Sustainability reporting with inspiration from the CSRD/ESRS

From 2025, ICA Gruppen's Annual Report must meet the requirements of the Corporate Sustainability Reporting Directive (CSRD) as incorporated into the Annual Accounts Act, including, inter alia, adherence to the European Sustainability Reporting Standards (ESRS). ICA Gruppen has chosen to lay the foundation for reporting pursuant to future requirements already in 2024 by conducting a double materiality assessment and having auditors review it against the ESRS. While the design and structure of the sustainability statements also largely follows the ESRS, when balancing between meeting all of the ESRS disclosure requirements and promoting relevance and understandability, the latter has been prioritized.

In future years, ICA Gruppen intends to further develop its reporting with the aim of achieving full compliance with the expanded requirements that apply from 2025. Among other items, this entails including more datapoints and developing the link between sustainability and financial data. Since 2018 the ICA Group uses itsown accounting principles for sustainability reporting. The principles are published on the ICA Group website.

Accounting principles

E1 -Climate change

ICA Gruppen's climate impact is calculated based on the respective GHG Protocol standard for Scope 1, 2 and 3 and, from 2024, Scope 3 is reported for the Group's entire value chain. Since 2020, all emissions from ICA Gruppen's own operations have been carbon offset fully invested in carbon offsets for the corresponding amount of carbon dioxide equivalents (CO_2e). ICA Gruppen's climate target is validated and approved according to the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard.
ICA has a policy of recalculation against the base year whereby, in the event of significant changes that could involve an increase or decrease in emissions, a retroactive recalculation against the base year is carried out. The significance threshold has been adjusted to 5% in line with SBTi.

Activities that could trigger a recalculation:

- changed corporate structure due to acquisitions or divestments
- outsourcing of activities
- adjusted calculation models, changed emissions factors or changed inputs

ICA Gruppen's emissions in own operations until 2030

ICA Gruppen's climate target for its own operations covers GHG emissions from refrigerants and energy consumption in stores, pharmacies, warehouses and offices, as well as from goods transport between warehouses and stores/pharmacies and deliveries from central e-commerce warehouses, and from business travel (Scope 1, Scope 2 and parts of Scope 3). ICA's climate target encompasses the entire Group, that is, operations in Sweden, the Baltics and Asia. This includes ICA Sweden as well as ICA Global Sourcing, ICA Real Estate, ICA Bank, Apotek Hjärtat and Rimi Baltic. Outcomes relative to the climate target are reported in tonnes of carbon dioxide equivalents. See the respective area for more detailed information on emissions factors and calculation method.
Emissions according to the GHG Protocol include the following in each scope:

Scope 1: Emissions from refrigerants in warehouses and in ICA Gruppen-owned stores, emissions from business travel using leased company cars and cars provided as a fringe benefit, and emissions from goods transport using ICA's own vehicles as well as heating from gas and diesel in the Baltics and Rimi Baltic's own vehicles for e-commerce.
Scope 2: Emissions from energy in warehouses and in ICA Gruppen-owned stores, pharmacies
and offices.
Scope 3: Emissions classified according to the 15 categories of the GHG Protocol:

Category 1 – Purchased goods and services

- Central assortment, packaged food, near-food, non-food, ICA Sweden
- Central assortment, packaged food, near-food, non-food, Rimi Baltic
- Prescription medicine, Apotek Hjärtat
- Non-prescription medicine, Apotek Hjärtat
- Goods for resale, Apotek Hjärtat
- Purchase of office services, including IT services.
- Land use change (LUC)

Category 2 – Capital goods

- Construction, own stores, ICA Real Estate
- Construction, offices, ICA Real Estate
- Construction, warehouses, ICA Real Estate
- Purchased lorries, ICA Sweden
- IT equipment: mobile phones, computers, monitors, servers, etc.

Category 3 – Fuel- and energy-related emissions not included in Scope 1 or Scope 2

- LC emissions from purchased energy
- LC emissions from purchased fuel, own vehicles

Category 4 – Upstream transportation and distribution

- Distribution between warehouses and stores
- Inbound transportation
- Refrigerants in transport, ICA Sweden

Category 5 Waste generated in operations

- Waste from warehouses, incl. e-commerce
- Waste from own stores and pharmacies

Category 6 Business travel

- Air travel
- Rail travel
- Private car travel
- Company car travel
- Hotels
- Taxis

Category 7 Employee commuting

- Employee commuting to work by car and public transport.

Category 9 Downstream transportation and distribution

- E-commerce logistics to customers (last mile), Apotek Hjärtat, Rimi and ICA Sweden

Category 11 Use of sold products

- Lamps, lighting, home electronics, household appliances, batteries

Category 12 Waste management of sold products

- End of life (EoL), packaging ICA Sweden, Rimi Baltic, Apotek Hjärtat
- EoL, packaging central kitchen, Rimi Baltic
- Disposal of medicines collected from customers, Apotek Hjärtat

Category 14 Franchises

- Independent retailers' energy
- Independent retailers' refrigerants

Calculation methods and emissions factors

Climate impact from purchased goods and services

Climate impact from customers' food purchases

The climate impact of customers' food purchases is measured in CO2e per kg of food sold, and is calculated by dividing the total climate footprint from store food sales (measured in CO2e) by the total store food sales (measured in kg). The calculations for ICA Sweden are based on the following:

- Total store food sales: sales in kg from the central assortment of food at the Swedish ICA stores.

