



*Prepared as a part of the consolidated group report by Rimi Baltic AB former parent company ICA Gruppen. This document is a translation from the original report, prepared originally in Swedish language.*

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#### Overview

This document forms the *Corporate Sustainability Reporting Directive (CSRD)* report covering among others Rimi Baltic AB, prepared in alignment with the *European*

*Sustainability Reporting Standards (ESRS)* for the period of financial year 2024, when Rimi Baltic AB was part of the Swedish ICA Gruppen. The 2024 reporting is prepared in accordance with the current ESRS framework to comply with CSRD.

In compliance with national laws in Estonia, Latvia, and Lithuania - where Rimi Baltic AB operates - the required sustainability information and disclosures have been incorporated into the consolidated sustainability report of its former parent company ICA Gruppen. At the time of the report ICA Gruppen led the reporting process at a group level.

This consolidated approach ensured consistency, completeness, and clarity in the sustainability disclosures related to Rimi Baltic AB, prior to the company's divestment to new parent company - Salling Group.

The report was subject to limited assurance by KPMG Sweden, in line with the CSRD's requirements for third-party verification. The assurance covered the sustainability disclosures made under ESRS, with the scope and conclusion detailed in the assurance statement provided within the full report.

This report was finalized and published on February 21, 2025, ahead of the adoption of the CSRD Omnibus

*Regulation* and reflects the regulatory framework and requirements applicable at the time of publication.

On June 2, 2025, Salling Group acquired Rimi Baltic AB, which means that Rimi Baltic will be part of Salling Group's 2025 sustainability reporting. Salling Group is required to report in accordance with CSRD from financial year 2027.

# ICA Gruppen's work with sustainability

Work with sustainability forms a natural and integral part of ICA Gruppen's operations and strategies. It helps enhance the Group's long-term competitiveness and is aimed at creating long-term value both for ICA Gruppen and for the Company's stakeholders.

ICA Gruppen's operations extend across many areas: grocery retail, medicines and other pharmacy products, property development and management, and banking and insurance services. The breadth of the business means a potential and actual impact – both positive and negative – in a great many areas.

## Collaboration and partnerships

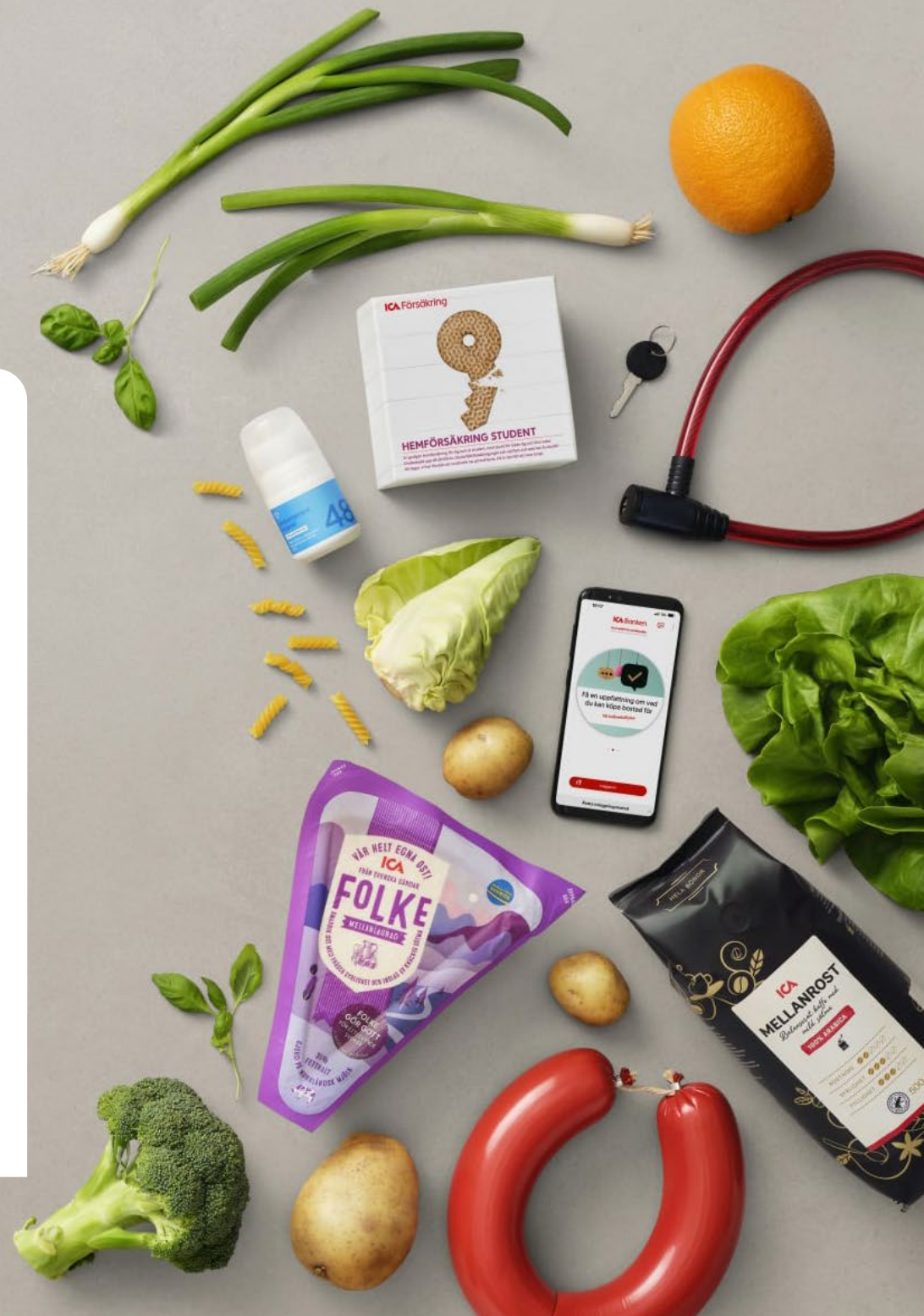
By virtue of its size, ICA Gruppen has an important responsibility – but also the capacity and many opportunities – to contribute and influence developments in society in a positive direction. A strong local presence combined with global value chains allows the Group to contribute to the positive development of local communities and to participate in efforts to solve shared global challenges.

ICA Gruppen's sustainability work is broad and spans many different areas – the environment, health, inclusion and diversity, social responsibility and quality. Extensive efforts are made in all areas

– at the Group level, within the operating companies and among the independent ICA retailers. The overall aim is to reduce adverse impacts and at the same time increase the positive contributions that become possible when sustainability aspects are integrated into the business. Through collaboration and partnership the strength of the Group structure is leveraged to create the greatest possible effects.

## Areas of special focus

The focus varies between the different businesses, but the areas given highest priority include continuing to reduce climate impact throughout the value chain, inspiring customers to make sustainable and healthy choices, helping to improve public health, minimising food waste in the Group's own operations, increasing the percentage of the assortment produced domestically and locally, ensuring traceability and transparency in the value chain and working to promote gender balance.





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## 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 to a great extent, the design and structure of the sustainability statements also follows the ESRS, when balancing between meeting all of the ESRS disclosure requirements and promoting relevance and understandability, the latter has been prioritised.

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 its own accounting principles for the sustainability reporting. The principles are published on the ICA Group website.

# Introduction

## Our focus



### → E Environment


ICA Gruppen's largest environmental impact arises from the production of the goods sold in the grocery retail business and pharmacies. The focus is on reducing environmental and climate impact, both in the supply chain and in our own operations, and on promoting more sustainable consumer choices.

#### Focus and priorities

- Reduced climate impact across the value chain
- Reduced food waste in warehouses and stores
- Transition to fossil-free goods transport
- Supplier and product requirements aimed at reducing the environmental impact of production
- Increased sales of organic and sustainability-labelled products
- Development of packaging in line with circular principles

#### Key sustainability objectives

- Halving food waste by 2025
- 30% reduction in the climate impact of customers' grocery purchases by 2030
- Fossil-free goods transport by road in Sweden 2030, in major cities 2025
- Science-based climate targets, with milestones for 2030 and 2050
- Sustainability-labelled high-risk ingredients in corporate brand products 2025
- Recyclable plastic food packaging by 2025 and made from recycled/renewable raw materials by 2030

 Read more on pages 90–123

### → S Social


As a major player, ICA Gruppen directly impacts its own workforce, the workforce in the value chain and society at large. The work focuses on ensuring good working conditions and contributing to positive development in the communities and locations where ICA Gruppen operates.

#### Focus and priorities

- Attract, recruit and retain competent and motivated employees
- Risk-based follow-up of social conditions in the supply chain
- Collaboration for sustainable working conditions in the supply chain, e.g. within the framework of ETI Sweden (Ethical Trading Initiative)
- Collaboration with government authorities and non-profit organisations to support the communities where we operate

#### Key sustainability objectives

- 50/50 gender balance in business-critical positions
- 90% implementation for development dialogues (MAP dialogues)
- Engagement index for salaried employees >80%


 Read more on pages 124–146

### → G Business conduct

ICA Gruppen's business conduct initiatives have a major impact both on its own operations and on those with whom ICA Gruppen has direct or indirect business relationships. ICA Gruppen wants to be a positive force in society by actively ensuring compliance both with external and with internal frameworks.

#### Focus and priorities

- Promote a sound corporate culture in own operations and the value chain
- Supplier and product requirements that promote good animal welfare
- Prevention of corruption throughout the value chain
- Responsible supplier relations

 Read more on pages 147–151

# General disclosures

## Basis for preparation

### General basis for preparation of sustainability statements

The sustainability report has been prepared on a consolidated basis, that is, encompassing all companies within ICA Gruppen, and applies the same scope as ICA Gruppen's financial reporting.

ICA Gruppen's main business activities comprise grocery and pharmacy retail as well as properties to support retail operations in Sweden, and banking and insurance. Overall, the Company has several complex value chains with potentially material impacts, risks and opportunities both upstream, in the production of goods sold, and downstream, at the consumer level and in the communities where real estate and retail operations are conducted. Accordingly, ICA Gruppen's materiality assessment encompasses its own operations as well as the upstream and downstream value chains. The report includes disclosures outside of ICA Gruppen's own operations, when a material impact, risk or opportunity is identified.

ICA stores in Sweden are largely operated by independent retailers, but with the support of ICA Sweden and under the ICA brand. Accordingly, ICA Sweden's policies, measures and targets often also encompass the retailer-owned companies that operate the independent ICA stores, for example with regard to climate impact and food waste.

A distinction is often made in the disclosures between ICA Gruppen's corporate brand products and other products for the goods that ICA Gruppen sells and the suppliers that provide them. The requirements are often more stringent for ICA Gruppen's corporate brand products.

Disclosures pertaining to joint ventures within real estate and pharmacy operations are included when relevant to the identified material impacts, risks and opportunities.

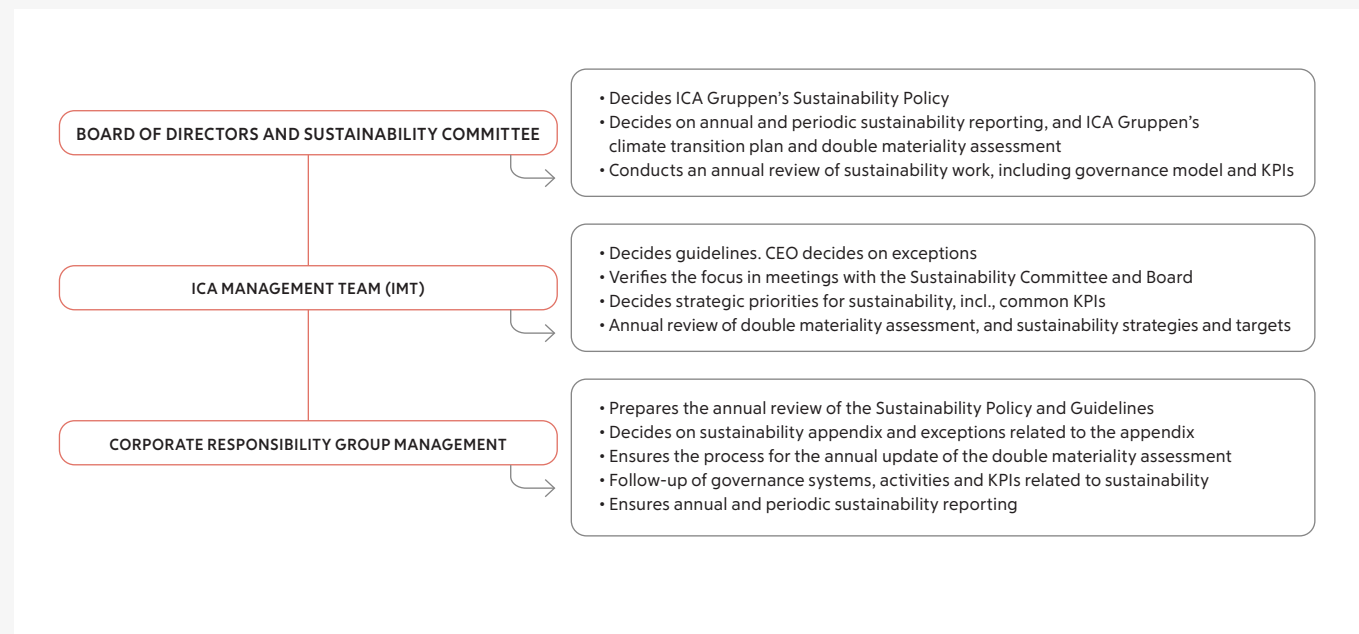
In preparing this report, ICA Gruppen has accounted for the expectations of main stakeholders, to ensure coverage of the themes that are most material for them. No relevant information has been excluded for reasons related to confidentiality, sensitive data or intellectual property rights.

## Governance

### The role of the administrative, management and supervisory bodies

The Board of Directors determines the focus of ICA Gruppen's sustainability work and has established a Sustainability Committee to support work in this area. The Committee's task is to prepare for strategic matters to be addressed relating to ICA Gruppen's efforts in terms of responsible business conduct, to quality-assure ICA Gruppen's sustainability reporting and governing documents within the area of sustainability, and to follow up on efforts within business conduct and sustainability.

Although the CEO has ultimate responsibility for sustainability matters within the Group, management of day-to-day sustainability work has been delegated to the Chief Corporate Responsibility Officer, who is part of the ICA Management Team (IMT). Under the leadership of the Chief Corporate Responsibility Officer, the IMT is tasked with developing and, if need be, monitoring the Group's application of the Sustainability Policy. To support the IMT and Chief Corporate Responsibility Officer, ICA Gruppen has formed a management team for sustainability consisting of all the Group companies' sustainability managers (CR Group Management), who, inter alia,



## GENERAL DISCLOSURES

prepare ICA Gruppen's double materiality assessment. The IMT suggests sustainability priorities to the Board and monitors the management of material impacts, risks and opportunities. The IMT is also tasked with proposing new and revised policies to the Board.

Refer to pages 178–179 for information on the composition, background and diversity of the Board of Directors and the IMT.

Governance and monitoring of sustainability work for Rimi Baltic is ensured through the Corporate Responsibility Board and the Baltic Management Team.

The companies' respective sustainability departments have considerable expertise and competence in sustainability matters, and ICA Sweden's Corporate Responsibility department is also tasked with the strategic coordination of Group-wide efforts. The Board of Directors, CEO and IMT have access to the Group's collective expertise in sustainability, and receive regular training in prioritised sustainability areas in relation to identified impacts, risks and opportunities. The special focus areas in 2024 comprised the updated climate targets based on the Science Based Targets standard, ICA Gruppen's climate transition plan and increased traceability requirements as per the Deforestation Regulation and Corporate Sustainability Due Diligence Directive (CSDDD).

### Policies and guidelines within ICA Gruppen

A number of governing documents in the form of policies and guidelines provide overall governance for ICA Gruppen's operations. The policies apply to all employees and subsidiaries within the Group, and clarify rules and requirements for employees where non-compliance could entail serious consequences for the Group. The objective of a policy is to define the framework for the governance and control of activities. They are relatively brief and mainly principle-based.

The guidelines apply to all employees and operating segments, and are normally more detailed and operational with the aim of ensuring compliance with the policies. The guidelines describe the requirements and rules that govern the activities. As a general rule, all guidelines should be subordinate to at least one policy, however, there may be several guidelines linked to the same policy, reflecting different areas of the policy. In turn, guidelines can be made concrete in instructions and routines, which describe processes, roles and responsibilities in relation to specific areas or parts of the operations.

The policies and guidelines with the greatest significance for sustainability work within ICA Gruppen include:

- **Code of Conduct**

The Code of Conduct describes the core values, business principles and commitment to conducting sustainable operations that are responsible, efficient and transparent.

- **Sustainability Policy and Sustainability Guideline**

The Sustainability Policy and Sustainability Guideline describe ICA Gruppen's overall position on sustainability matters over and above those requirements set through legislation. All ICA Gruppen employees, suppliers and business partners are expected to follow these.

- **People Policy**

ICA Gruppen's People Policy describes the framework within which employees and managers must operate to live up to the shared values and to achieve the set targets. The policy aims to create a work environment that supports employees in delivering good service to customers, while promoting a sustainable and healthy work-life balance. The policy applies to all employees in ICA Gruppen and in operating companies (OpCos).

### Business-specific governing documents

In addition to the Group-wide guidelines, a number of business-specific governing documents apply for stores and pharmacies, banking and insurance, and real estate.

### Sustainability Guidelines for grocery retail and pharmacies

These clarify and make concrete the positions in ICA Gruppen's overall Sustainability Policy and Guideline, and apply to ICA Sweden, Rimi Baltic and Apotek Hjärtat.

### ICA Bank's instruction for sustainability work

ICA Bank's instruction for sustainability work is based on ICA Gruppen's Sustainability Policy and the UN Principles for Responsible Banking (PRB). The purpose of the PRBs is to ensure the signatory banks align their strategy and practice to contribute in their operations to meeting the goals set out in the Sustainable Development Goals and the Paris Agreement.

### ICA Real Estate's sustainability strategy and sustainability plans

ICA Real Estate sets out its objectives for sustainability work in a sustainability strategy for 2030 as well as in the sustainability plans that are prepared for each construction project and property.

### Sourcing agreements with sustainability appendices for products and services

ICA Gruppen's sustainability-related requirements for suppliers and partners are compiled in a sustainability appendix that is attached to sourcing agreements. Among other items, the appendix includes specific requirements concerning environmental and social aspects. Reference is also made here to the product-specific requirements ICA Gruppen sets for physical products.

### List of policies and guidelines

Policy	Guidelines
<i>Covers the entire ICA Gruppen. Adopted by the Board.</i>	<i>Cover the entire ICA Gruppen. Adopted by the ICA Gruppen Management Team.</i>
<b>Governance of Steering Documents Policy</b>	
<b>Code of Conduct</b>	
<b>Authority and Approval Policy</b>	<b>Contract Management Guideline</b>
	<b>Business Ethics Guideline</b>
	<b>Whistleblowing Guideline</b>
<b>Communication Policy</b>	<b>Communication Guideline</b>
	<b>Sponsorship Guideline</b>
<b>Information Security Policy</b>	<b>Information Security Guideline</b>
<b>Data protection policy</b>	<b>Data Protection Guideline</b>
<b>Finance Policy</b>	<b>Finance Reporting Guideline</b>
<b>Risk Management Policy</b>	<b>Risk Management Guideline</b>
<b>People Policy</b>	
<b>Insider Policy</b>	
<b>Sustainability Policy</b>	<b>Sustainability Guideline</b>
<b>Tax Policy</b>	<b>Fraud Governance Guideline</b>
	<b>IT Guideline</b>
	<b>Sponsorship Guideline</b>

## GENERAL DISCLOSURES

**Product-specific requirements**

In addition to the general requirements in the sustainability appendix to the sourcing agreement, product-specific requirements apply for all product categories, for example regarding product safety, chemicals, environmental considerations and sustainability certification of specific raw materials. Product-specific requirements may vary slightly between the respective OpCos, but are to a large extent common for products offered by more than one OpCo.

**Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies**

ICA Management Team (IMT) receives an annual review of ICA Gruppen's material impacts, risks and opportunities based on ICA Gruppen's double materiality assessment. The IMT is also kept updated on progress towards ICA Gruppen's shared sustainability goals and priorities that address these. The Chief Corporate Responsibility Officer is responsible for providing information. Further follow-up is performed within the respective OpCo.

