for expensive network infrastructure upgrades.

About Epic Energy

Epic Energy is one of Australia's leading energy infrastructure companies with a long history in meeting Australia's energy needs. Epic Energy owns and operates a diverse range of energy assets that will continue to meet Australia's energy needs now and in the future, including a portfolio of renewable energy infrastructure.