Climate footprint of store food sales: The climate footprint of food is calculated using the RISE climate database, which is based on life-cycle assessment and is updated annually. Total sales are measured against the RISE climate database by quarter and for the current year. A CO2e value is assigned to ICA's food articles based on the product group levels stated in the RISE climate database. For mixed product groups, a standard value has been assigned (based on the highest sales in the product group). The products with no CO2e value in the climate database are assigned the CO2e value of a similar product by the mapping model's algorithm. Rimi Baltic: Current reporting does not include Rimi Baltic. The monitoring process is being developed and calculation principles will be updated when Rimi Baltic is included in the reporting.

The climate footprint from land use change (LUC) is based on the reports SLU and Carbon Emissions from Deforestation in the Carbon Footprint of Brazilian Beef, and poultry Svensk Fågel. The global emission factors from the ecoinvent database are used for other articles.

Central assortment, near-food, ICA Sweden

The calculation is based on extracts of sold products divided into 40 subcategories. Each subcategory is assigned an emission factor based on CO2e/SEK. (Source: Mistra Sustainable Consumption Report 2019).

Central assortment, non-food, ICA Sweden

The calculation is based on extracts of sold products divided into 43 subcategories. Each subcategory is assigned an emission factor based either on CO2e/SEK or CO2e/kg of goods sold. (Source: Mistra Sustainable Consumption Report 2019, ecoinvent or LCA report for the respective product group).

Central assortment, food, Rimi Baltic

The calculation is based on extracts of sold products divided into 33 subcategories. Each subcategory is assigned an emission factor based from SLU and the RISE climate database v 1.7 (open list).

Central assortment, near-food, Rimi Baltic

The calculation is based on extracts of sold products divided into 12 subcategories. Each subcategory is assigned an emission factor based on CO2e/SEK (Source: Mistra Sustainable Consumption Report 2019).

Central assortment, non-food, Rimi Baltic

The calculation is based on extracts of sold products divided into 21 subcategories. Each subcategory is assigned an emission factor based either on CO2e/SEK or CO2e/kg (Source: Mistra Sustainable Consumption Report 2019, ecoinvent or LCA report for the respective product group).

Assortment, Apotek Hjärtat

Emissions calculations for medicines and goods for resale are based on the cost of goods sold. We use an identical emission factor to calculate the climate impact of the entire assortment – prescription medicines, over-the-counter medicines and goods for resale. This is due to the scarcity of publicly available information on emissions factors in these three categories. The emission factor is taken from the National Agency for Public Procurement's environmental spend analysis.

Product packaging

Emissions arising from the packaging materials for the products that we retail are based both on estimated and on actual data reported by ICA Sweden and Apotek Hjärtat to NPA for our

imported private label products. Rimi Baltic's packaging is estimated based on ICA Sweden's packaging data and turnover. Reported figures in kg are multiplied by a recycling rate per waste type (Source: NPA) and an emission factor for production (Source: Avfall Sverige).

Purchase of office services, including IT services

The calculation is based on a report produced by Inrego and ClimateHero, where we obtain an estimated emission factor of 0.19 tonnes CO2e per employee. The calculation encompasses the entire Group including employees in the Baltics. (Source: Climate footprint of Swedish service companies, 2023).

Climate impact of capital goods

Construction of buildings

Emissions from the construction of buildings include new production as well as major renovation and extension projects with system boundaries as per the climate declaration (A1– A5) and available data. The estimated climate impact is allocated evenly over the construction period.

Purchase of vehicles

The calculation is based on emissions factors from ecoinvent.

Purchase of IT equipment

IT equipment includes mobile phones, computers, monitors and servers. The calculation is based on a report produced by Inrego and ClimateHero, where we obtain an estimated emission factor for the purchase of new IT hardware of 0.235 tonnes CO2e per employee.

Climate impact from energy

Encompasses stores, pharmacies, warehouses and offices. To calculate electricity consumption (kWh) in Swedish stores a sampling of stores from each format is used. The same calculation principle is used for the pharmacies. The actual consumption is then extrapolatedby the total number of stores and pharmacies in order to report the total electricity consumption at the end of the reporting period. To calculate energy consumption per square metre in stores, pharmacies, warehouses and offices, the area (in square metres)

of the stores, pharmacies, warehouses and offices in operation at the end of the measurement period is used. Renewable energy is energy from renewable sources such as wind, solar and hydro power, while non-renewable energy refers to energy from fossil sources such as coal and oil, and nuclear energy.