Once yearly, the Board receives a corresponding review of ICA Gruppen's double materiality assessment, as well as how material impacts, risks and opportunities are managed in the Group's and the companies' policies, strategies and goals. The Chief Corporate Responsibility Officer is responsible for the provision of information, which in 2024 was provided in Q4.

In addition to overseeing the processes for double materiality assessment, due diligence, and sustainability statements in 2024, the Board's Sustainability Committee has specifically addressed the following subject matters: strategic implications of identified climate risks for the Group's operations; the business plans for reducing the climate impact of food sold; the alignment of ICA Gruppen's net zero targets with the Science Based Targets standard; and ICA Gruppen's climate transition plan.

The results of ICA Gruppen's materiality assessment are communicated and anchored with the relevant Group functions within finance, strategy and risk, to ensure that identified impacts, risks and opportunities are taken into consideration in recommendations and decisions in these areas.

**Integration of sustainability-related performance in incentive schemes**

ICA Gruppen's long-term bonus programmes include performance requirements linked to the Group's climate targets. The performance requirements linked to the reduction of greenhouse gases in ICA Gruppen's value chain comprise 15% of the total and in the programme for 2024 pertain to emissions from ICA Gruppen's own operations, i.e., emissions from offices, warehouses, stores, goods transport and business travel. The terms and conditions of the incentive schemes are approved by the Board of Directors.

**Statement on due diligence**

ICA Gruppen works with due diligence to ensure that negative impacts in the value chain on human rights, the climate and the environment are identified and managed proactively. The work follows the recommended steps of the OECD Due Diligence Guidance for Responsible Business Conduct:

- 1) ICA Gruppen's positions on sustainability, including the principle of due diligence, are clarified in ICA Gruppen's Sustainability Policy and Guideline.
- 2) The impact analysis conducted within each company, as part of ICA Gruppen's double materiality assessment (see pages 88–89), identifies actual and potential negative impacts.
- 3) Actions to cease, prevent and mitigate adverse impacts include:
  - a. Implementation of the requirements in ICA Gruppen's Sustainability Guideline, sector-specific guidelines, sustainability appendices for suppliers, product requirements for ICA Gruppen's corporate brand products, and in ICA Sweden's Store Policy.
  - b. Collaboration in the industry and value chain, including relevant NGOs.
  - c. Direct dialogue with suppliers and suppliers' trade associations and, where appropriate, supplier audits.
  - d. That relevant strategies, targets and KPIs are set for the Group's efforts to reduce negative impact, for example in terms of climate impact (see pages 94–102), food waste (see pages 119–123), or the percentage of certified high-risk ingredients in ICA Gruppen's corporate brand products (see pages 115–117).

- 4) The work is continuously followed up and evaluated, both through our own KPIs and through the dialogue forums and partnerships in which ICA Gruppen companies participate.
- 5) The mapping of ICA Gruppen's impact and the actions taken to manage it are reported annually in the sustainability statements.
- 6) ICA Gruppen's ambition is to collaborate and work to remediate negative impacts when necessary, and the Group intends to clarify procedures and contact channels for this in the coming years.

**Risk management and internal controls over sustainability reporting**

ICA Gruppen's internal control requirements for sustainability reporting are set out in Appendix 1 of the Sustainability Reporting Manual.

Within ICA Gruppen, the CR Strategy & Development function is tasked with coordinating the internal governance of sustainability reporting. In 2025, the Internal Control function will start implementing the processes for monitoring and follow-up of the internal control of sustainability reporting. Within the framework of its assignment, the Internal Audit function is tasked with performing a risk-based assessment of the effectiveness and reliability of the internal governance and controls in the Group's sustainability work.

## GENERAL DISCLOSURES

## Strategy

## Business model

ICA Gruppen's core business is grocery retail. This is supported by the Group's other businesses in pharmacies, non-food items, banking and insurance, and properties. ICA Gruppen conducts operations in all of the Group's areas in Sweden, in grocery retail in the three Baltic countries and has a purchasing office in Asia. All activities aim to offer products and services to consumers except for the real estate business, which primarily aims to support the Group's activities in the Swedish market. ICA Sweden acts as a wholesaler and provides related services to independent ICA retailers as customers, where the relationship between ICA Sweden and the independent ICA retailers is regulated by agreement (see page 25).

The breadth of operations conducted by ICA Gruppen's companies means that the Group has several, diversified value chains. However, upstream, all of these chains are global, but are concentrated downstream in the Group's home markets in Sweden and the Baltics. The breadth of goods offered means that the value chain starts with a large number of raw materials and materials as well as various processes for preparation and final manufacture.

Grocery retail and pharmacy products account for the vast majority of ICA Gruppen's sales.

## Strategy

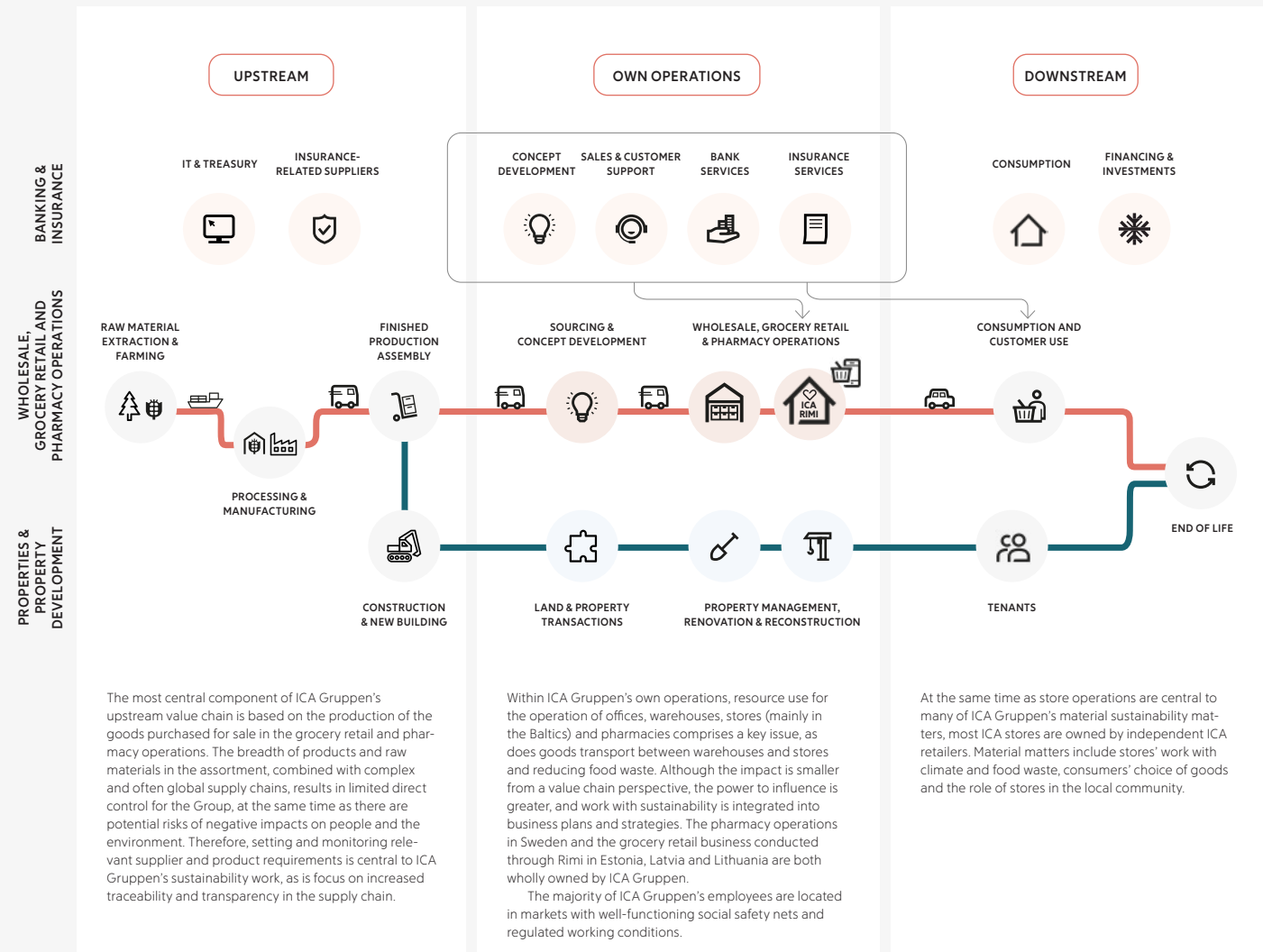
ICA Gruppen's Group strategy builds on the companies' shared strengths and sets the direction for all operations within the Group (see pages 12–20). The Group strategy through 2030 sets the ambition to make every day a little easier for the Group's customers to:

- Find personalised solutions
- Save time and energy
- Make sustainable choices
- Get value for money

Within sustainable choices, ICA Gruppen's ambition is to:

- Be the recognised industry leader in all our markets and to drive development towards reduced climate impact and a more modern and sustainable food system
- Be the best in our markets at helping and inspiring customers to make sustainable choices

## ICA Gruppen's value chain





## GENERAL DISCLOSURES

The Group strategy identifies three key strategic areas to strengthen the Group's ability to realise its ambition, several of which have a bearing on work with sustainability:

- Operating with high efficiency and speed
- Deploying next generation technology
- Attracting and empowering people

**Interests and views of stakeholders**

Obtaining the views both of internal and of external actors' on ICA Gruppen's operations is an important aspect of ongoing efforts to develop ICA Gruppen. The goal is to balance various interests, expectations and wishes through constant dialogue.

Involving stakeholders is central to all stages of the due diligence process:

- **Step 1:** Understand our stakeholders' expectations of ICA Gruppen in terms of governance (policies, strategies, requirements, etc.).
- **Step 2:** Receive feedback and input to identify and better understand ICA Gruppen's impact on people and the environment, and to validate impact assessment.
- **Step 3:** Receive input on actions that can effectively help with due diligence, thereby helping us prevent, avoid and stop negative impacts.
- **Step 4:** Have the opportunity to follow up, together with stakeholders, whether our actions are effective and improve the lot of people and the environment.
- **Step 5:** Understand what kind of information stakeholders wish to receive and in which areas they want increased transparency.
- **Step 6:** Gain insight into the type of actions and recompense needed to compensate rights holders who have been adversely impacted.

Both ICA Gruppen and the individual OpCos pursue ongoing dialogues with their most important stakeholders. Moreover, in cases where a need has been identified to create a deeper understanding of the company's impact in any area, separate dialogues are conducted in conjunction with each company's materiality assessment.

The findings of the stakeholder dialogues are taken into consideration in ICA Gruppen's assessment of material sustainability matters as well as in the management of identified impacts, risks and opportunities. Stakeholder perspectives and views are shared with ICA Gruppen's administrative, management and supervisory bodies as part of ICA Gruppen's materiality assessment.

**ICA Gruppen's key stakeholders**

Stakeholder group	Dialogue format	Prioritised sustainability matters for dialogue
Consumers	Customer service, social media, customer surveys	ICA Gruppen customers have stringent requirements for the assortment in terms both of quality and of sustainability. The Company's customer service is crucial for getting close to and understanding our customers' needs, thereby enabling the development of an attractive and sustainable customer offering.
Employees	Employee surveys/surveys, trade union dialogue	Work environment, development opportunities, and inclusion and diversity comprise key areas for the perception of ICA Gruppen's operations as healthy and safe workplaces and as attractive employers.
Owners	Direct dialogue through representation on the ICA Gruppen Board	Governance and follow-up of ICA Gruppen's sustainability work, in line with the Board's mandate.
Independent ICA retailers	Continuous dialogue between Sweden's ICA retailers and ICA Sweden within the framework of established council structures and reference groups	Dialogue with the independent ICA retailers focuses on good service, including through supporting the stores' work with sustainability, and through an attractive and sustainable assortment.
Suppliers	Direct dialogues, supplier forums and through membership of initiatives such as Hållbar livsmedelskedja (Sustainable Food Chain) and Amfori BSCI (Business Social Compliance Initiative)	Supplier dialogues focus on product safety, health, animal welfare, the environment and social sustainability.
Public authorities	Direct dialogues, participation in collaboration forums and dialogue through trade association	The EU Green Deal entails the gradual implementation of new sustainability legislation. Dialogue with relevant authorities is important to be able to understand and comply with future legislation, and to highlight its effects on ICA Gruppen's operations.
Civil society/NGOs	Membership in, e.g., ETI Sweden (Ethical Trading Initiative), PFAS movement, dialogue meetings with NGOs on specific issues	A central component of ICA Gruppen's management of environmental and social topics, particularly in relation to influence in the supply chain, comprises dialogue with and membership of various organisations. These include human rights and chemical issues.

## GENERAL DISCLOSURES

**Material impacts, risks and opportunities and their interaction with strategy and business model.**

In the assessment of materiality, actual and potential impacts, risks and opportunities have been taken into consideration, both in relation to ICA Gruppen's direct impact, and in relation to inherent risks in various parts of ICA Gruppen's value chain. The summary of ICA Gruppen's material impacts, risks and opportunities shows that ICA Gruppen's own operations have relatively limited impact, whereas material impacts in most areas exist upstream in ICA Gruppen's value chain, primarily linked to the products and services that ICA Gruppen purchases.

The downstream impact pertains in part to the impact of the retailer-owned ICA stores in Sweden, and in part to the impact arising from the consumption of the goods and services ICA Gruppen retails.

Material risks are linked, for example, to the impacts for global food production as a result of climate change and biodiversity loss, while significant opportunities can be seen linked to ICA Gruppen's ability to provide communities in its domestic markets with groceries, services and utilities based on its store and pharmacy network in Sweden, Estonia, Latvia and Lithuania.

A more detailed description of material impacts, risks and opportunities follows on pages 85–87 and under the respective subject matters. The outcome of the materiality assessment for ICA Gruppen as a whole is presented below. Refer to pages 153–154 for the outcome for impact materiality for the respective Group companies.

**Materiality assessment outcome ICA Gruppen**

Neg. = potential/actual negative impact in the value chain or risk for ICA Gruppen

Pos. = potential/actual positive impact in the value chain or opportunity for ICA Gruppen

Topic	Sub-topic and sub-sub-topic	Impact materiality	Financial materiality
<b>E1</b> Climate change	Climate change adaptation	Neg.	Neg.
	Climate change mitigation (CCM)	Neg.	Pos./Neg.
	Energy	Neg.	Neg.
<b>E2</b> Pollution	Pollution of air	Neg.	–
	Pollution of water	Neg.	–
	Pollution of soil	Neg.	–
	Pollution of living organisms and food resources	Neg.	–
	Substances of concern	Neg.	–

Topic	Sub-topic and sub-sub-topic	Impact materiality	Financial materiality
<b>E3</b> Water and marine resources	Water consumption	Neg.	–
	Water withdrawals	Neg.	–
	Water discharges	Neg.	–
	Water discharges in the oceans	Neg.	–
	Extraction and use of marine resources	Neg.	Neg.
<b>E4</b> Biodiversity and ecosystems	Climate change	Neg.	Neg.
	Land-use change, fresh water-use change and sea-use change	Neg.	–
	Direct exploitation	Neg.	Neg.
	Pollution	Neg.	Neg.
	Species population size	Neg.	Neg.
	Species global extinction risk	Neg.	–
	Land degradation	Neg.	Neg.
	Impacts and dependencies on ecosystem services	Neg.	Neg.
<b>E5</b> Circular economy	Resources inflows, including resource use	Neg.	Neg.
	Resource outflows related to products and services	Neg.	–
	Waste	Neg.	Pos.
<b>S1</b> Working conditions	Secure employment	–	Neg.
	Work-life balance	Neg.	–
	Health and safety	Neg.	–
	Equal treatment and opportunities for all	Neg.	Neg.
	Gender equality and equal pay for work of equal value	–	Neg.
	Training and skills development	Neg.	Neg.
	Measures against violence and harassment in the workplace	Neg.	Neg.
	Diversity	Neg.	Pos./Neg.
	Working time	Neg.	–
	Adequate wages	Neg.	–
<b>S2</b> Working conditions	Social dialogue & freedom of association	Neg.	–
	Collective bargaining	Neg.	–
	Work-life balance	Neg.	–
	Health and safety	Neg.	–
	Equal treatment and opportunities for all	Neg.	–
	Gender equality and equal pay for work of equal value	Neg.	–
	Measures against violence and harassment in the workplace	Neg.	–
	Diversity	Neg.	–
	Child labour	Neg.	–
	Forced labour	Neg.	–
<b>S2</b> Other work-related rights	Water and sanitation	Neg.	–

Topic	Sub-topic and sub-sub-topic	Impact materiality	Financial materiality
<b>S3</b> Communities' economic, social and cultural rights	Adequate housing	Neg.	–
	Adequate food	Neg.	Pos.
	Water and sanitation	Neg.	–
	Land-related impacts	Neg.	–
	Security-related impacts	Neg.	–
	Local community initiatives	Pos.	–
	Impacts on human rights defenders	Neg.	–
Communities' civil and political rights		Neg.	–
	Rights of indigenous peoples	Neg.	–
<b>S4</b> Information-related impacts for consumers and/or end-users	Privacy	Neg.	–
	Access to (quality) information	Neg.	Neg.
	Health and safety	Pos./Neg.	Neg.
	Protection of children	Pos./Neg.	Neg.
Personal safety of consumers and/or end-users	Access to products and services	Neg.	Pos.
	Social inclusion of consumers and/or end-users	Neg.	Pos.
<b>G1</b> Corporate culture		Neg.	Neg.
	Protection of whistle-blowers	Neg.	–
	Animal welfare	Neg.	–
	Political engagement and lobbying activities	–	Neg.
	Management of relationships with suppliers including payment practices	Neg.	Neg.
	Corruption and bribery	Neg.	Neg.

## GENERAL DISCLOSURES

## Material impacts, risks and opportunities

## E1: Climate change

	Upstream	Own operations	Downstream
Impact	Emissions from agriculture (e.g. methane gas from ruminants) and extraction of raw materials (e.g. fertilisers and plastics). Emissions in the manufacture of building materials (e.g. steel and cement), pharmaceuticals and non- and nearfood products. Emissions from goods transports, incl. transport to warehouses.	Emissions from goods transports between warehouses and stores. Emissions from the use of energy and refrigerants in offices, warehouses, and stores/pharmacies. Emissions from business travel.	Climate impact from customer travel to stores, and last mile deliveries to customers. Emissions from the use of energy and refrigerants in retailer-owned stores. Emissions from the use of products.
Risks/ opportunities	Impact of extreme weather conditions and reduced harvests on primary production. Disruption to logistics chains due to extreme weather and floods.	Increased fuel costs. Access to renewable energy for new establishments. Disruption to logistics chains due to extreme weather and floods.	–

## E2: Pollution

	Upstream	Own operations	Downstream
Impact	Pollution and impacts on nature due to the use of pesticides and fertilizers. Release of chemicals (e.g. PFAS) in the production of non-food and near-food products, and pollution from pharmaceutical production. Pollution from the production of construction materials, e.g. steel.	Pollution from synthetic refrigerants used in ICA Gruppen's warehouses and wholly owned stores.	Pollution from synthetic refrigerants used in retailer-owned stores. Spreading of pharmaceutical residues and chemicals from e.g. hygiene, cleaning and laundry products to water and nature. Positive impact through advice on pharmaceutical use.
Risks/ opportunities	–	Increased costs and resources to ensure compliance with product traceability and transparency regulations.	–

## E3: Water and marine resources

	Upstream	Own operations	Downstream
Impact	Water consumption in agriculture and food production, with bigger impact from certain raw materials (e.g. cotton and avocado), and in certain regions. Risk for overfishing and unsustainable exploitation of fish stocks.	–	Spreading of pharmaceutical residues to water and nature.
Risks/ opportunities	Risk for lack of supply of seafood.	–	–

## E4: Biodiversity and ecosystems

	Upstream	Own operations	Downstream
Impact	Biodiversity loss and impacts on nature due to, e.g. pesticide use, eutrophication, water consumption, overfishing and deforestation. Loss of biodiversity and other negative impacts on nature, such as the release of chemicals in the production of non-food and near-food products, and pollution from pharmaceutical production.	Impact of property development on local nature values.	Spreading of pharmaceutical residues to water and nature.
Risks/ opportunities	Risk for disruption in the production of raw materials and shortages of goods due to challenges related to ecosystem services such as soil fertility, pollination, viable fish stocks and water.	–	–

## GENERAL DISCLOSURES

## E5: Resource use and circular economy

	Upstream	Own operations	Downstream
Impact	Food waste due to e.g. quality issues, inferior processing/ storage or damage during transport. Resource use for the production of e.g. construction materials, packaging, and non-food products (e.g. electronics, textiles and toys).	Food waste from ICA Gruppen's warehouses and stores.	Food waste from retailer owned stores, and household food waste. Waste from e.g. packaging, used non-food products and construction waste.
Risks/ opportunities	–	Increased costs and resources to ensure compliance with product traceability and transparency regulations. Opportunity to reduce costs by reducing waste in warehouses and stores.	–

## S1: Own workforce

	Upstream	Own operations	Downstream
Impact	–	Violence and harassment in stores and pharmacies. Employee health, safety and work-life balance.	–
Risks/ opportunities	–	Dependence on qualified and motivated staff. Legal and brand risks linked to possible workplace accidents. Lack of equality or inclusion leads to poorer skills access as well as to brand risks. Active gender equality, inclusion and diversity efforts provide opportunities to attract talent to the Group.	–

## S2: Workers in the value chain

	Upstream	Own operations	Downstream
Impact	Shortcomings in the physical and psychosocial work environment of workers in the value chain, including human rights violations, shortcomings in conditions for seasonal and migrant workers, non-contractual overtime, unreasonable wages. Restrictions on freedom of association, such as the right to join a trade union. Lack of equality and inclusion, access to housing, water sanitation and food, and land rights.	–	Violence and harassment in store environments. Employee health, safety and work-life balance.
Risks/ opportunities	–	–	–

## S3: Affected communities

	Upstream	Own operations	Downstream
Impact	Shortcomings in social conditions, such as access to housing, water sanitation and food, and land rights.	–	Positive impact through community engagement and through partnerships and sponsorship.
Risks/ opportunities	–	–	Opportunities to develop customer offerings based on a strong local presence and distribution network.