Energy consumption has been calculated on the following basis:

- ICA Sweden's stores: The calculation is based on actual use of electricity in stores covered by the central electricity agreement. Total consumption is extrapolated by the number of stores at the end of the reporting period using a standard formula. The standard formula is based on the following: Maxi ICA Stormarknad hypermarkets: 97% renewable and 3% non-renewable energy, ICA Kvantum: 91% renewable and 9% non-renewable energy, ICA Supermarket: 92% renewable and 8% non-renewable energy, and ICA Nära: 92% renewable and 8% non-renewable energy. This breakdown was established and updated following a review in 2022.
- Rimi Baltic's stores: The actual consumption for all Rimi Baltic stores is used.
- Apotek Hjärtat pharmacies: The calculation is based on actual electricity used by pharmacies covered by a central electricity agreement with Apotek Hjärtat's contracting party. Total consumption is extrapolated using the number of pharmacies at the end of the reporting period. For the pharmacies with no central electricity agreement with a contracting party, the following standard amounts apply: 88% renewable and 12% non-renewable energy.

Emissions of CO2e from energy have been calculated on the following basis:

- The Nordic residual mix is used to calculate carbon emissions from the use of non-renewable energy in Sweden: 0.00007600 tonnes of CO2e/kWh (Source: Grexel/Swedish
- Energy Markets Inspectorate, 2022). When calculating carbon emissions for renewable
- energy in Sweden the emission factor of 0 tonnes of CO2e/kWh is used (Source: Bixia,
- 2023). When calculating carbon emissions from electricity from renewable sources and nuclear in the Baltic countries, is the emission factor 0 ton CO2e/kWh used.
- The energy mix in the share of non-renewable electricity within Sweden is based on the Swedish Energy Markets Inspectorate's residual mix (https://www.ei.se/bransch/ursprungsmarkning-av-el/residualmix). The mix is broken down into energy from nuclear power, renewable and fossil sources. Within the Baltics the exact amount of electricity per type of energy is reported.

- When calculating carbon emissions from district heating at ICA Sweden, the previous year's emission factor for the district heating supplier is used. For Apotek Hjärtat, a calculated Swedish average of 0.056 kg CO2e/kWh is used (Source: Swedish National Board of Housing, Building and Planning). When calculating CO2e from heating in the Baltics, a calculation based on the 2023 JRC report is used, emissions factors district heating Lithuania 0.0002097 tonnes CO2e/kWh, Latvia 0.0001988 tonnes CO2e/kWh and Estonia 0.00026 tonnes /kWh. For gas heating, the emission factor of 0.00024 tonnes CO2e/kWh is used for the Baltics as a whole (Source: EU Joint Research Centre, 2023). For heating generated by diesel, an emission factor of 0.000306 tonnes CO2e/kWh is used.
- For ICA Global sourcing, the previous year's reported data is used for the current year's quarterly calculations.
- LC emissions from purchased energy - The calculation is based on emissions factors from ecoinvent.

Climate impact from goods transport

This comprises goods transport between ICA Gruppen's warehouses and stores/pharmacies, goods delivered from central customer fulfilment centres and inbound transport to warehouses.

Apotek Hjärtat only uses leased transport solutions, even for last-mile deliveries, while ICA Sweden uses leased transport solutions for the majority its goods transport but owns a number of transport solutions and owns most of its e-commerce transport solutions.

Rimi Baltic uses transport solutions from third party service providers to transport goods between warehouses and stores but owns all its e-commerce transport vehicles. ICA Sweden reports fuel consumption per fuel type as well as emissions factors for each type of fuel for all distances driven by a haulage supplier.

Emissions of CO2e from goods transport within ICA Sweden have been calculated on the following basis:

- As of 1 January 2024, diesel and HVO that are less than 98% fossil-free are considered as diesel subject to the reduction obligation with an emissions factor of 3.16 kg CO2e/litre, regardless of which emissions factors are reported by the haulage companies. The emissions factor for diesel subject to the reduction obligation is calculated based on the Swedish Energy Agency's emissions factor for reference diesel (according to Stemfs 2018:2). For other types of fuel the calculation is based on

the same emissions factors as those reported by haulage companies (based on data from the respective fuel supplier).

- For 2024, diesel subject to the reduction obligation has been calculated with a fossil-free percentage of 6.4%, which is included in reporting of the share of fossil-free road transport. This share was calculated from estimates based on the fossil-free share in 2022 according to the Swedish Energy Agency report "Drivmedel 2022" (Fuel 2022) published in September 2023. The calculation takes into account the emissions factors of the various fuels included according to the same report, and what is required to comply with the statutory reduction obligation. Emissions factors and energy mix are taken from the Swedish Energy Agency.
- The haulage companies working with Apotek Hjärtat report a mix of actual consumption and standard amounts based on distances driven and emissions factors for each fuel.

Emissions of CO2e from goods transport within Apotek Hjärtat have been calculated on the following basis:

- Haulage companies report emissions factors for each type of fuel based on information from the respective fuel supplier.