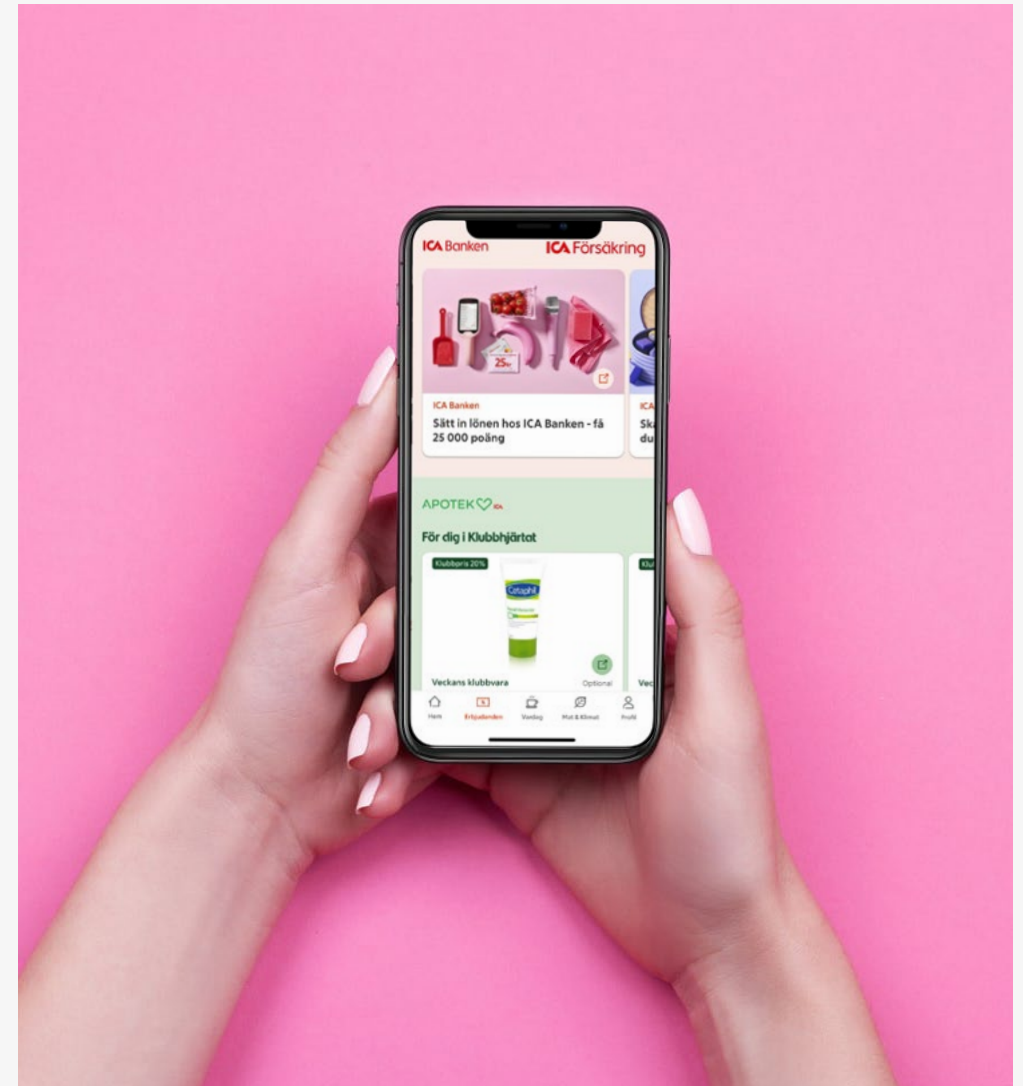
## GENERAL DISCLOSURES

## S4: Consumers and end-users

	Upstream	Own operations	Downstream
Impact	–	–	Access for customers and consumers to reliable information on food, medicines and banking services. Risk for negative impact on consumers' integrity from ICA's use of customer data.
Risks/opportunities	–	Brand-related risks in connection with the lack of information on or responsibility for the content of the product/service as well as any negative health impacts for consumers.	Opportunities related to community functions in stores, e.g. package or pharmacy delivery services.

## G1: Business conduct

	Upstream	Own operations	Downstream
Impact	Corruption and corporate culture failures in the supply chain, particularly in high-risk countries. Management of supplier relationships linked to sourcing practices, such as lead times and payment practices. Animal welfare in food production and in the development of pharmaceuticals.	–	–
Risks/opportunities	Regulatory risk and brand risk for ICA Gruppen should supplier relationships not be managed according to good practice, e.g., affected by conflicts of interest	A sound corporate culture is a prerequisite for brand confidence, legal compliance (e.g. the Unfair Commercial Practices Directive) and the ICA system with independent retailers. Corruption and bribery resulting from poor practices or employee training can entail both regulatory and brand risks. The impact of political decisions on ICA Gruppen's operations means that political influence and lobbying – by the Group itself or through industry organisations – are clearly linked to the ability to act on material sustainability matters.	



## GENERAL DISCLOSURES

## About the materiality assessment

## ICA Gruppen's process for double materiality assessment

ICA Gruppen's process for identifying and assessing material impacts, risks and opportunities is set out in the Group's materiality assessment instruction, which was prepared in 2024 and will be subject to annual review going forward. To the extent possible, the mapping and assessment is performed as part of the Group's regular work with due diligence and risk (see pages 185–191). Within ICA Gruppen, each company applies shared principles to map its impacts, risks and opportunities, and the Group's material impacts, risks and opportunities are then determined based on the company-specific assessments.

## ICA Gruppen's materiality assessment 2024

In 2024, ICA Gruppen conducted its double materiality assessment (DMA) in preparation for the 2025 sustainability statements. The analysis was conducted pursuant to the European Sustainability Reporting Standards (ESRS) and the requirements of ESRS 1. To identify the material matters, ICA Gruppen used the ESRS list of sustainability matters (topics, sub-topics and sub-sub-topics), sustainability statements from previous years and comparable companies' previous reports. While ICA Gruppen's gross list of material matters essentially corresponds with the areas in the ESRS, in a few areas, ICA Gruppen has also defined its own material matters.

Materiality has then been assessed based both on impact and on financial materiality (risks and opportunities). Both analyses have taken short- (<3 years), medium- (<10 years) and long-term (<2050) perspectives into consideration. The time horizons have been set to align with ICA Gruppen's business plan (<3 years), with sufficient time spans to materially differentiate between the different time perspectives, and in relation to key years for, e.g., global, European and Swedish climate targets (2050).

## Impact materiality

To assess the potential and actual impact of ICA Gruppen on sustainability matters, the sustainability-related impact on people and the environment in ICA Gruppen's value chain has been described, based on a large number of internal and external documents and stakeholder dialogues. Using these descriptions, impacts were scored and assessed pursuant to the ESRS requirements on the basis of scale, scope, irremediable character and likelihood. For positive impacts, aspects were identified that improve conditions both for people and for the environment. Activities to mitigate negative impacts do not count as positive impacts.

## Thresholds for materiality

## Impact materiality

Significant negative or positive impacts have been identified for each OpCo based on the following thresholds:

## Negative impact

Actual negative impacts are assessed as material if the severity is 21 or higher. Potential negative impacts are considered material if the severity is 21 or higher and the likelihood is high (7–9). For human rights, potential negative impacts are considered material if the severity is 21 or higher, regardless of the likelihood.

## Positive impact

Actual positive impact is considered material if the scale and scope together are 14 or higher. Potential positive impacts are assessed as material if the combined scale and scope is 14 or higher and the likelihood is high (7–9).

## Financial materiality

Risks and opportunities have been assessed for ICA Gruppen as a whole, based on ICA Gruppen's risk matrix (see adjacent). Risks and opportunities have been assessed as material if they have a value of high, very high or extreme in the matrix.

Financial impact						
	Extreme	Very high	High	Medium	Low	Likelihood
	5	10	15	20	25	
	4	8	12	16	20	
	3	6	9	12	15	
	2	4	6	8	10	
	1	2	3	4	5	
		Very unlikely	Unlikely	Possible	Likely	Very likely

**Materiality**

Extreme

Very high

High

Medium

Low

## GENERAL DISCLOSURES

**Stakeholder dialogues**

In the impact-based materiality assessment, existing documentation and dialogues with internal experts have been used as a starting point, together with input from dialogues conducted by ICA Gruppen's companies, on an ongoing basis, with their prioritised stakeholder groups and within their respective sectors. Where existing knowledge bases and established forms of dialogue have been deemed inadequate for the assessment of materiality, additional stakeholder dialogues have been conducted.

**Financial materiality**

ICA Gruppen's general risk framework combined with the ESRS assessment criteria has been used as the basis for assessing financial materiality. Risks have been assessed on the basis of scale, i.e., potential financial impact, and likelihood. The assessment criteria and scales used in ICA Gruppen's work with risk have been used as the basis for the evaluation of scale. However, the actual assessment differs, as unlike risk assessments in ICA Gruppen's regular work with risk, the assessment within the framework of ICA Gruppen's double materiality assessment does not take into account any mitigating actions.

ICA Gruppen has also integrated sustainability-related risks into its risk assessment process. The risk register is reviewed annually and short-term sustainability-related risks that exceed an acceptable level for the Group will be followed up in the same way as other risks in the Company.

**Assessment of materiality for ICA Gruppen**

ICA Gruppen's overall assessment of materiality is based on a compilation of each company's identified impacts, risks and opportunities as described above. The following perspectives have been taken into account in the overall assessment:

- Relationship between identified impacts and risks/opportunities
- The relative importance of the operations' different value chains in relation to the Group's overall impact and financial position (e.g., based on the proportion of turnover derived from different economic activities)
- Importance of each company in relation to its market and value chain (e.g., market share)

**Validation and anchoring**

The full results of the materiality assessment have been shared with the internal functions in each contributing company as well as with management teams and key functions within ICA Gruppen. For example, the assessment has been presented to the strategy, risk and finance functions within ICA Gruppen as well as to employee representatives. The results have been anchored with all OpCo management teams and with CR Group Management, and approved by ICA Gruppen's Management Team (IMT) and Board of Directors.

**Future actions**

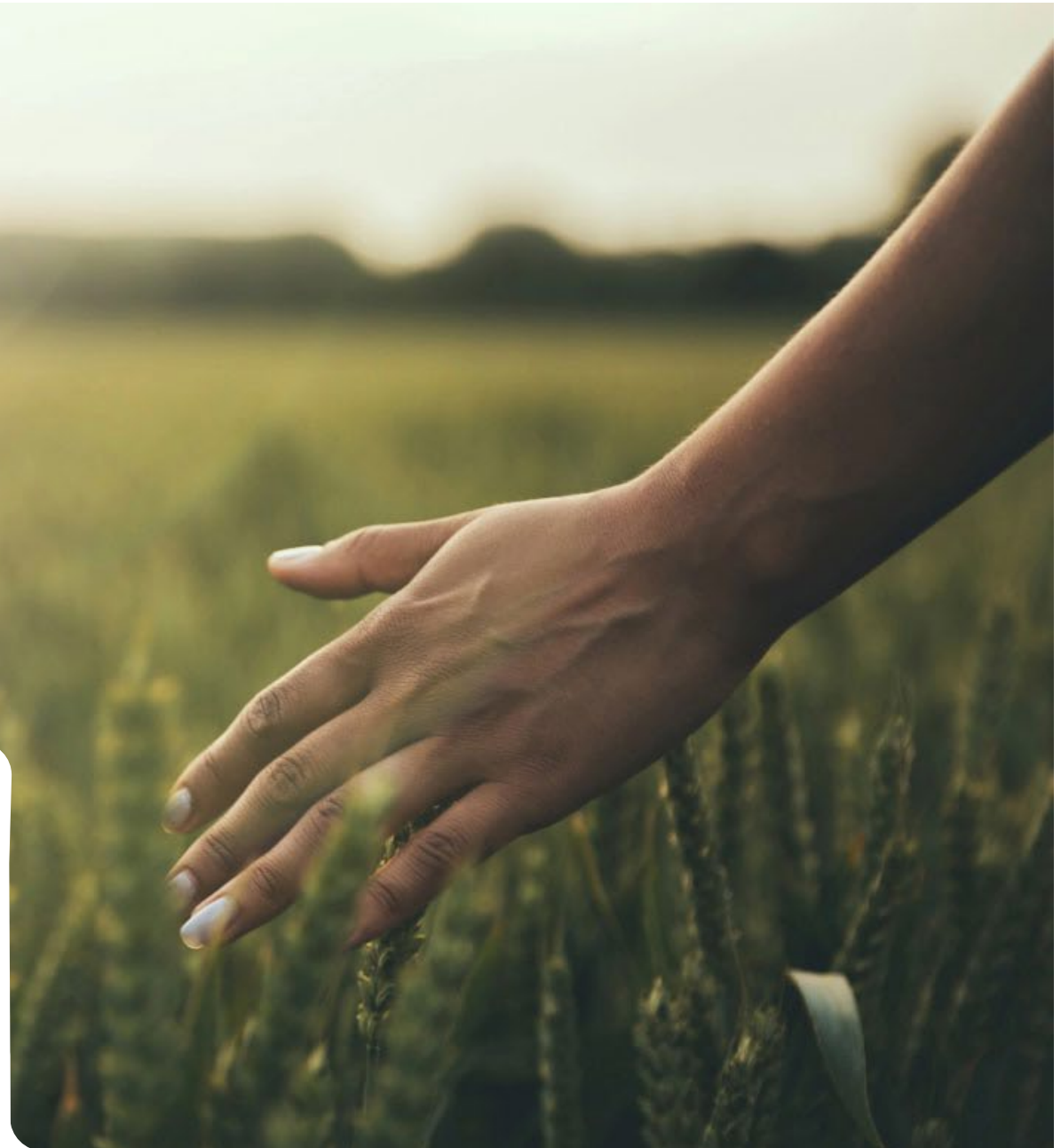
A process is currently ongoing to further integrate the results of the double materiality assessment into ICA Gruppen's strategy and business model, the implementation of which will continue in the coming year. ICA Gruppen will update the double materiality assessment on an annual basis.



# Environment

Through the conversion of goods transport, reduced food waste in warehouses and stores, stringent supplier and product requirements, the environmental certification of buildings and operations, and working strategically with packaging in line with circular principles, ICA Gruppen promotes reduced climate impact and resource use throughout the value chain.

An increased focus on organic and sustainability-labelled goods concurrently helps to safeguard more long-term sustainable food production.





# Climate change

## Impacts, risks and opportunities

Food production around the world accounts for a substantial proportion of total GHG emissions, primarily carbon dioxide, methane and nitrous oxide. Emissions arise mainly from primary production, agriculture and forestry, but the sector also contributes emissions from transport and trade.

GHG emissions are the single biggest cause of global climate change, with major actual and potential impacts on the environment, wildlife, biodiversity, health and water availability. Specifically with regard to food production, climate change risks posing major challenges to primary production, the food industry and trade. Shortages of raw materials may result in challenges in the supply chain, leading to shortages or price increases.

### Impacts in ICA Gruppen's value chain

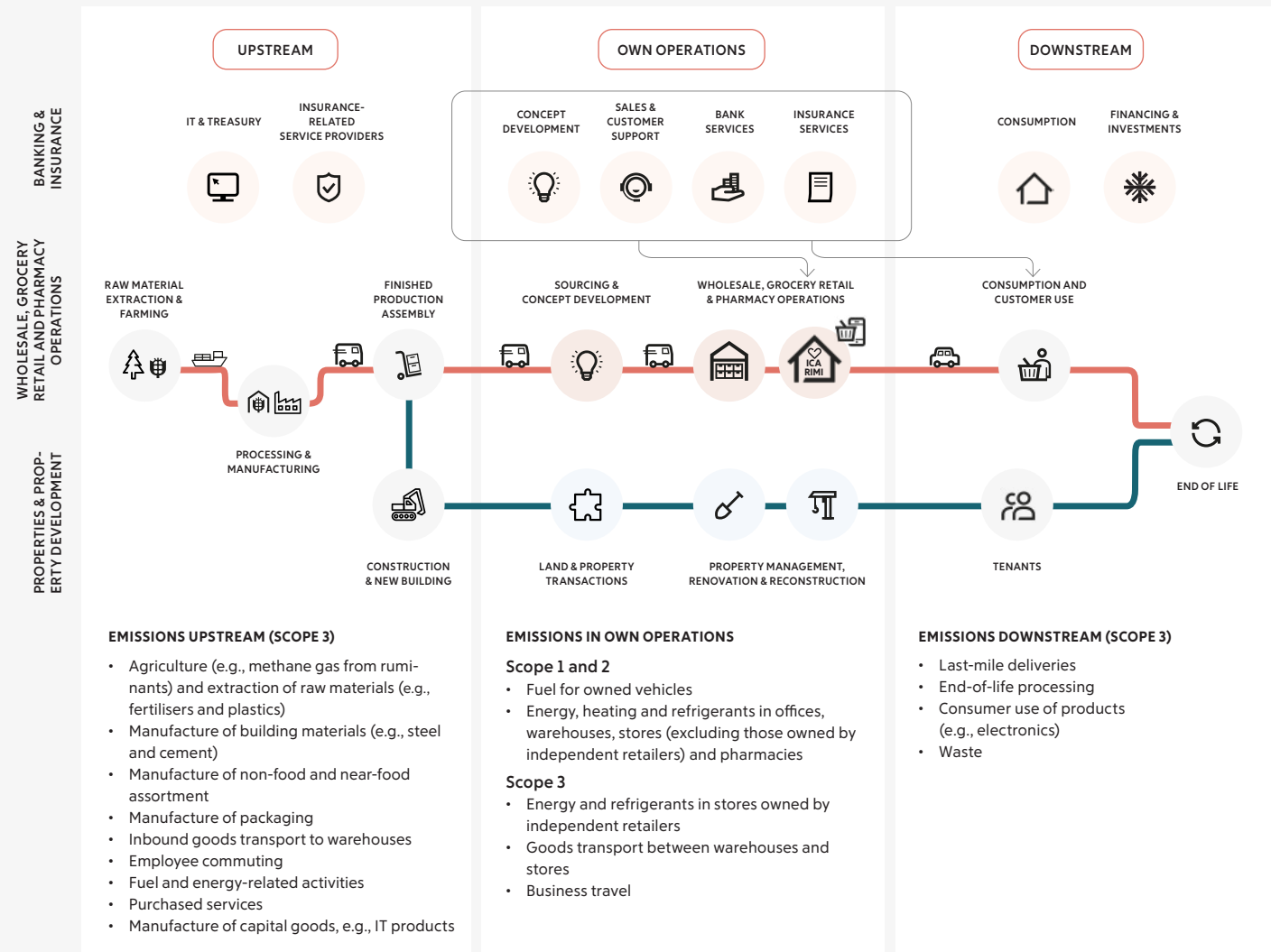
ICA Gruppen's climate impacts mainly relate to upstream emissions from agriculture and forestry, livestock farming and, to a lesser extent, also the production of building materials and the extraction of non-renewable materials for goods in the near-food, non-food and pharmacy assortments as well as packaging. Transportation also contributes.

The climate impact of ICA Gruppen's own operations, including the transportation of goods between warehouses and stores/pharmacies and the direct impact of pharmacies and retailer-owned ICA stores, is relatively limited and consists mainly of emissions from transports and the use of energy and refrigerants in offices, warehouses, stores and pharmacies.

Downstream impacts comprise last-mile deliveries from stores or e-commerce warehouses to consumers, and also consumer use of products as well as waste and final disposal.

For a full quantitative account of ICA Gruppen's climate impact in the entire value chain, see page 100.

## Climate impacts in the ICA Gruppen value chain



## E1 | CLIMATE CHANGE

## ICA Gruppen's climate emissions 2024

In 2024, ICA Gruppen's total CO<sub>2</sub>e emissions amounted to just over 12 metric tonnes. Almost 98% of the emissions came from the products purchased for sale in grocery retail and pharmacy operations.

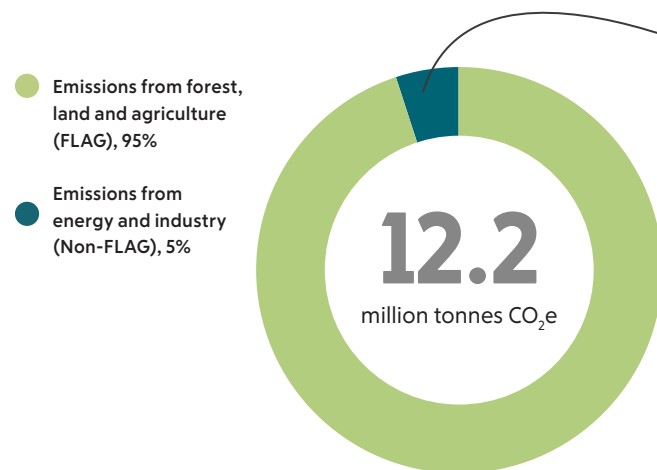
## Emissions from Forest, Land and Agriculture (FLAG)

More than 95% of emissions are categorised as FLAG (Forest, Land and Agriculture), which essentially means that they are related to food production, or to products made from raw materials such as wood, paper, leather and cotton. Out of ICA Gruppen's total FLAG-emissions, 80% come from the Swedish operations, and 20% from the Baltic operations.

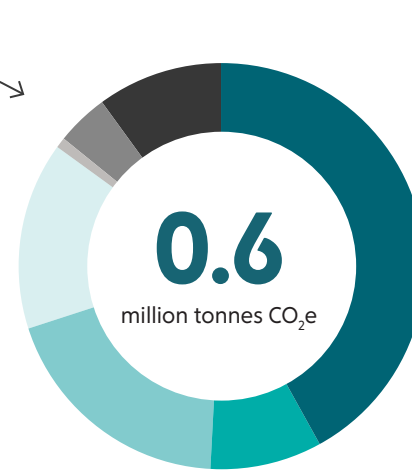
## Emissions from energy and industry (Non-FLAG)

Also in respect to other emissions (Non-FLAG), sold products account for the largest share of emissions, followed by transportation and distribution, and the use of sold products and packaging. Out of ICA Gruppen's total Non-FLAG-emissions, 87% come from the Swedish operations, and 13% from the Baltic operations.

ICA Gruppen's total climate footprint in 2024



ICA Gruppen's climate footprint in energy and industry, i.e., excluding food sold (Non-FLAG)



- Sold products (excl. food), 42%**  
Emissions from the production of sold products in the non-food and near-food and pharmacy range.
- Use of sold products, 9%**  
Emissions from consumer use of electrical appliances sold by ICA Gruppen (e.g., LED lights and kitchen appliances).
- Goods transport, 19%**  
Emissions from the transportation of goods from suppliers to ICA Gruppen's warehouses, between warehouses and stores/pharmacies and last mile online shopping deliveries.
- Packaging, 15%**  
Emissions from the production of packaging for ICA Gruppen's private label products.
- Refrigerants, 1%**  
Emissions from refrigerants used in ICA Gruppen's warehouses, stores and pharmacies.
- Fuel and energy, 4%**  
Emissions from energy and fuel, both for production and use in ICA Gruppen's operations.
- Other, 10%**  
Emissions from the production of capital goods such as IT hardware, business travel, employee commuting and waste.

## E1 | CLIMATE CHANGE

**Risks and opportunities for ICA Gruppen**

Climate change has a direct impact on ICA Gruppen's operations. Upstream, the availability of specific raw materials could be affected. In own operations, for example planning capacity and the need for stock management are affected.

**Scenario and vulnerability analyses**

ICA Gruppen began applying the TCFD (Task Force on Climate-related Financial Disclosures) principles for management and reporting of climate-related financial risks and opportunities in 2021. The management of climate-related risks and opportunities is largely based on the scenario and vulnerability analyses performed within ICA Sweden and ICA Real Estate.

ICA Sweden's analysis is based on the summary of climate-related risks in grocery retail compiled in 2022. This identified the assortment and buying organisation and the logistics operations as those potentially most affected by climate change. The scenario analysis also assumed three possible paths for the development of climate change and society, based on the scenarios developed by the UN's Intergovernmental Panel on Climate Change (IPCC).

The scenario analyses identified risks and opportunities for ICA Sweden in relation to the different scenarios, both from a medium-term (up to around 2030) and from a long-term (up to around 2050) perspective. The main conclusions were:

- Significant dependence on certain key regions leads to the risk of disruptions in the event of extreme weather, permanently changed conditions for production and/or transition-related trade barriers or unrest.
- Uncertain and varying access to certain raw materials and products reduces the ability to plan, and risks affecting the capacity to maintain a high service level to stores.
- There is a risk that increased regulation, price increases for inputs and reduced supply will drive increased costs for food production and distribution, with a simultaneous deterioration in consumers' financial positions for the same reasons.
- Strong dependence on certain key raw materials demands supply chain traceability in order to map and mitigate risks at the supplier stage, such as distribution disruption, trade barriers or impaired access to raw materials.
- More uncertain flows of goods may impose new requirements on warehouse capacity, in terms both of volume and of function (e.g., the ability to store refrigerated items).

**Regulatory and energy-related risks related to climate change**

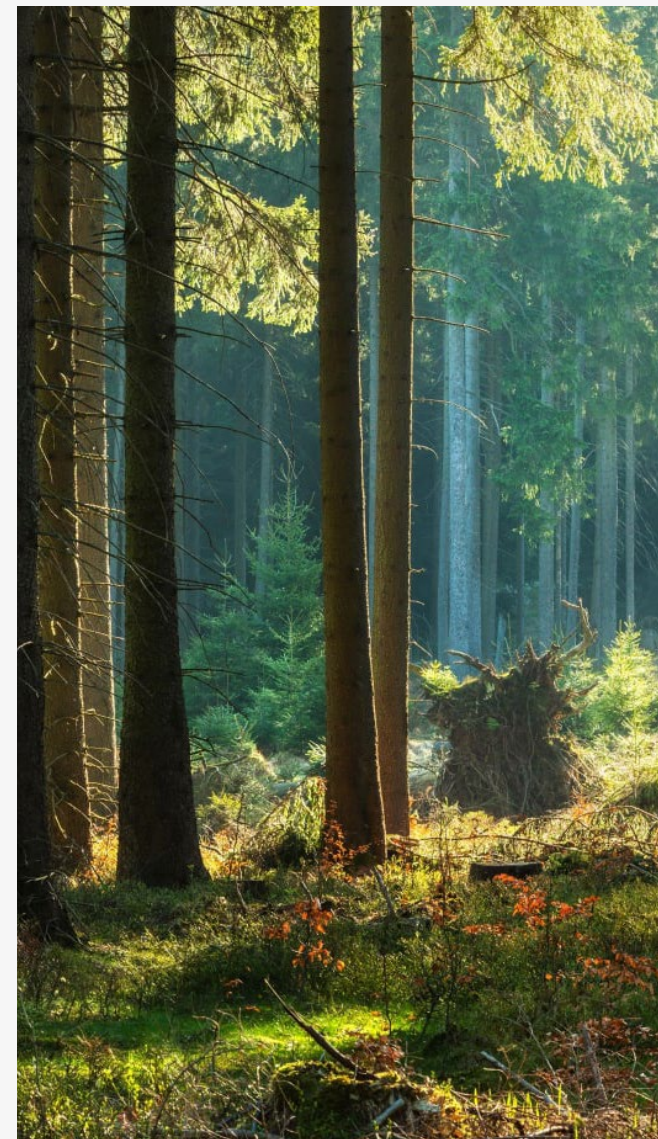
As part of the EU Green Deal, a number of new regulations and taxes are being introduced to reduce climate impacts, both from fossil fuels and from land use. These include the extension of the EU Emissions Trading Scheme (EU ETS) to the transport sector, and the Deforestation Regulation, which requires companies to trace certain raw materials and prove that they do not come from deforested areas. These changes can have effects directly both on own operations and indirectly in the supply chain. This may affect market prices, for example both for fossil and for renewable fuels, but also lead to transition costs in the form of additional resources to ensure regulatory compliance.

The energy supply chain is also changing. Phasing out fossil fuels is crucial to mitigate climate change, while demand for fossil-free energy is growing. Significant electrification is taking place in several areas. During the transition, supply may be limited, which could potentially result in energy shortages, disruption to operations and increased costs.

- ICA Sweden's store and logistics network, with its strong local presence throughout the country and strong relationships with local food producers, provides opportunities to contribute to securing the food supply in more uncertain times.

Many of the conclusions regarding climate-related risks at ICA Sweden are also seen in grocery retail in the Baltics and at Apotek Hjärtat, although the conditions for mitigating the risks differ to some extent.

In 2023, ICA Real Estate conducted a risk analysis to identify properties and areas exposed to extreme weather. In 2024, climate and vulnerability analyses were conducted for 15 properties within ICA Real Estate's joint venture properties. The properties had been identified as high-risk. The outcome of the analyses will form the basis for action plans. In 2025, the same analysis is planned for 22 of ICA Real Estate's owned properties and four joint venture properties.



## E1 | CLIMATE CHANGE

## Strategy and focus

## ICA Gruppen's climate transition plan

ICA Gruppen's long-term ambition is to reduce the climate footprint of the entire value chain in line with what is needed to reach the Paris Agreement's 1.5°C goal and to achieve net zero climate emissions by 2050. ICA Gruppen's climate targets for 2030 and 2050 have been approved by Science Based Targets initiative (SBTi) and encompass all emissions in the value chain (Scope 1, 2 and 3) in line with the organisation's Corporate Net-Zero Standard.

The work is based on a transition plan developed by ICA Gruppen's sustainability team and approved by ICA Gruppen's Management Team and Board of Directors. The key elements include actions throughout the value chain: in the supply chain, in the Company's own operations and among customers.

The transition plan covers GHG emissions from ICA Gruppen's own operations (Scope 1, 2 and parts of Scope 3) as well as key categories of GHG emissions in the broader value chain (Scope 3) including raw materials, packaging material, logistics and end-of-life management.

The transition plan does not include the purchase of carbon credits to reach the short-term greenhouse gas reduction targets.

## Emission reductions by 2030

The current roadmap focuses on the emission reductions that need to take place to reach ICA Gruppen's targets by 2030. The focus is on reducing the climate impact related to customers' purchases, as well as the impact related to emissions in own operations.

## Emission reductions after 2030

Reaching net-zero by 2050 is an ambitious and challenging goal that will require substantial emission reductions beyond 2030. ICA Gruppen does not yet have all the answers for how this will be achieved, but is striving continuously to develop roadmaps and take action in line with these.

## Residual emissions

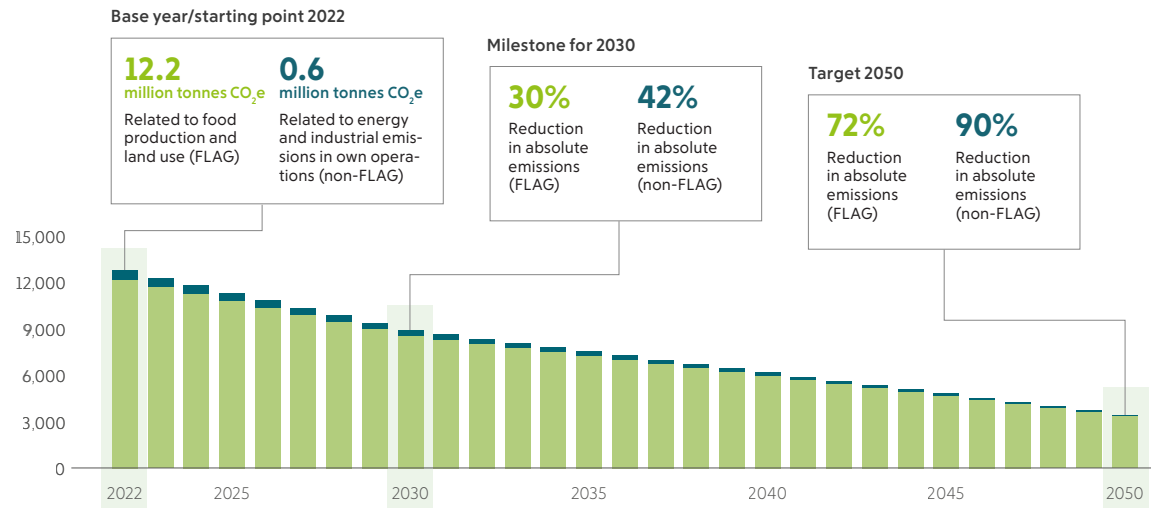
Despite significant efforts to reduce emissions, some residual emissions will remain. ICA Gruppen intends to address these remaining emissions through permanent carbon removals based on the SBTi Corporate Net Zero Standard.

## Strategic areas

## Reduced climate footprint from the assortment

To achieve the target to reduce the climate footprint from the products sold in grocery stores and pharmacies; active steps are being taken in close collaboration with suppliers. ICA Gruppen's goal is that 70% of the climate impact in the upstream chain will be

## Roadmap 2050



## Focus areas 2024–2030

Reduce climate impact of customers' food purchases	Integration of climate aspect in ICA Gruppen's commercial customer offering	Improved climate data	Supplier engagement	Consumer communication and engagement	Innovation, both in assortment and business development
Reduce climate impact of the Group's own operations	Energy efficiency and transition to renewable energy sources	Fossil free goods transport	Less packaging, with increased use of renewable and recycled materials	Transition to refrigerants with less climate impact	Increased compliance with business travel policy



## E1 | CLIMATE CHANGE

covered by suppliers' science-based climate targets by 2025. This means they, just like ICA Gruppen, are to work towards emissions reductions at what the science says is the pace required to slow global warming.

### Reduced climate footprint from food

A large part of global climate emissions, as well as the majority of ICA Gruppen's climate impact in the value chain, comes from the production and consumption of food. Reducing the climate impact of food sold will require that every product on the shelf has a lower climate impact, and that there is some shift in sales from high-carbon to low-carbon food, in particular through an increased share of plant-based food.

ICA Sweden's mapping of the climate impact of food sold shows that just over half of the climate footprint of food today is from meat, dairy and cheese.

Several initiatives are being pursued within ICA Sweden and Rimi Baltic aimed at stimulating, inspiring and encouraging climate-smart choices in various ways. Priority activities include developing an assortment with a smaller climate footprint, both through investments in entirely plant-based alternatives and through the launch of hybrid products, which combine animal and plant-based protein, as well as increased sales of fruit and vegetables. To promote the sale of more climate-friendly alternatives, various ways of influencing consumer choices are continuously tested in physical stores and online, such as how products are displayed or through communication. Although general knowledge about the climate impact of different foods is good, ICA Gruppen also works actively to enable more precise monitoring of products' climate footprint, including through industry collaboration (see page 97).

### Reduced climate footprint from pharmacy products and medicines

Apotek Hjärtat strives to reduce customers' climate impact from the consumption of self-care products and other goods for resale. However, gaining access

to data on the environmental and climate impact of pharmacy products and medicines is a significant challenge. Working with suppliers and research institutions, Apotek Hjärtat therefore conducts various projects to increase knowledge about the climate impact of pharmacy products and to identify activities to reduce it. For example, Apotek Hjärtat has collaborated with suppliers in studies with life-cycle assessment of the climate footprint of self-care products and medicines. Välvald, which has been the pharmacy industry's common requirement for responsible manufacturing of OTC drugs since 2021, had its predecessor in Välj med Hjärtat (Choose with your Heart), which Apotek Hjärtat launched already in 2017.

### Reducing the climate impact from own operations

ICA Gruppen's emissions from own operations include all Scope 1 and 2 emissions and some Scope 3 emissions. Specifically, emissions are included from the transportation of goods between warehouses and stores, energy and refrigerant use in stores and pharmacies, offices and warehouses as well as business travel.

Emissions from own operations have decreased 68% since 2016. The biggest reductions have been in the areas of refrigerants and electricity. Goods transport accounted for around 70% of the remaining GHG emissions at the end of 2024. Long-term efforts are under way to reduce these emissions. This involves the optimisation of flows between warehouses and stores, and a gradual transition to renewable fuels and electrification of transport. By 2030, all goods transportation by road for ICA Gruppen's Swedish companies is to be fossil-free. In Sweden's metropolitan regions (Stockholm, Gothenburg and Malmö) the transition to fossil free goods transports has already been completed, and these are fossil free from the 1st January 2025. Conditions are more challenging in the Baltics, in terms of market development and infrastructure for switching to fossil free transport, which means the transition here is expected to be slower.

The remaining emissions come mainly from the refrigerants and energy used in ICA Gruppen's offices, stores, pharmacies and warehouses, and from business travel. Here too, active efforts are being pursued to reduce emissions. The transition to refrigerants with less climate impact is driven by the F-Gas Regulation, which aims to phase out environmentally harmful refrigerants. A quota system caps the amount of environmentally harmful refrigerants in the market until 2030, when they will be banned.

ICA Gruppen's energy consumption is largely fossil-free and renewable. Since 2022, efforts have been based on a common energy strategy for ICA

Gruppen's Swedish operations. The key aspects include actions to reduce energy consumption and to use energy more efficiently, as well as increasing the Group's own production of renewable energy.

The stated aim for operations in Sweden is a reduction of 20% by 2030 compared with 2021, and that all energy is to continue to be from renewable sources. Electricity produced by ICA Gruppen is to be used in 25% of the store properties and account for 10% of the energy consumption at logistics properties.

Rimi Baltic's target is a 24% reduction in energy consumption per square metre by 2030 compared with 2021 for comparable stores.

### Climate impact in the value chain from energy and industry (Non-FLAG)

In addition to the climate impact from the assortment and emissions from own operations, ICA Gruppen has identified the climate impact from a number of other emission categories. These include consumer use of products purchased in ICA Gruppen's stores and pharmacies (such as consumer electronics and light sources), consumer packaging, purchases of capital goods (such as IT products), business travel, employees commuting to work, and waste. Together these account for a small proportion of total emissions, but ICA Gruppen is working strategically to reduce emissions from:

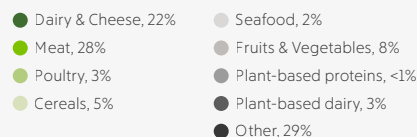
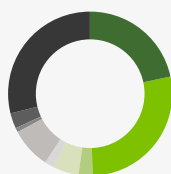
- Business travel, through travel guidelines that clearly state that the most climate-friendly mode of transport should be chosen.
- Packaging, through ICA Gruppen's plastic targets and ICA Sweden's packaging strategy (see pages 120–121).
- Construction and operation of ICA Real Estate's buildings, including an increased proportion of environmentally certified buildings (see page 122), and through strategic efforts to calculate and reduce the climate footprint of new construction. ICA Real Estate's target for the climate impact of buildings will be gradually lowered, using the same model as the Swedish National Board of Housing, Building and Planning's proposed thresholds, but with a steeper curve for emission reductions.