Emissions of CO2e from goods transport within Rimi Baltic have been calculated on the following basis:

- All transportation of goods in and to the Baltic countries is outsourced. The countries use an average value for fuel consumption for certain routes, values are seasonal (summer – less, winter – higher). Mileage is proportionally divided by average consumption and total diesel consumption. The emission factor for Euro 6 lorries (Rimi Baltic exclusively uses Euro 6 diesel lorries) is calculated based on data from the European Environment Agency.
- For e-commerce, Rimi Baltic owns its vehicles and the fuel consumption for these shipments is obtained directly from the fuel supplier. Rimi Baltic's e-commerce shipments use the reporting period from December the previous year to November of the actual reporting year.
- Fuel consumption for transport vehicles from third party service providers to Rimi Baltic is calculated based on distances driven and average fuel consumption. Fuel consumption for Rimi Baltic's own transportation of goods is obtained directly from the fuel supplier.

- The emission factor 3.14kg CO2e/kg fuel is used for diesel (Euro 6 lorries) (Source: European Environment Agency).
- Renewable fuels from the Swedish Transport Administration (2022).
- ICA Sweden and Apotek Hjärtat check and register emissions factors annually against reference emission factors from NTM (Network for Transport Measures), which were produced in 2023 for all types of fuel. The emissions factors are based on WtW (Well-to-Wheel).
- For LC emissions from purchased fuel, own vehicles WTT, an emissions factors from NTM (2023) where used.
- International and national inbound transport
    - Calculated based on a survey of transport providers on CO2e data.

Climate impact from refrigerants

Comprises refrigerant refilling in all warehouses and stores. Data for ICA Sweden is based on official refrigerant reports. Reported for warehouses for the current year and for ICA Sweden stores for consumption in the previous year. Data on Rimi Baltic's consumption of refrigerants, in warehouses and stores, refers to the current year's consumption. For ICA Gruppen's interim reports standard quarterly data is used for refrigerants based on the latest reported data. At the end of the year data comes in for ICA Sweden's warehouses and for Rimi Baltic's stores and warehouses, and this annual data for that year is used as a basis to establish standard data for next year's interim reporting. For the Swedish ICA stores full-year data from the previous year is updated in the second quarter and this data is then used as a basis for standard data for future interim reports. In the case of Apotek Hjärtat, data for the previous year is reported in April and this is then used as a standard amount in subsequent quarters.

Emissions of CO2e from refrigerants have been calculated on the following basis:

- In accordance with current legislation GWP (Global Warming Potential) values are used based on the greenhouse gas impact refrigerants have had during a 100-year period. Tables with GWP values are available in Appendix I and II to EU 517/2014, these are based on the fourth report of the IPCC.
- Refrigerants in transport are calculated based on a standard value for ICA Sweden. The standard value is based on one refrigeration unit per lorry containing the refrigerant R452a with a GWP of 2,140 kg CO2e/kg, with an estimated 5% leakage of

615 kg CO2e per year. This is then multiplied by an estimate of the number of lorries including trailers.

Climate impact from business travel

Comprises business travel by air booked through the central travel agency for ICA Gruppen in Sweden and Rimi Baltic's central travel agency, and flights booked at the Asian office ICA Global Sourcing. Comprises business travel by rail for ICA Gruppen in Sweden booked through the central travel agency or directly through travel providers using the ICA customer number. Comprises business travel by road for Rimi Baltic, ICA Gruppen in Sweden and ICA Global Sourcing. Emissions of CO2e from business travel have been calculated on the following basis:

- Carbon emissions from air and rail travel are provided by the travel provider. For ICA Global Sourcing air travel is calculated using the ICAO (UN) carbon emissions calculator.
- Emission factor for business travel by road from NTM (Source: Network for Transport Measures, 2022).
- For Rimi Baltic (business travel by car) and ICA Sweden (business travel with own car), the reporting period from December the previous year to November of the actual reporting year is used.
- For ICA Global Sourcing, the previous year's reported data is used for the current year's quarterly calculations.
- LC emissions from purchased fuel, own vehicles
- Hotels
    - Data on the number of hotel nights is obtained from our travel agency and calculated based on an emissions factor of 3.7 kg CO2e/hotel night (Source: Chalmers Methodology Report for www.travelandclimate.org)
- Taxi journeys are calculated at 0.0070 kg CO2e/SEK (Source: Mistra Sustainable Consumption).

Climate impact from commuting

Commuting is based on the number of employees from the 2024 annual report. Of all employees, 18 % are assumed to commute by public transport, 54 % by car and the remaining 26% by walking or cycling. The estimate comes from the Swedish 2030-Secretariat and the Swedish Association of Green Motorists. Emissions from cycling and walking are

assumed to be zero. The average commute is assumed to be 25 km for cars and 23 km for public transport. The emissions factors for cars and for commuting by bus come from a report by the Transport Administration of Stockholm County Council (2018).