Other shifts, such as reduced energy consumption from consumer electronics and light sources, are primarily driven by legislation.

### Carbon offsets

Since 2020, ICA Gruppen has been offsetting the climate impact of its own operations, i.e., stores, pharmacies, warehouses, offices and transport. Carbon offsets can never replace the work being done to reduce emissions

### ICA Sweden's climate footprint from food 2024



## E1 | CLIMATE CHANGE

in the Group's value chain, but they supplement those efforts and help to accelerate climate action at the global level.

Carbon offset projects that ICA Gruppen supports are carefully selected in collaboration with South Pole and Climate Partner. All projects are third-party certified to at least one independent standard. Important criteria when selecting projects have been additionality (i.e., that they would not have happened without funding from a carbon offset programme), confidence that the expected climate benefits will be achieved, and assurance that the projects include local communities and also make a positive contribution to other aspects of sustainable development.

ICA Gruppen has chosen carbon offset projects in countries that are part of the Group's own supply chain: for 2024 emissions in projects in Peru, China, India and Türkiye. The projects contribute to climate action in various ways. By expanding geothermal and wind energy, fossil energy is replaced by renewables; by conserving and planting forests, carbon dioxide from the atmosphere is sequestered; and by utilising biomass and creating biogas from waste, renewable energy is generated.

### Financing the transition

To support this development, investments are made in physical resources, organisation and complementary skills. Part of the investments are made under the green financing framework established by ICA Gruppen in 2023. The areas covered by the framework are green buildings, renewable energy, fossil free transport and sustainability labelled products in the Company's private label assortment. Concrete investments to date include investments in the transition to sustainable transport (purchase or lease of light and heavy lorries powered by electricity, hydrogen or biogas), investments in charging infrastructure for electric vehicles, purchase or lease of electric or biogas passenger cars, investments in green buildings and investments in renewable energy - production.

In addition to investments in own operations, a significant effort is being made to develop the assortment/range, and to market this to stores and consumers. However, this is taking place within the framework of ICA Gruppen's regular assortment development, and therefore does not burden the Group in the form of monetary investments.

The investments in the property portfolio and in fossil-free vehicles help to increase the Taxonomy-aligned proportion of CapEx under Acquisition and ownership of buildings (CCM 7.7) and Freight transport services by road (CCM 6.6).

### Internal carbon pricing

ICA Gruppen is exploring how an internal price on carbon could be used to support decisions, investments and proactively move the business towards lower climate emissions.

### Collaboration and engagement in the value chain

The vast majority of emissions in the value chain occur upstream or downstream. In these areas, ICA Gruppen tries to influence and make a positive contribution, but cannot direct and control the pace of change. Collaboration and actions aimed at broader systemic change are therefore key elements of the transition plan. This includes working with colleagues, actors in the value chain, supervisory authorities, decision-makers, suppliers, consumers, customers and other stakeholders to support an accelerated transition.

Key priorities within the framework of ICA Gruppen's engagement in industry organisations are working towards standardisation and sharing of product climate data for food and pharmacy products, and the development of standards and guidance and interpretation in relation to legal requirements (e.g., EU Taxonomy in relation to the property sector).

In March 2024, the Swedish roadmap for a sustainable food chain was launched. The roadmap is the result of a multi-year collaboration between actors in the Swedish food system, within the framework of the Hållbar livsmedelskedja (Sustainable Food Chain) initiative, started in 2015 by ICA Sweden, among others. The roadmap, signed by the CEOs of major grocery chains, food producers and restaurant wholesalers, sets common goals for a more sustainable food supply chain by 2030. In terms of climate, the objectives of the roadmap include the overall goal of reducing climate footprints throughout the value chain in line with the 1.5°C target, production targets such as reducing the methane footprint of meat and dairy products and increasing the use of fossil-free plant nutrition, and targets related to the customer offering, such as increasing the share of plant-based foods sold.

In December 2024, the Swedish Pharmacy Association also decided on an industry-wide roadmap, which Apotek Hjärtat helped to develop, focusing on a holistic approach to climate, environment and social responsibility.

At a global level, ICA Gruppen's CEO co-chairs the Consumer Goods Forum's Net Zero Coalition of Action, dedicated to delivering and accelerating the consumer goods industry's commitments to reduce GHG emissions.

## Governance

The climate issue is an integral part of ICA Gruppen's long-term strategic direction and of the areas of ambition identified for responding to the changes and drivers in the world around us. ICA Gruppen's ambition is that by 2030 it will be an industry-leader in the development towards reduced climate impact and towards a more modern and sustainable food supply, while also being the best in each market at helping and inspiring customers to make sustainable choices (see page 5).

ICA Gruppen's Board and management are responsible for sustainability matters, which includes a focus on climate-related risks and opportunities. The strategic focus of ICA Gruppen's sustainability work is set by the Board and is managed through strategic planning and business planning processes. Although the CEO has ultimate responsibility for sustainability matters within the Group, management of the day-to-day work has been delegated to the Chief Corporate Responsibility Officer, who is part of the ICA Management Team (IMT). To support the IMT and Chief Corporate Responsibility Officer, ICA Gruppen has formed a management team for sustainability consisting of all the sustainability managers at the Group's various companies.

Climate and sustainability risks are included in regular risk management and in the twice-yearly reporting of risks to the IMT and ICA Gruppen's Board of Directors. For more information on ICA Gruppen's work with risk management, see pages 185–190.

ICA Gruppen's Sustainability Policy states that climate aspects must be taken into account in investment decisions and be an integral part of day-to-day operations. This includes factors such as transportation, energy consumption and refrigerants.

In addition to the Group-wide framework in the form of the Sustainability Policy and Sustainability Guideline, there are a number of governing documents with a specific bearing on climate.

The sustainability guidelines for stores and pharmacies state that local sourcing should be prioritised, along with seasonality and quality. Air transport shall only be used when required to meet legal requirements or in exceptional cases, and then with the prior approval of ICA Gruppen. ICA Gruppen will also work to ensure that suppliers adopt science-based climate targets that are in line with the Paris Agreement, which is also stated as a requirement in the sustainability appendix attached to all supplier agreements.

## E1 | CLIMATE CHANGE

## Actions and activities

**ICA Gruppen's net zero targets approved by Science Based Targets initiative (SBTi)**

As one of the first grocery retail actors in the Nordics, ICA Gruppen had its science-based net zero climate targets approved in 2024 by the Science Based Targets initiative (SBTi). The targets include reducing different types of emissions at different rates, with clear milestones for 2030 and 2050. The long-term target is net zero. Any remaining emissions in 2050 are to be compensated for through capturing an equivalent amount of carbon dioxide through technological or natural means. (Read more about the targets on page 99).

**Refrigerants and energy****Continued conversion of refrigerants**

During the year, the survey of the ICA stores actions with regards to refrigerants in 2023 was completed. The survey shows a continued good pace in the transition to refrigerants with less climate impact, where the climate impact

from refrigerant leakage has decreased 30% compared with 2022, and the total installed refrigerants measured as CO<sub>2</sub>e decreased 16%.

**Optimising operations and investments to reduce energy use**

ICA Real Estate has for some time pursued a control and operational monitoring project for store buildings, with the aim of meeting the requirements of the EU Energy Performance of Buildings Directive. The project includes operational optimisation for one year after the buildings are connected. Thanks to the possibility of optimising operations, energy use has been significantly reduced. The project will conclude in 2025 when all of the properties are planned to have been connected.

Investments are also ongoing in stores and pharmacies to reduce energy consumption, for example, Apotek Hjärtat is replacing all lighting in the pharmacies with LED lighting.

**Solar panels for more renewable energy**

In 2024, one of the largest solar panel installations in the Baltics was inaugurated at the Rimi Baltic logistics centre in Riga. Almost EUR 1.6 million has been invested in the facility, which has a production capacity of two megawatts.

Solar panels are also being installed at the Group's properties in Sweden and, during the year, were installed, for example at ICA Sweden's new flower warehouse in Hacksta, which is owned and managed by ICA Real Estate.

**Assortment****New business model for more climate-smart food on the shelf**

Reducing the climate impact of customers' grocery purchases requires both an attractive assortment with a lower climate footprint, and persistence in giving more climate-smart alternatives an attractive display in stores. During the year the Framtidens smaker (Tastes of the Future) accelerator programme was launched. ICA Gruppen, together with more than 30 ICA stores, is providing long-term support to four start-up companies and their innovative and climate-smart products by offering greater impact in stores. The programme is based on a completely new business model that creates incentives for the companies, ICA Gruppen and ICA stores to work persistently for long-term sustainable consumption. The business model enables ICA Gruppen and the affiliated ICA stores to become minority shareholders in the companies taking part in the programme.

**Easier to choose climate-smarter food**

To make it easy for consumers to eat more plant-based foods as part of their everyday lives, ICA launched Hushållsfärs during the year, consisting of 30% pea-based mince and 70% minced beef. Compared with traditional minced beef, ICA Hushållsfärs has approximately a 28% lower climate footprint (calculated based on the climate footprint for minced beef and vegetarian mince in the RISE climate database).

In addition, ICA Sweden launched the AI service Klimatknuffen (Climate Nudge) making it easier for more customers to choose products with a lower climate footprint. The service is a pilot project that will be tested in ICA's e-commerce operations. In Klimatknuffen, customers confirm if they want to receive personalised tips about which goods they can switch to in their online shopping basket to reduce their carbon footprint. The AI model tailors suggestions based on the customer's previous purchasing behaviour and habits. The service, which initially focuses on dairy and meat, is developed by Impact X, ICA's innovation hub that focuses on innovations in sustainability.

During the year, Rimi Baltic conducted a pilot project on the climate footprint of online shopping, together with the Carbon Cloud climate data platform. As a first step, customers in Estonia, Latvia and Lithuania can compare the climate footprint of some 3,000 dairy and egg products in online shopping. The outcome of the pilot will be evaluated in the first half of 2025.

**The market's best plant-based assortment**

For the third year in a row, ICA Sweden was named Sweden's most vegan-friendly food chain by the organisation Djurens Rätt (Animal Rights). The motivation highlighted ICA's 30% increase in its plant-based assortment since 2021. In a similar survey by the organisation Animal Freedom in Latvia, Rimi stores have also been showcased for several years as having the best plant-based assortment.

**Working toward a sector-wide climate database**

ICA Sweden has been involved for several years in efforts to develop a common method for climate calculations for food in the Swedish market. During the year, the industry organisations the Swedish Food Federation (Li) and the Swedish Food Retailers Federation (SvDH) agreed on a common method for climate calculations. SvDH has also decided to start a procurement process for a common system provider for product-related climate data.



## E1 | CLIMATE CHANGE

**Goods transport****Fossil free goods transports in major cities**

ICA Gruppen in Sweden has since 2019 worked towards the target of making all goods transport by road fossil free in the three major cities (Stockholm, Göteborg och Malmö) by 2025. During 2024, the last agreements came into place, and ICA Gruppen's transports in the major cities are fossil free from the 1st January 2025. The target has been met by leveraging ICA's long experience in the procurement of transports with low climate and environmental impact, together with the engagement of local partners. The trucks are now powered by mainly biogas, HVO and electricity.

**Strategic decision to increase the share of renewable fuel**

The reduction obligation, i.e., the legally required blending of renewable fuels into transport fuels, was significantly reduced in January 2024. This would have significantly increased ICA Gruppen's emissions from goods transport in Sweden, and consequently a strategic decision was taken to invest in an increased share of renewable diesel (HVO) to ensure that emissions from goods transport during the year did not exceed the level in 2023.

**Collaboration on hydrogen-powered grocery transport**

During the year, goods were transported to ICA stores and warehouses in Dalarna, Västmanland and Gävleborg using a hydrogen-powered lorry. The transport is conducted in collaboration with MaserFrakt. ICA Sweden is among the first companies in Sweden and globally to explore the potential of hydrogen for heavy goods transport. Hydrogen-powered heavy transport, as with battery-powered electric transport, is locally emission-free, but allows for a higher load, longer range and faster refuelling compared with battery-powered alternatives.

**Continued investment in vehicles and infrastructure for electric goods transport**

The development of infrastructure, vehicles and services for electric heavy goods transport is a strategically important area for ICA Gruppen. During the year, ICA Sweden continued the partnership with Volvo Trucks that started at the end of 2020. ICA Sweden will also continue to participate in the E-Charge project, which will enter phase 2 in 2025–2028, together with Volvo and Scania, among others.

During the year, another ten electric lorries began operating and are now driving for ICA Sweden at various locations in the country. ICA Sweden has also initiated a procurement of its own charging infrastructure for fast charging at its logistics unit in Kungälv. Together with PostNord TPL, Apotek Hjärtat has also invested in more electric vehicles in 2024.

Rimi Baltic signed an agreement with Ignitis Latvija during the year to install 66 charging stations adjacent to Rimi stores in 12 Latvian cities by 2025. Additional charging stations will be built in partnership with Elektrum.

**Lower emissions from maritime transport through agreement with Maersk**

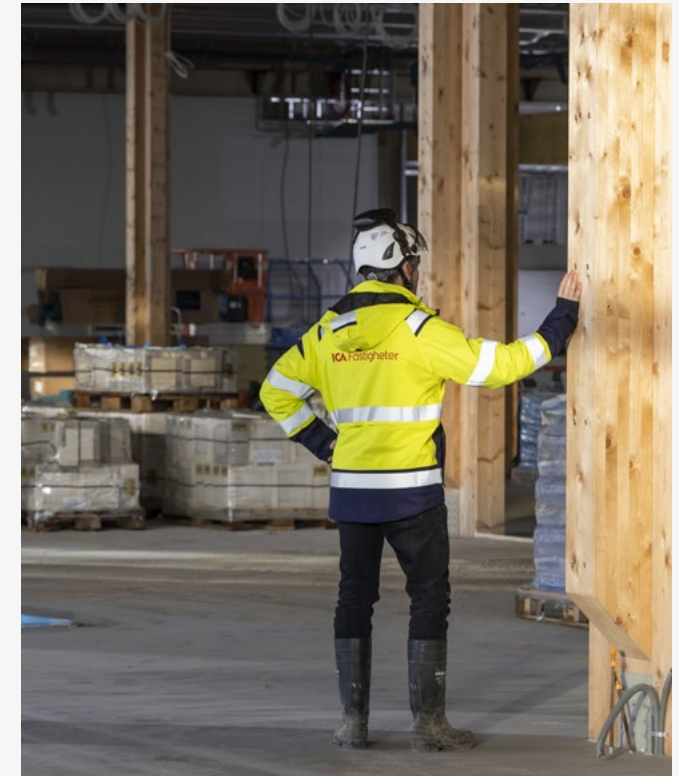
ICA Sweden signed an agreement with A.P. Möller – Maersk during the year for using Maersk's ECO Delivery Ocean maritime transportation solution. The agreement covers transportation of food as well as other goods that ICA purchases from Asia, South and North America, and Africa. The new agreement is expected to lower ICA's emissions from maritime transportation at least 80%, the equivalent of 3,500 tonnes CO<sub>2</sub>e annually.

**Real estate****ICA Real Estate's first store provisionally certified according to NollCO<sub>2</sub> inaugurated**

In the autumn of 2024, ICA Real Estate opened its first store preliminarily certified according to the Sweden Green Building Council's NollCO<sub>2</sub> certification. In the construction of ICA Maxi Gunnesbo in Lund, the existing store property was reused and will be certified according to Miljöbyggnad Silver. A new extension was also built based on certification to the NollCO<sub>2</sub> standard, which requires a carefully thought-out construction process from the start. This means, on the one hand, significantly reducing GHG emissions in the production of the building components and construction processes used, and, on the other, choosing materials with the lowest possible climate footprint for the additional construction. In addition, energy use is to be reduced, and the remaining climate impact balanced through climate action to net zero.

**Financing****Green bond issue**

During the year, a green bond was issued totalling SEK 2 billion as part of the Company's Swedish MTN programme. The issue met with great interest and



the orderbook amounted to nearly SEK 2.9 billion. The bonds of SEK 500 million and SEK 1.5 billion have respective maturities of 3 and 5.5 years, both with variable interest rates, and the longer maturity also with a fixed interest rate.

**Local food production for increased resilience****Promoting local and national production**

Initiatives by ICA Sweden and Rimi Baltic to promote locally and domestically produced foods help to reduce vulnerability to climate-caused disruption in global supply chains by reducing transport distances. They also meet consumers' growing interest in locally produced food.



## E1 | CLIMATE CHANGE

## Targets and outcomes



## Targets

## ICA Gruppen's science-based climate targets

ICA Gruppen's ambition is to continue to reduce its climate footprint in line with what is needed to reach the Paris Agreement's 1.5°C goal and achieve net zero emissions. ICA Gruppen's climate targets for 2030 and 2050 have been approved by SBTi and encompass all emissions in the value chain (Scope 1, 2 and 3).

## Overall target

- ICA Gruppen commits to reach net zero greenhouse gas emissions across the entire value chain by 2050.

## Near-term targets for 2030

- Energy and industry ("Non-FLAG"): ICA Gruppen commits to reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2022 base year. ICA Gruppen also commits to reduce absolute scope 3 GHG emissions 42% within the same timeframe.
- Forest, Land and Agriculture ("FLAG"): ICA Gruppen commits to reduce absolute scope 3 FLAG GHG emissions 30.3% by 2030 from a 2022 base year<sup>1</sup>. ICA Gruppen also commits to no deforestation across its primary deforestation-linked commodities<sup>2</sup>, with a target date of December 2025.

## Long-term targets for 2050

- Energy and industry ("Non-FLAG"): ICA Gruppen commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2050 from a 2022 base year. ICA Gruppen also commits to reduce absolute scope 3 GHG emissions 90% within the same timeframe.
- Forest, Land and Agriculture ("FLAG"): ICA Gruppen commits to reduce absolute scope 3 FLAG GHG emissions 72% by 2050 from a 2022 base year<sup>1</sup>.

<sup>1</sup> Target includes FLAG emissions and removals.

<sup>2</sup> As defined in the EU Deforestation Regulation.

## Operational targets that contribute to reducing the climate footprint in line with science-based targets

## The climate impact of customers' food purchases is to be reduced 30% by 2030

ICA Gruppen's ambition is to cut the climate impact of customers' food purchases 30% by 2030. To achieve that target, active steps are being taken to reduce the climate impact of the products that are sold. This is being achieved through methods including working with suppliers and developing an attractive plant-based assortment. Comprehensive efforts are also being made to change habits and behaviours by engaging with and inspiring customers to make climate-smart choices.

## Reducing the climate impact from customers' purchases of pharmacy products

Apotek Hjärtat's ambition is to reduce the climate impact of customers' purchases of pharmacy products. However, significant challenges remain in terms of measurability and follow-up. Apotek Hjärtat is therefore working together with others in the industry to increase knowledge and transparency about the climate impact of products.

## ICA Gruppen's suppliers are to adopt science-based climate targets

By 2025, ICA Gruppen suppliers representing 70% of its upstream climate impact are to have adopted science-based climate targets. This means they are to work towards emissions reductions at what the science says is the pace required to slow global warming. ICA Gruppen is engaged in ongoing dialogue with suppliers with the aim of increasing the percentage with climate targets approved by the Science Based Targets initiative.

## Fossil-free goods transport in Sweden 2030, in major cities 2025

ICA Gruppen's objective is that the Group's Swedish companies are to have completely fossil-free goods transports by road between warehouses and stores by 2030. In major cities (Stockholm, Gothenburg and Malmö) this is to be achieved already in 2025.

## Targets for energy efficiency

ICA Gruppen's operations in Sweden will reduce energy consumption 20% by 2030. Rimi Baltic will reduce energy consumption 24% by the same year.

## Targets for real estate operations

ICA Real Estate's sustainability strategy for 2030 includes several climate targets, including to reduce climate impact in construction and to have no synthetic refrigerants.

## Recyclable and renewable or recycled plastic in food packaging

All plastic food packaging for ICA Gruppen's corporate brand products must be recyclable into new materials by 2025 and come from renewable or recycled raw materials by 2030.



## E1 | CLIMATE CHANGE

## Climate impact from assortment

	2024	2023	2022
Climate impact from food sold in ICA stores (tonnes of CO <sub>2</sub> e/kg of food sold)	1.87	1.85	1.83
Share of ICA Gruppen's upstream climate impact covered by science-based climate targets (%)	57	50	36

**Comment:** During 2024, the climate impact from the food sold in ICA stores amounted to 1.87 kg CO<sub>2</sub> e/kg sold food, an increase of two percent compared to the base year 2022, when the climate impact was 1.83 kg CO<sub>2</sub> e/kg sold food. During 2024, an increase in sales of perishables, above all meat, has contributed to the increased climate impact per kg sold food. Reduced climate impact from the assortment is a long term effort, requiring both cooperation in the entire value chain, improved data quality, and a general transition of society towards a more sustainable consumption of food. These are therefore strategically prioritised areas in ICA Gruppen's climate transition plan (see page 95). By the end of 2024, suppliers corresponding to 57 percent of ICA Gruppen's upstream climate impact had adopted science-based climate targets, an increase of 7 percentage points compared to the previous year.

## Climate impact from own operations

Climate impact from own operations	2024	2023	2022
Emissions from own operations (tonnes CO <sub>2</sub> e)	82,441	97,983	101,399
Emissions from own operations (tonnes CO <sub>2</sub> e / MSEK turnover)	0.52	0.66	0.74
Emissions reduction from own operations compared to 2020 (CO <sub>2</sub> e per m <sup>2</sup> , % change)	-22	-7	-2

**Comment:** Climate impact from ICA Gruppen's own operations (see definition on page 91) continues to be reduced, and amounted to 82,441 tonnes CO<sub>2</sub>e in 2024. The largest emissions reductions during the year came from the transition to more fossil free goods transports, above all in Sweden, and from a continued good pace in the transition to refrigerants with lower climate impact in Sweden and the Baltics.

## GHG emissions

	2024	2023	Base year 2022	% change from base year
Scope 1 GHG emissions (tonnes CO <sub>2</sub> e)				
Total emissions from refrigerants, refill	4,554	8,282	13,421	-66
Emissions from business travel with leased cars (Scope 1)	310	567	423	-27
Diesel heating in tonnes <sup>1</sup>	132	132	132	0
Gas heating in tonnes <sup>1</sup>	3,101	3,101	3,101	0
Goods transport owned vehicles	734	760	694	6
Scope 2 GHG emissions (tonnes CO <sub>2</sub> e)				
District heating <sup>1</sup>	5,824	5,902	6,036	-4
Electricity <sup>1</sup>	266	2,436	1,672	-84
<b>Total Scope 1 and 2 GHG emissions (tonnes CO<sub>2</sub>e)</b>	<b>14,921</b>	<b>21,180</b>	<b>25,479</b>	<b>-41</b>
Scope 3 GHG emissions (tonnes CO <sub>2</sub> e)				
Category 1 Purchased goods and services	11,957,302	11,757,303	12,256,817	-2
Category 2 Capital goods	19,088	15,266	10,714	78
Category 3 Fuel and energy related activities <sup>1</sup>	13,433	14,780	18,568	-28
Category 4 Upstream transport & distribution	85,245	107,479	100,995	-16
Category 5 Operational waste	10,326	10,204	11,134	-7
Category 6 Business travel	3,399	3,744	2,580	32
Category 7 Commuting	3,823	5,456	5,456	-30
Category 9 Downstream transport & distribution	2,489	2,782	3,438	-28
Category 11 Use of sold products	54,519	56,515	123,453	-56
Category 12 EoL treatment	6,598	8,716	3,554	86
Category 14 Franchises	8,071	10,224	15,837	-49
<b>Total Scope 3 GHG emissions (tonnes CO<sub>2</sub>e)</b>	<b>12,196,612</b>	<b>11,992,469</b>	<b>1,552,545</b>	<b>-3</b>
<b>Total GHG emissions (tonnes CO<sub>2</sub>e)</b>	<b>12,211,533</b>	<b>12,013,649</b>	<b>12,578,024</b>	<b>-3</b>

<sup>1</sup> Deviations have been identified with regards to reported data for energy in Estonia and Lithuania, wherefore outcome should be interpreted with caution.

**Comment:** ICA Gruppen's climate emissions in the entire value chain have increased slightly compared to the previous year, but are still lower than the base year 2022. As the majority of the climate impact comes from the volume of purchased goods, most emissions are in Scope 3, category 1, and there is a clear correlation between ICA Gruppen's sales, both in terms of total volume and in relation to product mix, and total climate impact.

When it comes to Scope 1 and 2 emissions, major emissions reductions have been seen in refrigerants in particular.

Historical data from 2022 and 2023 within energy, refrigerants and goods transport has partly been corrected based on new updated data, and therefore the summation of climate emissions has been adjusted compared to previously reported data. For climate emissions from heating in the Baltics, new data from 2024 has been reported as a template for 2022 and 2023.

## E1 | CLIMATE CHANGE

## Goods transport

Goods transport between warehouses and stores/pharmacies as well as central e-commerce	2024	2023	2022
<b>Carbon emissions, tonnes CO<sub>2</sub>e</b>	<b>57,136</b>	<b>63,814</b>	<b>58,380</b>
of which			
Sweden	44,238	49,670	45,770
Baltics	12,752	14,144	12,610
<b>Fuel consumption, thousands of litres</b>	<b>39,312</b>	<b>38,328</b>	<b>37,960</b>
of which			
Sweden	34,456	33,638	33,152
Baltics	4,856	4,690	4,808
<b>Andel fossilfria godstransporter, procent</b>			
Sverige	70	62	61

**Comment:** GHG emissions from goods transport in own operation have decreased with more than 10% since 2023 to 57,136 tonnes. This despite fuel consumption increasing slightly both in Sweden and in the Baltics. Historical data has been corrected to some extent, which means that climate emissions differ from previously reported data.

A first major step towards the target of fossil free goods transports by road was taken in Sweden in 2024, by ensuring that goods transports in the three metropolitan regions (Stockholm, Gothenburg and Malmö) are fossil free from the 1st January 2025. In 2024, 70 % of the goods transports were fossil free in the country as a whole.

In Sweden, renewable fuels (mainly biogas and HVO) and diesel are both used. Diesel blended with a small amount of biofuel is the main fuel used in the Baltic countries, although a small amount of renewable fuels is also used.

Apotek Hjärtat and Rimi Baltic only use leased transport solutions from third party service providers. The majority of ICA Sweden's lorries are leased, other than for ICA Sweden's e-commerce transport and a small number of lorries owned by the Group.

## Business travel

Business travel by air, rail and road	2024	2023	2022
<b>Carbon emissions, tonnes CO<sub>2</sub>e</b>	<b>3,356</b>	<b>4,092</b>	<b>2,820</b>
of which			
Sweden	2,524	2,709	1,961
Baltics	832	1,383	859
<b>Business travel by air, 000 km</b>	<b>5,374</b>	<b>5,841</b>	<b>4,839</b>
of which			
Sweden	5,064	5,452	4,556
Baltics	310	389	284
<b>Business travel by road, 000 km</b>	<b>14,791</b>	<b>15,664</b>	<b>14,897</b>
of which			
Sweden	8,190	8,630	8,019
Baltics	6,601	7,034	6,878
<b>Business travel by rail, 000 km</b>	<b>3,619</b>	<b>2,958</b>	<b>2,797</b>
of which			
Sweden	3,619	2,958	2,797
Baltics	n.d.	n.d.	n.d.

**Comment:** Emissions from business travel have decreased slightly compared to the previous year, but are still bigger than during and directly after the pandemic. Business travel by air and by car has decreased slightly, while travel by train has increased, all in line with ICA Gruppen's instruction for business travel which states that train shall be the preferred mode of travel. Historical data has been corrected to some extent, which means that climate emissions differ from previously reported data.

## Refrigerants

	2024	2023	2022
<b>Carbon emissions, tonnes CO<sub>2</sub>e</b>	<b>10,485</b>	<b>14,394</b>	<b>22,138</b>
of which			
Sweden	6,564	6,585	9,110
Baltics	4,102	7,809	13,028

**Comment:** Emissions from refrigerants continue to be reduced at a good pace in both Sweden and the Baltics, thanks to the conversion of units and the transition to refrigerants with lower climate impact, and the fact that no major leakage occurred during the year. As data for emissions from refrigerants in Sweden is updated retroactively, the outcome reported above for 2024 is based on template data from 2023. Actual emissions reductions are expected to be bigger. Historical data has been corrected to some extent, which means that climate emissions differ from previously reported data.

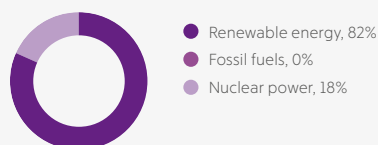
## E1 | CLIMATE CHANGE

## Energy

<b>Energy consumption in stores and pharmacies</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Carbon emissions, tonnes CO<sub>2</sub>e</b>	<b>9,241</b>	<b>13,308</b>	<b>15,617</b>
of which			
Sweden	2,131	4,469	7,676
Baltics <sup>1</sup>	7,109	8,838	7,942
<b>Energy consumption in stores and pharmacies, MWh</b>	<b>921,693</b>	<b>914,863</b>	<b>999,690</b>
of which			
Sweden	730,551	729,736	802,632
Baltics <sup>1</sup>	191,142	185,127	197,058
<b>Average energy consumption in stores and pharmacies, kWh/m<sup>2</sup></b>			
Sweden	294	294	327
Baltics <sup>1</sup>	326	311	327
<b>Energy consumption in warehouses and offices</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Carbon emissions, tonnes CO<sub>2</sub>e</b>	<b>1,999</b>	<b>2,338</b>	<b>2,415</b>
of which			
Sweden	461	637	796
Baltics <sup>1</sup>	1,538	1,702	1,619
<b>Energy consumption in warehouses and offices, MWh</b>	<b>111,064</b>	<b>108,575</b>	<b>104,682</b>
of which			
Sweden	88,627	84,686	82,099
Baltics <sup>1</sup>	22,437	23,888	22,583
<b>Average energy consumption in warehouses and offices, kWh/m<sup>2</sup></b>			
Sweden	165	165	168
Baltics <sup>1</sup>	166	177	168

<sup>1</sup> Deviations have been identified with regards to reported data for energy in Estonia and Lithuania, wherefore outcome should be interpreted with caution.

Distribution of electricity sources, 2024, % (electricity consumption in warehouses, offices, stores and pharmacies)



**Comment:** Climate emissions from energy stand for a lower share of ICA Gruppen's total climate impact, thanks to previous energy efficiency measures and an increased share of renewable energy. The reported emissions have however increased significantly in the Baltics in 2024, since the data from this year also includes emissions from heating, where data was previously not available.

In Sweden, renewable and non-renewable energy are both used, and the share of renewable energy is increasing. The supply of renewable energy is lower in the Baltics, and Rimi Baltic has therefore purchased renewable energy certificates (RECs) in the past. In 2023, due to extreme price increases in the cost of renewable energy, a decision was made to instead purchase certificates for fossil-free energy in order to ensure climate impact from energy could be kept at a low level.

## Green bonds – impact reporting 2023

Project categories	Total value of Green project portfolio (MSEK)	Allocated total volume 2023 (MSEK)	Allocated total Impact calculation (tonnes CO <sub>2</sub> e/Y)
Green buildings	3,265	1,480	
Environmentally-labelled products	3,007	1,363	
Renewable energy	44	20	
Fossil-free transport	1,405	637	
<b>Total</b>	<b>7,721</b>	<b>3,500</b>	<b>16,9971</b>

**Comment:** ICA Gruppen's green bonds are presented in a separate report, which is published on icagruppen.se. As the report is published after the annual report, this report presents the value, allocation and impact for 2023. The areas covered by ICA Gruppen's green financing framework are environmentally certified buildings, renewable energy, fossil-free transport and environmentally-labelled products in the Company's private label assortment. The report for 2023 shows that out of the total allocated funds, 42% were used for green buildings, 39% for the purchase of environmentally labelled products, 18% for fossil-free transports and 1% for renewable energy. For every million SEK invested through ICA Gruppen's green bonds, emissions equivalent to 4.86 tonnes CO<sub>2</sub>e are estimated to have been avoided.

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## Reporting principles

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 in full by investing in carbon offsets for the corresponding amount of carbon dioxide equivalents (CO<sub>2</sub>e). 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 CO<sub>2</sub>e per kg of food sold, and is calculated by dividing the total climate footprint from store food sales (measured in CO<sub>2</sub>e) 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 CO<sub>2</sub>e 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 CO<sub>2</sub>e value in the climate database are assigned the CO<sub>2</sub>e 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 CO<sub>2</sub>e/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 CO<sub>2</sub>e/SEK or CO<sub>2</sub>e/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 CO<sub>2</sub>e/SEK (Source: Mistra Sustainable Consumption Report 2019).



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**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 CO<sub>2</sub>e/SEK or CO<sub>2</sub>e/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 CO<sub>2</sub>e 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 CO<sub>2</sub>e 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 extrapolated

by 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 CO<sub>2</sub>e 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 CO<sub>2</sub>e/kWh (Source: Gexel/Swedish Energy Markets Inspectorate, 2022). When calculating carbon emissions for renewable energy in Sweden the emission factor of 0 tonnes of CO<sub>2</sub>e/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 CO<sub>2</sub>e/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 CO<sub>2</sub>e/kWh is used. (Source: Swedish National Board of Housing, Building and Planning) When calculating CO<sub>2</sub>e from heating in the Baltics, a calculation based on the 2023 JRC report is used, emissions factors district heating Lithuania 0.0002097 tonnes CO<sub>2</sub>e/kWh, Latvia 0.0001988 tonnes CO<sub>2</sub>e/kWh and Estonia 0.00026 tonnes /kWh. For gas heating, the emission factor of 0.00024 tonnes CO<sub>2</sub>e/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 CO<sub>2</sub>e/kWh is used.

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- 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 fromecoinvent.

**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 also 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 CO<sub>2</sub>e 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 CO<sub>2</sub>e/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 Stems 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 CO<sub>2</sub>e 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 CO<sub>2</sub>e 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 con-

sumption 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 CO<sub>2</sub>e/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 on the basis of a survey of transport providers on CO<sub>2</sub>e 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 the 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 CO<sub>2</sub>e 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 CO<sub>2</sub>e/kg, with an estimated 5% leakage of 615 kg CO<sub>2</sub>e 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 CO<sub>2</sub>e 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 CO<sub>2</sub>e/hotel night (Source: Chalmers Methodology Report for www.travelandclimate.org)
- Taxi journeys are calculated at 0.0070 kg CO<sub>2</sub>e/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 car and 23 km for public transport. The emissions factors for car and for commuting by bus comes 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 is 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

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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 CO<sub>2</sub>e/year; Supermarket 20 tonnes CO<sub>2</sub>e/year; Kvantum 25 tonnes CO<sub>2</sub>e/year and Maxi 174 tonnes CO<sub>2</sub>e/year.

#### Climate impact from the use of sold products

Emissions from the use of products has 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 emissions intensity of on average 20 g CO<sub>2</sub>e 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 CO<sub>2</sub>e/article.

#### Home electronics

- For home electronics, a life cycle emission from each product of 67 kg CO<sub>2</sub>e is assumed. The emission factor used in calculations was 31.2kg CO<sub>2</sub>e/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 reasoning 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 CO<sub>2</sub>e/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 CO<sub>2</sub>e 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 (kgCO<sub>2</sub>e/SEK). Rimi 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.



# Pollution

## Impacts, risks and opportunities

**As a major actor in food, groceries, pharmacy products and real estate, ICA Gruppen's different operations contribute directly and indirectly to various kinds of emissions. The risk of pollution occurs across the value chain, but primarily upstream. In addition to adverse health effects, emissions to air, water and soil contribute to acidification and eutrophication. They may also have a negative impact on soils and thereby contribute to poorer harvests, with the risk of reduced quality of raw materials and food, disruptions throughout food chains and higher costs.**

### Impacts in ICA Gruppen's value chain

#### Emissions to air

Upstream emissions to air primarily derive from the use of fertilisers and chemical pesticides, mainly in conjunction with agriculture, and pollution in connection with the production of pharmaceuticals and construction materials. Emissions of chemicals, particles and other harmful substances also arise due to the production of home electronics, textiles and household utensils. In the Company's own operations, emissions mainly result from transport and construction. In addition, there is also a risk of leakage of the refrigerants used in refrigerators and freezers in stores, pharmacies and warehouses.

At all stages of the value chain, transport involves pollution in the form of particles due to the wear and tear of tyres, roads and brakes, the combustion of fuels and the condensation of combustion gases.

#### Emissions to water and soil

In terms of emissions to water and soil, upstream impact also occurs primarily due to the use of fertilisers and chemical pesticides in agriculture. In addition, there are also emissions of chemicals and substances related to the manufacture and production of medicines.

In conjunction with sea-borne transport, there is the risk of emissions of oil and wastewater to oceans, seas and lakes.

Downstream impact derives mainly from the emission of pharmaceutical substances resulting from the use and handling of surplus medicines, and

through the release of various PFAS substances in conjunction with the use and disposal of certain consumer products, such as frying pans. PFAS is also included in the synthetic refrigerants that continue to be partly used in refrigerators and freezers in stores, pharmacies and warehouses.

#### Pollution of living organisms and food resources

Emissions of harmful substances and other substances to air, water and soil may have a direct, negative impact on animals, plants and crops that comprise ingredients for food. In the short term, this can result in harmful substances in food that is consumed. The impact may also be indirect, such as negative effects on pollinators and the entire ecosystem. With fewer pollinators, harvests become poorer, and with reduced biodiversity, the resilience of agriculture declines. In the long term, this could have a major impact on individual foods and the food chain as a whole.

Particles in the air we breathe have direct, negative health effects on humans and animals. The health effects of particles depend on their chemical and physical properties.

The long-term impacts of the spread of pharmaceutical substances to water and soil are relatively unknown to date. However, it is known that antibiotics that enter circulation can lead to increased resistance and bacterial resistance. Hormones from products such as contraceptive pills and hormone patches can also have effects on animal life, effects have for example been seen on some fish species, making them hermaphroditic.

For PFAS as a group, the knowledge of their health and environmental impact remains limited, but more and more noticed. The two best-known PFAS substances, PFOS and PFOA, are for example suspected carcinogens and could have a negative impact on reproductive health.

Highly fluorinated substances are extremely difficult to break down and effective cleansing methods to eliminate PFAS in treatment works do not exist.

The risks related to the spread of pollution to air, water and soil are real and also closely connected with risks related to climate change, biodiversity and ecosystems (see pages 91 and 114).

### Risks and opportunities for ICA Gruppen

ICA Gruppen's value chain is complex. The double materiality assessment took into consideration the sectors in which ICA Gruppen operates, its stakeholders and primary suppliers. For ICA Gruppen as an organisation, emissions to air, water and soil comprise a number of potential risks. In the short term, the foremost risk is increased costs related to compliance with traceability and transparency regulations. This also entails a direct brand risk if substances are identified in goods sold that are subject to limits and/or restrictions. In the medium and long term, shortages of crops and other raw materials may result in higher costs or even an inability to provide the desired assortment.



Read more in E1: Climate change

*For a description of ICA Gruppen's GHG emissions, including emissions from e.g. refrigerants, goods transports and business travel, see pages 91–92 and 100–102.*



## E2 | POLLUTION

## Governance

ICA Gruppen's sustainability guidelines for grocery retail and pharmacy operations state, inter alia, that ICA Gruppen is to restrict the use of hazardous chemicals in the products that are sold and in their production. Products and packaging must not contain substances of very high concern in accordance with the REACH Candidate List. In addition, they should not contain other substances, such as those defined by the REACH criteria. Purchased products must not contain PVC, since they may contain environmentally hazardous substances or result in the development of harmful substances upon incineration or landfill.

Regarding antibiotics, ICA Gruppen is to be part of the effort against antibiotic resistance and support the safe and healthy use by people and in animal husbandry. In terms of private label goods, ICA Gruppen is restrictive with chemicals that have been scientifically proven to contribute to antibiotic resistance. Antibiotic resistance is a major public health challenge and ICA Gruppen works to counteract the over-use of antibiotics in society. ICA Sweden requires all its suppliers not to use antibiotics to treat animals preventively, but rather only if prescribed by a vet.

ICA Gruppen's sustainability appendix on the purchase of products states that suppliers must prepare and maintain a list of chemicals used in production or other activities. All personnel who handle chemicals must have adequate competence and, where required, personal protective equipment.