Climate impact from waste

Encompasses ICA Sweden's and Rimi Baltic's warehouses and stores. No reporting data is currently available for Apotek Hjärtat. National laws and regional waste management systems define the types of waste included. Information on waste management methods and amounts are obtained from waste contractors. Rimi Baltic's waste from stores is based on actual volumes for all stores, while ICA Sweden's subsidiary stores are calculated based on one estimate per profile. Compostable waste consists of biodegradable organic waste, i.e., waste sorted as compostable and 90% of organic waste fractions including packaging. Incinerated waste comprises incinerated waste fractions and 10% of organic fractions including packaging. Recycled/reused waste includes glass, metal, wood, plastics and other non-landfill waste. For categories where ICA Gruppen has producer responsibility, such as pharmaceuticals, batteries, electronic products and packaging, disposal is in accordance with applicable legal requirements and any permits required. The waste arising from ICA Gruppen's producer responsibility is not included in the reported waste volumes. ICA Gruppen seeks to reduce waste to landfill and improve conditions to facilitate sorting and recycling of waste.

- Waste
    - Mixed fractions
    - Sweden, emission factor from Avfall Sverige
    - Rimi Baltic, emission factor from ecoinvent
    - Landfill emission factor from ecoinvent

Estimate for ICA Sweden's subsidiary stores, tonnes per store: Almost 16 tonnes CO2e/year; Supermarket 20 tonnes CO2e/year; Kvantum 25 tonnes CO2e/year and Maxi 174 tonnes CO 2e/year.

Climate impact from the use of sold products

Emissions from the use of products have been calculated based on product groups. The product groups included in calculations for the Swedish non-food assortment are home electronics, lamps, electrical appliances, lighting and batteries. For Rimi Baltic, the product

groups light bulbs, batteries and home electronics are calculated.

Lamps

- For lamps, a power consumption of 7 W, a lifetime of 15,000 hours and a lifetime of emissions. intensity of on average 20 g CO2e per kWh is assumed. No reliable source has been identified to estimate the upstream emissions for lamps. The same assumptions are made for ICA in Sweden as for Rimi Baltic. Emission factor 2.1kg CO2e/article.

Home electronics

- For home electronics, a life cycle emission from each product of 67 kg CO2e is assumed. The emission factor used in calculations was 31.2kg CO2e/article.

Lighting

- Downstream emissions for the product category lighting have been estimated using the same assumptions as for the product category lamps. Upstream emissions have the same reason for exclusion as the product category lamps.

Batteries

- This category of goods has been assumed to comprise disposable batteries of the AA type. The emission factor 0.107 kg CO2e/AA-battery used in calculations was taken from a life cycle analysis (Source: Science Direct).

Electrical appliances

- Upstream emissions for electrical appliances are taken from a life-cycle assessment where all phases up to the use phase are included in the emission factor. It has been assumed that the products are used 3 hours per week with a power of 1000 W to obtain the emissions during the use phase. The lifetime is estimated to be 10 years and the average emissions intensity of electricity during this period is estimated at 20 g CO2e per kWh. The same assumptions are made for ICA in Sweden as for Rimi.

Climate impact from the EoL product phase

Emissions arising from the packaging materials for the products that we retail are based on actual data reported by ICA Sweden and Apotek Hjärtat to NPA for our private label products. Rimi's packaging data in kg is estimated based on ICA Sweden's packaging data. Reported figures in kg are multiplied by a recycling rate per waste type (Source: NPA) and an emission factor for waste management (Source: Avfall Sverige). The emissions of the packaging materials used by Rimi in its central kitchen have been multiplied by an emission factor to calculate the emissions. The emissions factors have been calculated for ICA Sweden in a project by AFRY.

- End of life (EoL), packaging ICA Sweden, Rimi Baltic, Apotek Hjärtat
- EoL, packaging central kitchen, Rimi Baltic
- Disposal of medicines collected by customers in Apotek Hjärtat's pharmacies. A contracted operator collects all pharmaceutical waste from Apotek Hjärtat's pharmacies and the waste is thereafter incinerated under controlled conditions. The volumes of customers' pharmaceutical waste are based on data on the number of waste cartons collected, with deduction of an estimate for confidential material and pharmaceutical waste from the pharmacies' own stocks, and then multiplied by a standard weight per package.

Climate target for ICA Gruppen's suppliers

Supplier data, including sales data, are updated every year. For 2024 the data from 2024 is used. The climate impact from suppliers has been calculated based on ICA Gruppen's in-store sales of the central assortment in 2024 and emissions factors from Mistra Sustainable Consumption 2019 with emissions factors from 2016 (kgCO2e/SEK). Rim Baltic's sales have been translated from EUR to SEK (EUR rate 11.43217 taken from Riksbanken, average for 2024). Suppliers with climate targets approved by the Science Based Targets initiative (targets set) are updated based on data from the Science Based Targets website. The estimated climate footprint of ICA Gruppen's suppliers that have approved climate targets is then established in relation to the total climate footprint of ICA Gruppen's suppliers to determine the extent to which targets have been met. Target achievement (percentage of the suppliers' total climate footprint that suppliers with Science Based Targets account for) is reported in the Annual Report.

E2-Pollution

Drugs collected by pharmacies

Apotek Hjärtat reports the total weight of drugs collected in pharmacies per year.