ICA Gruppen's sustainability appendix on the purchase of services states that suppliers must conduct internal environmental work. This must include an environmental policy, environmental targets and follow-up of the operation's environmental impact. The procedure should be certified/registered in accordance with a third-party standard. Suppliers who handle hazardous and controlled chemicals in or adjacent to properties at the disposal of the Group must have prepared and maintain a list of all chemicals used in the business/operations. Safety data sheets must be provided for all chemicals as required. All personnel who handle hazardous and controlled chemicals must have adequate competence and as required, personal protective equipment.

For essentially all product categories purchased by ICA Sweden, Apotek Hjärtat and Rimi Baltic, specific requirements are set and include requirements for chemicals, pesticides and antibiotics. For further information on ICA Gruppen's product-specific requirements, see page 81.



## Examples of external standards, frameworks and partnerships

	Comments	Relevant operations
ISO 14001	Environmental management system.	ICA Gruppen
PFAS Movement	The initiative of the ChemSec environmental organisation, aimed at highlighting the problems of PFAS substances and promoting their prohibition.	ICA Sweden
Välvald labelling system	The pharmacy industry's shared requirement for the responsible production of over-the-counter (OTC) medicines. Välvald is a symbol carried on the edge of shelves in pharmacies to provide customers with guidance on OTC medicines that meet the industry's requirements for pharmaceutical production. Apotek Hjärtat was the initiator of this labelling.	Apotek Hjärtat
The Swedish Food Retailers Federation's banned list for pesticides	The Swedish Food Retailers Federation's compilation of pesticides that should be phased out in the production of fresh fruit and vegetables in non-EU countries.	ICA Sweden
The Swedish Food Retailers Federation's industry agreement on the use of antibiotics in animal husbandry	Common criteria for the purchase of meat, charcuterie, dairy products and sea-food, in order to reduce the use of antibiotics in food production.	ICA Sweden
REACH Regulation	REACH is the European Parliament and Council's regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals. REACH also contains requirements on users of chemicals and rules on information that must be provided to customers.	ICA Gruppen
CLP Regulation	The EU regulation on classification, labelling and packaging of chemical substances and mixtures. The EU legislation corresponds with the UN system, GHS, which identifies hazardous chemicals and informs users of their dangers.	ICA Gruppen



## E2 | POLLUTION

**Strategy and focus**

By actively working throughout the value chain, ICA Gruppen endeavours continuously to reduce the negative impact of hazardous emissions.

The ability to influence emissions varies between different operations and the various stages of the value chain. ICA Gruppen has the possibility to influence emissions by setting requirements for suppliers, internal targets and policies, assortment choices, affiliation to voluntary frameworks and standards, and through information to customers and users. In major property development projects, the selection and placement of surface water drainage solutions form a key part of the development work already at an early stage.

In terms of pharmacy operations, Apotek Hjärtat has similar possibilities regarding the offering of self-care products. For prescription medicines, Apotek Hjärtat is obliged to provide all prescribed medicines and goods encompassed by the Swedish Act on Pharmaceutical Benefits. Accordingly, there is no possibility to influence the type of medicines or choice of supplier. Instead, focus is placed on advice in conjunction with dispensing to ensure as far as possible that use and handling benefit the individual and the environment.

**Actions and activities****Continued phase-out of synthetic refrigerants**

During the year, the long-term and continuous work continued to replace non-natural – that is, synthetic – refrigerants in refrigerators and freezers in warehouses, stores and pharmacies. ICA Sweden follows up on the independent ICA retailers' work on converting refrigerants annually, and provides advice on the implications of the F-gas Regulation for them. In 2023, about 50% of the ICA stores (642 stores) had converted to natural refrigerants. In Rimi Baltic, the conversion is being conducted in the stores in accordance with an investment plan that assigns highest priority to the facilities at the greatest risk of leakage.

**Monitoring of supplier and product requirements for chemicals and pesticides in ICA Gruppen's corporate brand products**

To monitor compliance with ICA Sweden's product requirements for clothes, toys and electronics, for example, testing is conducted, primarily in conjunction with production, since it is important to identify any deviations as early as possible, before goods reach stores and customers. This testing is complemented by risk-based analyses of finished products, known as "spot checks."

Risk-based testing of the food assortment is also conducted, such as in relation to pesticide residues in fruit and vegetables, with all new products being tested for pesticides prior to inclusion in the assortment. During 2024, 52 such analyses were conducted for ICA Sweden, and 30 for Rimi Baltic.

For the pharmacy assortment, thorough screening is performed of content specifications and ingredients. All suppliers of cosmetic products must also complete a self-declaration about their compliance with current legislation and Apotek Hjärtat's internal requirements for ingredients in Apotek Hjärtat's Restricted Cosmetic Ingredients list.

**Shared initiatives for more sustainable farming in the Swedish food chain**

The Sustainable Food Chain initiative includes a shared goal that by 2030, plant-based food and inputs will be cultivated according to sustainable farming criteria, including without hazardous pesticides. Within the framework of the initiative, ICA Sweden is participating in a working group to define in 2025, which pesticides are to be phased out.

**Substances of concern and substances of very high concern**

The production of food, groceries, medicines, building materials and packaging uses different types of chemicals of concern, including substances of very high concern (SVHC). If not properly managed, these have both actual and potential impacts on health, the environment and climate. Use is regulated through numerous laws and regulations, including the CLP Regulation and the REACH Regulation. ICA Gruppen's aim is to limit the use of chemicals that are harmful to health and/or the environment, both in products sold and in their production. Products and packaging must not contain substances of very high concern, in accordance with the REACH Candidate List. Nor should they contain other SVHCs, as defined under the REACH criteria.

**Work on increased transparency related to the climate and environmental impact of medicines and pharmaceutical production**

During the year, Apotek Hjärtat continued its long-term work to increase transparency throughout the pharmaceutical chain – from manufacturing to use and disposal. The initiative included a seminar on the climate impact of pharmaceuticals and the continued work on the industry-wide Vålvald labelling, which guides customers to over-the-counter medicines that meet the industry's requirements for responsible pharmaceutical production.

**Collection of surplus medicines**

Some medicines that are dispensed are not used, which, if they are not managed correctly, comprise an unnecessary risk to and impact on the environment. During the year, all Apotek Hjärtat pharmacies continued to accept left-over medicines from the public in line with legal requirements. The waste is processed according to established procedures and is sent to facilities specifically approved for incineration at extra high temperatures. The ashes are also taken care of and deposited in special depots.

## E2 | POLLUTION

**Phase-out of PFAS substances**

It is primarily in the assortment offered by ICA Special, meaning different home and household items, that there is a risk of PFAS occurring. ICA Sweden is a member of PFAS Movement, which has the goal of phasing out PFAS. PFAS is not permitted according to ICA's product criteria. If PFAS is identified in a product, the supplier must inform ICA immediately and have a plan for phasing it out in order to continue supplying goods to ICA.

There is a risk that PFAS may also occur in cosmetic products. All PFAS substances are now prohibited in Apotek Hjärtat's assortment, which is stated in Apotek Hjärtat's list of Restricted Cosmetic Ingredients, and all cosmetic products that contain PFAS have been removed from the assortment.

**Supplier requirements to reduce antibiotic use in animal husbandry**

In 2020, the most recent update was made to the Swedish Food Retailers Federation's industry agreement on the use of antibiotics in animal husbandry, with the aim of reducing overuse of antibiotics in food-producing animals. The criteria in the agreement are incorporated in ICA Sweden's supplier requirements. To share knowledge with other food companies with the ambition of working for responsible antibiotics use, ICA also participates in Antibiotikadialogen (the Antibiotic Dialogue), which meets several times a year.

**Targets and outcomes****ICA Gruppen's overall climate targets**

Emissions from refrigerants in warehouses, stores and pharmacies are included in ICA Gruppen's climate targets and facilities are being converted in line with the F-gas Regulation, which regulates and limits the use of non-natural refrigerants in the EU (see page 101).

**Phase-out of non-natural refrigerants**

The target of ICA Real Estate is to have no non-natural refrigerants in its property portfolio by 2030.

**Drugs collected by pharmacies**

	2024	2023	2022
Drugs collected (tonnes)	482	N/A	N/A

**Reporting principles****Drugs collected by pharmacies**

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



# Water and marine resources

## Impacts, risks and opportunities

**As a major purchaser of food, fruit and vegetables as well as fish and other seafood, ICA Gruppen has an actual impact on water withdrawals and consumption, for example from fishing and the extraction of marine resources. The impact mainly occurs upstream.**

### Impacts in ICA Gruppen's value chain

#### Water withdrawals and consumption

Access to clean water is a basic requirement for people, animals, plants and crops. Population growth, urbanisation, pollution and the effects of climate change place large regional pressure on access to water of the right quality. The European Environment Agency (EEA) estimates that about a third of EU territory risks being affected by water stress, either permanently or temporarily. Several countries in southern Europe have already experienced severe droughts during the summer months, but water shortages are also becoming a problem further north, such as in the UK and Germany. In India, China, Africa and the Middle East, the situation is being further exacerbated by the combination of a dry climate and the cultivation of water-intensive crops, such as rice and wheat.

The cotton industry is another industry with large water withdrawals. Although cotton is a water-intensive crop, it is often grown in dry areas and therefore needs to be irrigated, which can lead to overuse of water resources or even water shortages.

Water shortages risk affecting supplies of drinking water and the conditions for a large number of industries. This has a direct impact on the productivity of agriculture and forestry, where reduced productivity risks limiting the availability of food and increasing regional food insecurity. In the long term, this also risks contributing to reduced biodiversity and a decline in health.

ICA Gruppen's impact on water withdrawals is primarily a consequence of upstream food production. Above all, purchases of fruit and other water-intensive crops are made from regions and areas that are periodically affected by water stress, such as southern Spain, Italy and Latin America.

Water consumption in own operations is more limited.

### Extraction of marine resources

Regarding the use of marine resources, over-fishing has a direct impact on individual species, as well as biodiversity and entire ecosystems. In many oceans, seas and lakes, including the Baltic Sea and Skagerrak and Kattegat, stocks of marine species have declined sharply. On the Swedish list of species' risk of extinction, (the Red List), 18 species of fish have been identified as endangered. The list includes economically significant species, such as cod and haddock. Both are predatory fish, which means that changes in the stock have a direct impact on the entire marine food chain.

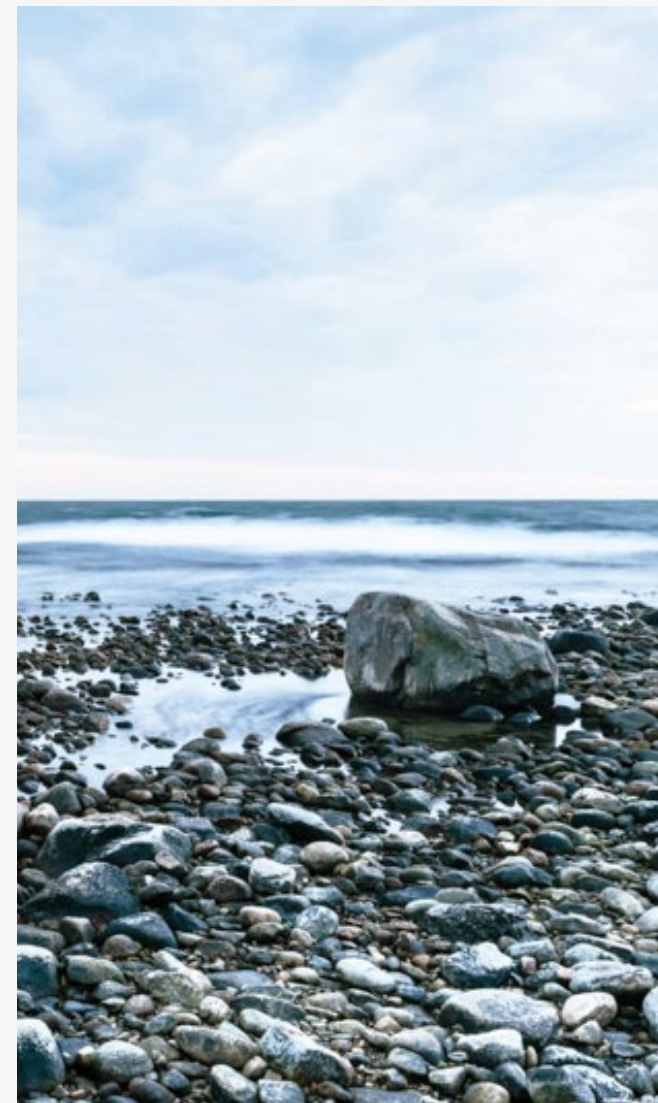
Much of the fishing conducted is also performed using destructive methods, such as bottom trawling, which not only destroys large parts of the seabed, but also results in large amounts of unwanted bycatch.

Water shortages and overexploitation of marine resources also risk impacting the livelihoods of many millions of people.

ICA Gruppen has a direct impact on the upstream extraction of marine resources, partly in the form of fish and other seafood in its own right, and partly as raw material in processed products.

### Risks and opportunities for ICA Gruppen

For ICA Gruppen as an organisation, water shortages and damage to marine ecosystems as a result of overfishing generate real risks in the short, medium and long term. In the short term, the foremost risks include increased costs related to shortages of sustainably sourced fish and shellfish, and compliance with traceability and transparency regulations. In addition, there is also a brand risk if ICA Gruppen were to fail to comply with legal or voluntary regulations and frameworks. Medium- and longer-term risks include challenges in providing the desired assortment.





## E3 | WATER AND MARINE RESOURCES

## Governance

ICA Gruppen's sustainability guidelines for grocery stores and pharmacies state that suppliers who use a significant amount of water in their respective operations must have a plan for the reduction of use and to ensure emissions with the lowest possible environmental impact. In addition, they must comply with global management systems, such as the Alliance for Water Stewardship.

ICA Handlarnas Förbund's Store Policy ("ICA's Good Business for Stores") outlines that stores, in order to contribute to more sustainable fishing and water use, should follow the applicable WWF Seafood Guide.

ICA Gruppen's sustainability appendix on the purchase of products states that suppliers of goods with significant water consumption must measure this water consumption. Furthermore, there must also be targets for the way in which consumption is to be reduced and monitored.

ICA Gruppen's product-specific requirements describe that suppliers must ensure that the fish and shellfish delivered to ICA Gruppen's companies are MSC-, ASC- and/or KRAV-certified, or listed green or yellow in the WWF Seafood Guide. For further information on product-specific requirements, see page 81.

## Examples of external standards, frameworks and partnerships

	Comments	Relevant operations
WWF Seafood Guide	The WWF Seafood Guide lists several different sustainability parameters that are important for assessing the sustainability level of fishing or aquaculture. The assessment of wild-caught species is based on three criteria: the health of the stocks, the effectiveness of control and management, and the impact of fishing on the ecosystem. For farmed species, the guide also looks at where the feed comes from, the environmental impact of farming, and the social and ethical rights of employees.	ICA Sweden, Rimi Baltic
Better Cotton Initiative (BCI)	The Better Cotton Initiative is a non-profit organisation that trains cotton farmers in how to use water more efficiently, preserve species' natural habitats, reduce the use of hazardous chemicals and protect workers' rights.	ICA Sweden
Marine Stewardship Council (MSC)	MSC is an international organisation that promotes the eco-labelling of fish and shellfish. The labelling shows that the fish is well-managed, is sourced from viable stocks and that action has been taken to reduce the impact on the marine environment.	ICA Sweden, Rimi Baltic
Aquaculture Stewardship Council (ASC)	ASC is an international organisation promoting the eco-labelling of farmed fish and shellfish. The ASC audits the environmental and social aspects of fish and shellfish farms. The standard is supported by WWF and certified products are automatically green-listed.	ICA Sweden, Rimi Baltic



## E3 | WATER AND MARINE RESOURCES

## Strategy and focus

ICA Gruppen promotes sustainable water withdrawals and a fishing industry that does not contribute to overfishing or the destruction of ecosystems. This is achieved through requirements on suppliers regarding responsible water management, and by promoting an increased share of certified raw materials in fish, shellfish and cotton.

Fish and shellfish from endangered stocks should not be sold by Rimi or in ICA stores, regardless of whether they are owned by ICA Sweden or independent retailers. It must be possible to trace all seafood to stock, fishing zone/ farming location and fishing method. This is ensured as far as possible through close collaboration with the suppliers and through active efforts to continuously increase the proportion of MSC- and ASC-certified fish and shellfish. The WWF Seafood Guide for each market is used to support these efforts.

Seafood and cotton have also both been identified as high-risk ingredients, which has resulted in additional stringent requirements on the Group's private label goods. For seafood, the target is for all ingredients to be third-party certified not later than in 2025. However, there are currently major challenges in working strategically toward the target since the demand for certified ingredients exceeds the supply, at the same time as relatively rapid shifts are taking place regarding which stocks are certified.

In terms of cotton, ICA Gruppen's objective is for all pure cotton products to be made of or purchased as "more sustainable cotton" not later than 2025. ICA Sweden also has the target for 90% of all cotton in its "Special assortment," regardless of the amount in any given product, to be purchased as "more sustainable cotton" by the same year. This pertains to the products that are mainly sold by ICA Maxi, mostly textiles in the form of, for example, clothes, household items and seasonal products. "More sustainable cotton" entails that the cotton should derive from purchases through the Better Cotton Initiative, or comprise organic, recycled or Fairtrade-labelled cotton. *For more information on these targets, see page 117.*

## Actions and activities

**Land-based fish farming project**

Products from land-based aquaculture are included in the accelerator programme launched by ICA Sweden during the year. The goal is to, together with more than 30 independent ICA stores, provide long-term support to start-up companies and their innovative sustainable products by offering greater impact in stores. The advantages of land-based fish farming include reduced risk of overfishing in natural waters, preservation of marine ecosystems and reduced transportation needs. ICA is already involved in the Re:Ocean project, which focuses on the development of large-scale land-based fish farms in Sweden, corresponding to a fifth of consumption.

**Development of vegetarian fish substitutes**

Salmon is the best-selling fish in Sweden, while overfishing of wild stock and the environmental impact of farmed salmon lead to negative impacts on biodiversity and marine ecosystems. A vegan, pea-protein salmon substitute was launched in Rimi Baltic's stores in Estonia, Latvia and Lithuania in 2024. The product is manufactured by the startup Revo Foods and the launch is a result of Rimi Baltic's Retail Hackathon in 2023.

## Targets and outcomes

**100 percent sustainability-certified seafood in ICA Gruppen's corporate brand products by 2025**

All seafood in ICA Gruppen's corporate brand products must be sustainability-certified by MSC, ASC or KRAV not later than 2025. This target applies to all products with a minimum 50% seafood content.

**Outcome 2024:** In 2024, 71% of the products in Sweden, and 36% of the products in the Baltics were sustainability-certified (see page 117 for full report).

**100% "More sustainable cotton"<sup>1</sup> in ICA Gruppen's corporate brand products by 2025**

All pure cotton products are to be made of or purchased as more sustainable cotton by no later than 2025.

**Outcome 2024:** In 2024, 42% of the products in Sweden, and 84% of the products in the Baltics, were from "more sustainable cotton"<sup>1</sup> (see page 117 for full report).

ICA Sweden also has the target that 90% of all cotton in textile products, regardless of share of content, is to be purchased as "more sustainable cotton"<sup>1</sup> by the same year.

**Water consumption**

Outcome for water consumption is not reported as water consumption is only assessed as material upstream.

<sup>1</sup> "More sustainable cotton" means that the cotton shall come from purchased Better Cotton or be made from organic, recycled or Fair Trade cotton.



# Biodiversity and ecosystems

## Impacts, risks and opportunities

**Globally, food production is one of the main drivers of the changes that together drive biodiversity loss. Impacts occur throughout the value chain but particularly upstream.**

### Impacts in ICA Gruppen's value chain

#### Direct impact

ICA Gruppen's impact is mainly related to food production and primarily consists of deforestation due to growing agricultural areas. In addition, there are challenges linked to specific raw materials, not least palm oil and soy, where large-scale cultivation and production risk destroying unique natural areas as former forests, grasslands and savannahs are converted into farmland. In addition, cultivation often involves the use of large quantities of agrochemicals with negative impacts on the environment and human health.

Upstream and in the Group's own operations there is a direct impact through the transformation of green spaces in conjunction with the construction of warehouses, stores and entire neighbourhoods.