E4-Biodiversity and Ecosystems

High-risk ingredients

High-risk ingredients identified by ICA comprise coffee, cocoa, tea, cotton, soy, palm oil and seafood. The share of sustainable high-risk ingredients is calculated as a percentage based on the number of items (GTIN) with certified ingredients in relation to the total number of articles containing the identified high-risk ingredient. For cocoa and coffee, products with >5% of this ingredient must be sustainability-labelled/certified and for seafood the threshold is >50% (excluding stocks and broths, food supplements, animal feed). If a product contains <5% cocoa, coffee or tea and <50% seafood, it should not be counted as needing to be certified. For cotton, products containing 100% cotton are covered. Soy and palm oil require a statement on whether the raw material of the product/feed is certified or verified more sustainable. The supplier states the quantity of palm oil as a % in the product and whether it is segregated, and for feed as mass balanced/segregated. Data for palm oil and cotton in the non-food products within ICA Sweden assortment cannot currently be reported due to the lack of any system support. Rimi Baltic's reported data for cotton only covers the nonfood assortment, and the data for palm oil covers the food and nearfood assortment.

Approved certifications:

- Palm oil: RSPO, KRAV, EU organic
- Coffee, tea and cocoa: Fairtrade, KRAV, EU organic, Rainforest Alliance
- Soy: RTRS, ProTerra, DonauSoy, KRAV, EU organic
- Cotton: BCI, EU organic, EU Ecolabel, Swan Ecolabel, Good Environmental Choice, Fairtrade, GOTS
- Seafood and fish: MSC, ASC, KRAV, EU organic

Sustainability-labelled

The sustainability-labelled share is reported as the percentage of sustainability-labelled products sold out of total sales. Approved sustainability labels on products: KRAV, MSC, EU organic, GOTS, EU Ecolabel, BCI, Swan Ecolabel, Fairtrade and Good Environmental Choice. Rainforest Alliance, FSC, PEFC, ASC, Svenskt Sigill, UTZ, Bonsucro, Falken, Biodynamic Certification, Organic 100, Demeter Label, Better Cotton Initiative, Oeko, Cosmos. Apotek

Hjärtat report both the share of sustainability labelled products and the share of "Välvald". The share of sustainability-labelled products is reported as the share of sustainability-labelled products out of total sales of the trade assortment (OTC and RX is excluded). "Välvald" is a quality certification for Swedish pharmacies, and is reported as the share of sold products with the "Välvald" certification out of total sales of the OTC assortment.

Organic

The share of organic products is reported for ICA Sweden and Rimi Baltic as the share of organic products out of total sales.

E5 Resource use and Circular economy

Food waste

ICA Gruppen intends to halve its food waste by 2025, with 2016 as the base year. Food waste is measured according to the FLW Protocol (Food Loss & Waste Protocol). The performance indicator being used – i.e., the measurement that is to be halved – is food waste, percent by weight. This is measured by dividing total food waste (tonnes) by total food sold (tonnes). Food waste is food that is prepared to be eaten by humans but which, for various reasons, is not eaten by humans. Food consists of the main food categories of Fresh Foods, Dry Groceries and Fruit & Vegetables. Both food and inedible parts (e.g., peel and bones) are included. The weight of packaging is not included. ICA Gruppen's food waste is waste that arises in ICA Gruppen's own food handling, which includes:

- Food waste from stores
- Food returned from stores
- Food waste from warehouses
- Food waste from e-commerce warehouses

Food waste for which compensation is received from external actors (e.g., suppliers) is not included in ICA Gruppen's food waste. Reporting includes the warehouses and stores of ICA Sweden and Rimi Baltic. For the Swedish ICA stores the calculation of total food waste (tonnes) is based on the actual food waste from a selection of stores (around 85% are included in the selection). For other stores the amount is extrapolated at the end of the reporting period using a standard formula. For ICA Sweden's warehouses and e-commerce warehouses as well as Rimi Baltic's warehouses and stores, the actual data for total food waste (tonnes) is used. From the end of 2019, food that the Swedish ICA stores report as a

charitable donation for human consumption is excluded from total food waste (tonnes). Food that the Swedish ICA stores report as clearance is excluded from total food waste (tonnes). As of 2021, food that goes for repurpose is also excluded. For Rimi Baltic food that is donated to charity has been excluded since the base year 2016.

Waste

Waste is reported from ICA Sweden's warehouse units. Waste is also reported from Rimi Baltic's warehouses and stores and from Apotek HJärtat's warehouses. No data is currently available for other ICA Gruppen units. Waste is reported in tonnes in the fractions incinerated, recyclable and compostable as well as landfill.

Environmentally certified ICA stores

Swan Ecolabelled stores are ICA stores in Sweden approved and certified by a third party in accordance with the Swan Ecolabel criteria. Stores that have been approved according to "Miljösmart Butik" (ICA Sweden's environmental programme for stores) are Swedish ICA stores that have been approved in an internal audit performed by ICA Sweden's sustainability
coaches.

Environmentally certified properties

"Environmentally certified properties" shows the number of properties certified during the year within the respective environmental standard. Share of environmentally certified properties indicate the total number of certified properties out of the total property portfolio (Source: Sweden Green Building Council, SGBC).

S1-Own workforce

Employees are personnel employed by ICA Gruppen, i.e., including employees in stores owned by a company within the Group. Data is based on the number of employees at the end of November for the year, except for Average FTEs, Total gender distribution and Employee turnover rate, which is based on the average number of FTEs over a rolling 12 months until November of the current year. Number of FTEs includes individuals employed on a permanent, temporary or probationary basis. Employee turnover is calculated as the number of permanent employees who left during the year in relation to the average number of permanent employees. Sickness-related absence is calculated as the number of hours of

sickness-related absence in relation to the number of scheduled working hours. Sick-related absence is calculated on a rolling 12-month basis up to and including November of the current year. Gender distribution, all management levels refer to all managers with responsibility for employees in the Group. The gender distribution for the board and ICA Management Team (IMT) refer to ICA Gruppen's elected Board members and IMT at the end of the year. The gender distribution for business-critical positions refers to positions with significant operational responsibility, a substantial impact on operations and a major responsibility for the continuation of the business. Gender distribution High management refers to IMT and the level below. Type of employment relates to all employees, broken down into those that work full-time (100%) and those that work part-time, i.e., less than 100%. Age distribution refers to the age distribution of all permanent employees. Permanent employees mean individuals employed for an indefinite period or on a probationary basis, regardless of their degree of employment, as of November. Temporary employees mean employees whose employment is for a limited term. The percentage of employees that participated in regular performance and career development refers to those employees who have completed MAP (Goals, Accountability and Personal Development), ICA Gruppen's development dialogue, excluding warehouse employees and those who have an end date or are on long-term absence during the year. The number of fatalities, the number of work-related injuries and the number of cases of recordable work-related ill health refers to the number of cases reported as of the end of the year in the Incident Reporting System (HIA), excluding Apotek Hjärtat and IGS, which refers to the number of cases reported manually, and the Baltic operations where the number of cases are reported in SAP Kronos. The percentage of employees that took family-related leave refers to the number of employees who took some form of family-related leave during the year. The pay gap refers to the difference in average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees. The pay gap refers only to salary and the calculation is based on the salary structure after salary audits in 2024. Data is taken from the payroll and HR system with the current status in October for Swedish operations and in December for Baltic operations. The annual total remuneration ratio of the highest paid individual to the average annual total remuneration for all employees. The number of complaints within its own workforce to raise concerns refers to the number of anonymous reports submitted as of the year end via the online whistleblower system (link via the intranet), or via emails to the whistleblower team, and those cases deemed genuine whistleblowing cases following an assessment. Engagement index refers to the engagement index score from the employee survey for white collar employees, excluding pharmacists.

S2-Workers in the values chain

Supplier-related social certificates

Information on socially audited suppliers refers to active ICA Gruppen corporate brand suppliers in high-risk countries whose production units have undergone an initial ICA Social Audit and/or an audit under any of the third party audit schemes accepted by ICA Gruppen. If zero tolerance deviations are detected the supplier will not be approved. If critical deviations are identified during an audit the supplier generally gets a chance to correct the problems within a set period of time stated in the audit protocol. If the supplier corrects the problems to the Group's satisfaction within the period set, the supplier is approved. The length of time the supplier is approved is determined by the principles for approval in the relevant standard and, if the standard does not stipulate a timeframe for approval, by ICA Gruppen's governing documents. Furthermore, in individual cases, a personal assessment is made of the period of validity based on ICA Gruppen's governing documents. Production unit refers to a factory, farm or processing plant. High-risk countries are identified according to the amfori BSCI (Business Social Compliance Initiative) definition for the current reporting period. BSCI factors in, for example, political stability and absence of violence, quality of regulatory systems, rule of law, control of corruption, government effectiveness and the ability of people to be heard.

S3 – Affected communities

Share of Swedish-labelled

Share of Swedish-labelled food products is reported for ICA Sweden as the proportion of Swedish-labelled food products out of total food sales in SEK.

S4- Consumers and end users

Supplier-related quality certificates

Quality-certified suppliers are all suppliers of ICA Gruppen's corporate brands who have undergone an assurance procedure and hold an associated valid certificate in accordance with one of the quality standards accepted by ICA Gruppen.

Quality work and product safety

Public recalls are recalls where there is considered to be a risk to health or the environment, i.e., the public is informed via a press release.

Quality in stores

The number of certified ICA stores in Sweden refers to stores approved and certified by a third party in accordance with the Swedish standard for food handling in stores. Stores that have adopted the Swedish standard for food handling in stores refers to Swedish ICA stores that apply the standard but have not been certified by a third party.

Product quality testing

ICA Sweden and Rimi continuously quality test the assortment in areas such as unauthorized chemicals, pesticides, sensory perception, microbiology and food fraud. The tests are performed both externally and internally.

Taxonomy

Revenue from financial activities are reported according to the following principles: Revenue from banking activities are equated with the revenue of ICA Bank, excluding ICA Insurance. Revenue from insurance undertakings is equated with revenues from ICA Insurance. In both cases, only revenues from external parties outside of ICA Gruppen are included, i.e. internal revenues have not been counted with. The weighting of key performance indicators is made based on the share of the group's gross revenue that comes from the respective activities

ICA Bank's taxonomy report for 2024

ICA Bank's taxonomy report for 2024 is consolidated for ICA Bank and ICA Insurance in accordance with the supervision covered by the Capital Requirements Regulation (EU 575/2013). The following is reported in accordance with Article 8 of the EU taxonomy, supplemented by the Commission's delegated regulation 2021/2178, annex V, VI, and X.

Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation

Non-financial companies

ICA Bank has no lending to non-financial companies that report according to NFRD.

Households

- **Loans for home renovation:** Unsecured loans with the loan purpose "Home renovation". At present, it is not possible to ensure that it has been used for renovation, thus ICA Bank makes a conservative assessment and excludes this. Renovation loans are excluded from reporting taxonomy-relevant activities such as data quality and data availability are not sufficient to assess whether the exposures meet the technical screening criteria.
- **Loans for motor vehicles:** Taxonomy-compliant exposures include loans for zero-emission vehicles issued after December 31, 2020. Unsecured loans with the loan purpose "loan for motor vehicle". At present, it is not possible to ensure that it has been used for a motor vehicle, thus ICA Bank makes a conservative assessment and excludes this. Loans for motor vehicles are excluded from reporting taxonomy-relevant activities as data quality and data availability are not sufficient to assess whether the exposures meet the technical screening criteria.

Assets excluded from the numerator for GAR calculation (covered in the denominator)

SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations

- Equity Instruments: ICA Bank has shareholdings in the subsidiary ICA Insurance and the jointly owned mortgage company Borgo AB. The two companies do not report according to NFRD.

Cash and cash-related assets

This includes, in addition to cash, the funds that the Bank has deposited with other financial institutions, which should be excluded from the denominator.

Assets not covered for GAR calculation

Central governments and Supranational issuers

ICA Bank has just over 1 billion SEK in municipal bonds, of which 80% are green bonds. These are excluded from the GAR calculation despite a large part of the exposure likely being taxonomy-relevant.

Trading book

The Bank has no trading book.

Off Balance Financial guarantees

The Bank has no such assets.

Assets under Management (managed assets)

The Bank has no such assets.

KPIer

KPI Turnover

Given data limitations, no exposure falls out as taxonomy-relevant. The Bank is working on implementing methods for calculating and verifying taxonomy data for exposures.

KPI CapEx

Given data limitations, no exposure falls out as taxonomy-relevant. The Bank is working on implementing methods for calculating and verifying taxonomy data for exposures.

KPI GAR Stock

Given data limitations, no exposure falls out as taxonomy-relevant in the portfolio for 2024.

KPI GAR Flow

The flow is reported as loans issued in 2024. The book value is reported as the granted credit limit. Given data limitations, no exposure falls out as taxonomy-relevant in the flow for 2024.

Tables

GAR – sector information

Only the sector "Rental and operating of own or leased properties" can be linked to taxonomy-

relevant within the Bank's lending linked to companies.

Fees & Commissions KPI

Not applicable as of December 31, 2024.

Trading KPI

Not applicable as of December 31, 2024.

Nuclear and fossil gas-related activities

For the Bank Group, including Bank and Insurance, the exposure group that includes corporate exposure is exclusively towards ICA companies. A review shows that there are ICA stores that have backup power units powered by diesel or gasoline. These do not fall within fossil gas-related activities. Nor within nuclear energy.

The part of the non-life insurance business covered by the taxonomy and reported in A1 and/or A2 consists of insurance services that have specific elements regarding climate related risks such as storm, fire, flood, and landslide in accordance with Table A of the Commission Delegated Regulation 2021/2139. These services are presented based on the service's total gross premium income for the period, consequently premiums that cover risks other than specific climate related risks are also included in the gross premium income.

The company sees opportunities to further develop data quality and data availability to enable more detailed reporting in the future and to work on adapting the business in accordance with the taxonomy requirements.

The company currently has an investment portfolio consisting of debt securities, which are invested in government and municipal bonds as well as corporate bonds and covered mortgage bonds. For an investment to be compliant with the taxonomy, the counterparty's operations must be covered by the taxonomy regulations. The taxonomy data comes from available information in the counterparties' officially published reports. This means that the company is dependent on data availability to be able to report and that the data has a one-year lag. In cases where taxonomy data is missing or incomplete for an individual issuer, the company considers that the exposure is not covered by the taxonomy. Generally, it is noted that the availability of data has not been sufficient in several aspects to present complete information. For example, information to calculate the proportion of investments with economic activities that are Taxonomy-eligible, but not Taxonomy-aligned has not been sufficient to make a complete calculation. Additionally, data availability has not been sufficient to carry out the "Breakdown of the central performance indicator's numerator according to environmental objectives." The company predicts that the available data gradually will enhance as the taxonomy disclosures from various actors improve. The company intends to further develop the processes for obtaining taxonomy data from counterparties in the future and thereby improve taxonomy reporting.