*Impacts on biodiversity and ecosystems also occur through emissions to air, water and soil (see page 107), pollution (see page 107), and aquaculture and the use of marine resources (see page 111).*

#### Impacts on the state of species

According to IPBES (the UN biodiversity panel), more species are threatened with extinction than ever before in human history and many ecosystems are changing rapidly. Estimates show that between half to one million of today's more than eight million species are at risk of extinction within a few decades, unless strong action is taken to halt the negative trend. The main drivers include habitat destruction, overexploitation of species, climate change, pollution and the spread of invasive alien species.

As a purchaser of marine resources, ICA Gruppen has a direct impact on fishing and other seafood in particular. The impact on a particular species can in turn affect entire food chains and ecosystems.

ICA Gruppen's operations may also pose an indirect risk to other species, mainly as a result of deforestation and emissions to air, soil and water. Threatened species include pollinating insects, which are crucial for ecosystems and food security.

#### Impacts on the extent and condition of ecosystems

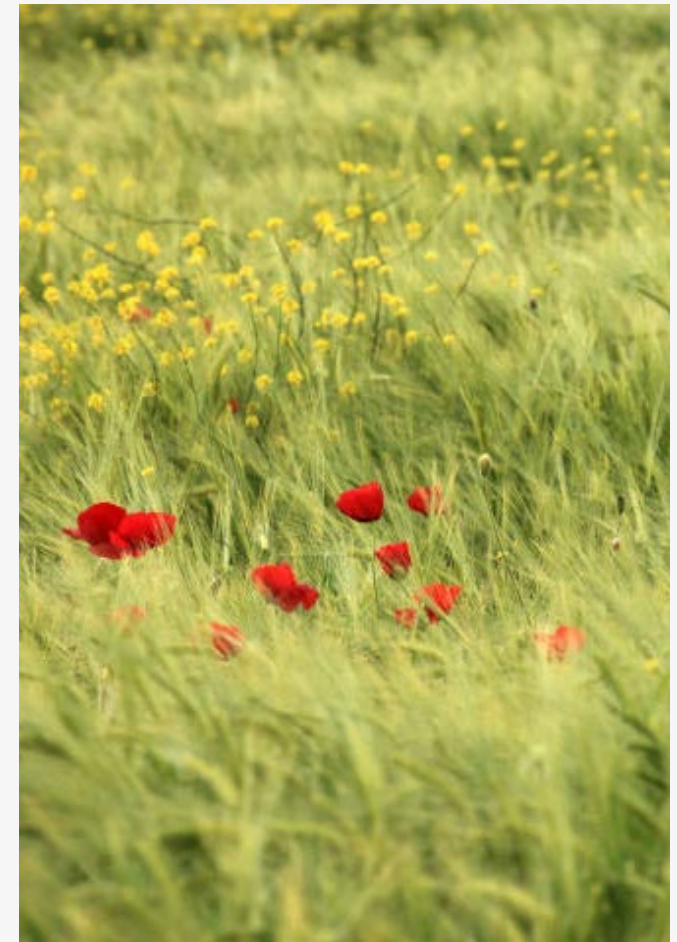
Biodiversity and functioning ecosystems are essential for all life on Earth. Biodiversity loss impacts key ecosystem services, which in the short term has a negative impact on biological processes, microbial life and individual species. In the medium and long term, there is a risk of more permanent impacts on croplands, population sizes and entire ecosystems, which could ultimately result in the extinction of entire species and challenges related to food security and access to medicines.

Viable ecosystems with rich biodiversity also play an important role in limiting global warming and achieving climate goals. For example, wetlands can store greenhouse gases, thereby helping to limit global warming. Conversely, global warming accelerates when land and ecosystems are destroyed or damaged; leading to a decrease in carbon sequestration by plants and soil.

#### Risks and opportunities for ICA Gruppen

As a major buyer and retailer of agricultural products and food, ICA Gruppen is highly dependent on functioning ecosystem services. Biodiversity and functioning ecosystems are crucial for most food production. In the short term, biodiversity loss can result in increased costs or shortages in the availability of specific products. Other risks include increased regulation, including stricter requirements on the use of chemicals and new rules on the import of goods that may be linked to deforestation.

Medium- and longer-term risks include challenges in providing the desired assortment. A lack of care for biodiversity or direct violations of laws and other regulations also risk having a negative impact on ICA Gruppen's brand.



## E4 | BIODIVERSITY AND ECOSYSTEMS

## Governance

ICA Gruppen's sustainability guidelines for grocery stores and pharmacies state that ICA Gruppen shall promote and encourage responsible management of natural resources by ensuring sustainable agriculture, forestry and fishing practices, the protection and restoration of biodiversity and reduced deforestation.

ICA Gruppen will support the sustainable production of raw materials and products with a significant environmental impact and strive to minimise and mitigate sustainability risks in the value chain. ICA Gruppen should not sell any products from animals in danger of extinction.

Furthermore, ICA Gruppen shall use and sell raw materials and products that do not contribute to deforestation (according to the definitions of deforestation and conversion in the Accountability Framework Initiative).

The product-specific requirements include that no products from red-listed species may be sold to ICA, that palm oil and soy must be certified, and that wood must be FSC-labelled. All products in certain product categories, such as toilet paper, detergents and household cleaners, should carry an eco-label in the Swedish market. For more information on product-specific requirements, see page 81.

**Examples of external standards, frameworks and partnerships**

For information on external standards, frameworks and collaborations related to biodiversity and ecosystems, see page 96 (climate), page 108 (pollution), page 112 (water and marine resources) and page 199 (food waste).

## Strategy and focus

Most of ICA Gruppen's impact occurs upstream, in the production of groceries, medicines and building materials, which is why the Group's strategic efforts to preserve biodiversity are largely about setting and monitoring requirements on suppliers and individual products. The requirements are set out in the sustainability appendix for products and in product-specific requirements.

**Sustainability certified and labelled ingredients and products**

The criteria for the sustainability labels used by ICA Gruppen contain many requirements that contribute in various ways to reducing biodiversity loss, including through the reduced use of artificial pesticides and other chemical substances, responsible fishing, and preventing deforestation. Increasing the share of sustainability certified raw materials and products is therefore an important tool for ICA Gruppen, and environmentally labelled products are therefore included in ICA Gruppen's framework for green financing (see page 96 and page 102). ICA Gruppen has also defined a number of high-risk ingredients that must be sustainability certified in ICA Gruppen's corporate brand products. One of the parameters used in identifying high-risk ingredients was the impact on biodiversity and ecosystems.

**Counteracting deforestation through ICA Gruppen's assortment**

ICA Gruppen's assortment of grocery and pharmacy products includes a number of raw materials and products with potential negative impacts linked to deforestation and human rights violations. For the raw materials covered by the EU Regulation on Deforestation-Free Products, ICA Gruppen currently has the goal that all cocoa, coffee, palm oil and soy in ICA Gruppen's corporate brand products will be sustainability certified by 2025.

Together with several Swedish companies, ICA Sweden has joined the Swedish Platform on Risk Commodities coordinated by ETI Sweden (Ethical Trading Initiative). The platform is a cross-industry collaboration for a sustainable production and consumption of risk commodities. As a member, ICA undertakes to demand more verified sustainable soy and palm oil in the goods we handle by 2025. The commitment also covers feed that is part of the products' value chains. The current requirement for wood is that all corporate brand products made from tropical wood, including all charcoal, must be FSC-labelled.

**Focus on Swedish food production**

In Sweden, biodiversity is under threat from a reduction in agricultural production, resulting in less pastureland and consequently less variety in the landscape. ICA Sweden therefore works actively to promote Swedish agriculture and Swedish food production. Examples include the long partnership with the Federation of Swedish Farmers (LRF) and having a high proportion of Swedish ingredients in ICA's private label products, as well as marketing initiatives for Swedish and local products.

**Environmental certifications and sustainability plans ensure that the properties contribute to biodiversity and ecosystem services**

ICA Real Estate's goal is that all buildings in the property portfolio are environmentally certified by 2030. The environmental certification standards used by ICA Real Estate for new construction and existing buildings (Miljöbyggnad, Miljöbyggnad iDrift, BREEAM, BREEAM In-Use and NollCO2 as supplemental certification in projects where this is possible), all require and award points for actions that take into account and develop the site and property's contribution to local ecosystems and biodiversity.

The Miljöbyggnad standards include requirements to take into account site-specific values in the design, to calculate the green area factor, and property management procedures that help to maintain and develop the site's long-term values linked to biodiversity and ecosystem services.

The sustainability plans developed for all new construction projects also include proposals for possible actions for biodiversity and/or ecosystem services. These could include ensuring diversity in flora, stimulating pollination, or working on surface water management.

Impacts on biodiversity and ecosystems are also largely a direct consequence of pollution and emissions to air, water and soil, as well as the use of water and marine resources. For information on ICA Gruppen's strategy and focus for these areas, see pages 94–96 (climate), page 109 (pollution), page 113 (water and marine resources), and page 120 (circular economy).

## E4 | BIODIVERSITY AND ECOSYSTEMS



### Ongoing work with a biodiversity action plan

ICA Gruppen has followed the development of the TNFD and SBTN frameworks, and has begun to apply parts of them in work with the double materiality assessment.

To further these efforts, ICA Sweden also conducted workshops with its operations in autumn 2024 aimed at supplementing and developing the analysis of financial risks and opportunities linked to nature-related issues. The starting point for the workshops was the Company's dependency and impact on nature, based on the scenarios available in the TNFD guidance.

The dialogues confirmed that ICA Gruppen has material risks and dependencies, but also opportunities, related to biodiversity and ecosystem services. The results will be compiled and taken further as part of the development and deepening of ICA Sweden's double materiality assessment in all environmental areas, and in the preparation of an action plan for biodiversity.

In 2025, ICA Gruppen intends to clarify how the Group's and its companies' targets, strategies and action plans are consistent with respect for planetary boundaries and global/European frameworks to protect and restore biodiversity. Within ICA Sweden, work is also underway preparing targets and an action plan for biodiversity, in line with the Sustainable Food Chain's joint roadmap to 2030.

### Actions and activities

#### Continued work on high-risk ingredients and raw materials linked to deforestation

During the year work continued on identified high-risk ingredients in ICA Gruppen's corporate brand products. The aim is to have all identified high-risk ingredients certified by 2025. This requirement is based on third-party labelling for certified cultivation and sustainable sourcing, such as KRAV, EU organic, Fairtrade, MSC, ASC, Rainforest Alliance, RTRS, RSPO and GOTS. As part of efforts to further prevent deforestation in line with the Deforestation Regulation, ICA Sweden focused during the year on developing the ability of the business' traceability in relation to raw materials.

#### Campaigns, product launches and collaboration to increase sales of organic products

Research shows that organic production has a beneficial effect on biodiversity, and promoting the sale of organic food is therefore an important component of ICA's efforts to reduce biodiversity loss. During the year, a number of ICA stores participated in the "Eco-September" campaign organised by Organic Sweden, and ICA Sweden Falun was named Sweden's best Eco-September store. To increase knowledge about organic production within ICA Sweden's own operations, employees from ICA Sweden's purchasing organisation also participated in a study visit to a KRAV farm.

In September, organic meat was also launched in unit packs, to enable more consumers to choose organic in this category. The ambition in 2025 is to continue working to develop the assortment and offer commercial support to stores to promote increased sales of organic products.

Rimi is also seeking to promote the organic assortment, and took part in an autumn campaign organised by the Latvian Association for Organic Agriculture with in-store displays of organic products and information about organic production.

#### Support for local biodiversity initiatives

There is a growing interest in garden plants that contribute to biodiversity, at the same time many plants are sprayed with pesticides that are harmful to insects and pollinators. ICA offers a number of plants in its "Loved by Bees" assortment that are not only attractive to bees and other pollinators, but are also subject to especially stringent chemical requirements. During the year, the

assortment was further expanded with Purple coneflower, Rudbeckia and Dahlia, all grown in Sweden. Part of the revenue from the assortment goes to the ICA Stiftelsen foundation, where associations can apply for grants to create insect parks.

Rimi launched a partnership during the year with the start-up Goodbag, whereby Rimi's customers automatically collect "seeds" each time they bring a reusable bag to the store, which are then converted into tree plantings. The collaboration is implemented in partnership with environmental organisations in the three Baltic countries to ensure local contribution to biodiversity.

#### Ensuring data and key performance indicators

Measuring and monitoring impacts on biodiversity from the grocery perspective is challenging, as the impact on ecosystems is mainly locally linked to raw material processing and production, while the assortment consists of a large number and variety of products and raw materials. The challenges relate both to access to geodata, for example, and to how this data flows and is aggregated in the food value chain.

ICA Gruppen participates in a number of different projects and initiatives to drive and develop transparency and access to data and metrics related to biodiversity. These include the European research programme Circhive, as well as RISE's work on developing a biodiversity database for food.



Read more in sections E1, E2, E3 and E5

*Reducing the negative impacts on biodiversity and ecosystems is also largely intertwined with ongoing efforts to reduce emissions to air, water and soil, as well as the use of water and marine resources. For information on examples of activities in these areas, see sections E1 (climate), E2 (pollution), E3 (water and marine resources) and E5 (circular economy).*

## E4 | BIODIVERSITY AND ECOSYSTEMS

## Targets and outcomes



### Certified or sustainability-labelled high-risk ingredients in ICA Gruppen's private label products

ICA Gruppen has identified soy, palm oil, coffee, tea, cocoa, seafood, and cotton as prioritised high-risk ingredients, in part based on their impact on biodiversity and ecosystems. The aim is that these will be sustainability certified by 2025. This requirement is based on third-party labelling for certified cultivation and sustainable sourcing, such as KRAV, EU organic, Fairtrade, MSC, ASC, Rainforest Alliance, RTRS, RSPO and GOTS.

### Sustainability-labelled and organic products

ICA Gruppen has no quantified target for increasing the proportion of sustainability-certified goods in general, but presents the proportion of organic and sustainability-labelled goods in the table to the right. In addition to biodiversity and ecosystems, these labels also bring added value to other areas, notably climate (see section E1), pollution (see section E2), water (see section E3) and workers in the value chain (see section S2).

Additional targets may be developed in 2025 (see page 116).

### Share of products with sustainability label or certified raw material, percent

		2024	2023	2022
Cocoa	Sweden	65	N/A	N/A
	Baltics	60		
Coffee	Sweden	97	N/A	N/A
	Baltics	86		
Cotton	Sweden	42	N/A	N/A
	Baltics	84		
Palm oil	Sweden	95	N/A	N/A
	Baltics	100		
Seafood	Sweden	71	N/A	N/A
	Baltics	36		
Soy	Sweden	94	N/A	N/A
	Baltics	44		
Tea	Sweden	95	N/A	N/A
	Baltics	30		

		2024	2023	2022
Share of organic goods as % of sales	ICA Sweden	3.1	N/A	N/A
	Rimi Baltic	0.6	N/A	N/A
Share of sustainability-labelled goods as % of sales	ICA Sweden	3.8	N/A	N/A
	Rimi Baltic	2.9	N/A	N/A
Välvald as a share of sales (% applies to OTC drugs)	Apotek Hjärtat	22.7	N/A	N/A
Share of sustainability-labelled trade assortment as % of sales	Apotek Hjärtat	3.9	N/A	N/A

**Comment:** For several of ICA Gruppen's defined risk ingredients, – coffee, tea, palm oil and soy – ICA Sweden is close to reaching the target of 100% certification. In the Baltics, the transition starts from a lower level of certification, which is why Rimi Baltic is not expected to reach full certification for all assortment lines and raw materials by 2025.

The biggest challenges in terms of supply of certified raw materials are found for seafood, where it will be challenging to reach the target of 100% certification also on the Swedish market, and for cocoa and cotton.

### Reporting principles

#### 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 sold sustainability-labelled products 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.

## Resource use and circular economy

### Impacts, risks and opportunities

**Food production today accounts for a significant share of the global climate burden and also contributes to negative impacts on ecosystems and biodiversity loss. More efficient use of resources and a shift to more circular processes have the potential to contribute to a substantial reduction in impact and also open up new revenue-generating business models.**

#### Impacts in ICA Gruppen's value chain

Food production today accounts for a significant share of the global climate burden and also contributes to negative impacts on ecosystems and biodiversity loss. The scale of the impact also means that changes in global food systems and value chains have a potential to contribute to a substantial reduction in the impact.

Reducing food waste throughout the value chain would significantly reduce resource use, emissions to air, soil and water, and impacts on biodiversity. For individual actors, it would also help reduce the cost of purchasing goods and the cost of recycling and waste.

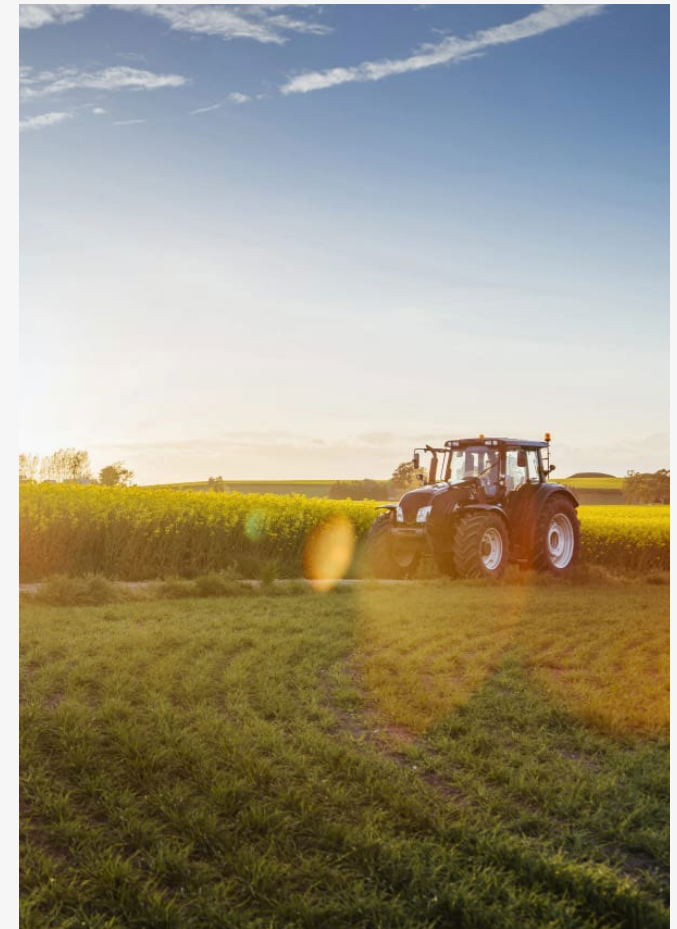
Other high-potential areas include the shift to precision agriculture and agricultural practices that optimise the use of inputs such as water, energy and raw materials. For example, shifting to crop rotation and agroforestry has the potential to improve soil health, increase biodiversity and strengthen resilience to climate change. This could in turn result in higher production and thus better economic conditions at the primary production stage.

A more structured approach to converting agricultural by-products and food waste into valuable products such as bioenergy, fertilisers and animal feed would also open up new revenue-generating business models.

#### Risks and opportunities for ICA Gruppen

New requirements linked to increased legal requirements for resource use, circularity, producer responsibility, certification and choice of materials for buildings, for example, may result in increased costs in the medium and long term. In addition, there is also the risk of penalties for non-compliance with legislation. Changes in regulations related to waste management pose a real risk in both the short and the long term and could drive costs.

For ICA Gruppen, the actions implemented to reduce food waste also offer significant benefits through reduced financial waste. It also gives opportunities to generate revenue by, for example, selling short-dated items at a lower price instead of throwing them away, or by processing food into new products. Strategic packaging activities to reduce the amount of packaging material, and increase the share of recycled and renewable raw materials, is also contributing to reduce expenditure on packaging fees.





## E5 | RESOURCE USE AND CIRCULAR ECONOMY

## Governance

ICA Gruppen's sustainability guidelines for grocery stores and pharmacies state that ICA Gruppen is to work preventively to minimise the amount of waste (mainly food, plastic and paper) in the operations and turn unavoidable waste into a resource. As far as possible, the aim should be to move waste management up the waste hierarchy, with prevention as the first option, and landfill as a last resort to be avoided as far as possible. ICA Gruppen must also always strive to reduce energy consumption, increase energy efficiency and look for innovative solutions to be part of the circular economy. Suppliers should aim to reduce the environmental impact of products, taking into account the product's entire life cycle. Suppliers should also strive to reduce their energy consumption and improve energy efficiency.

Suppliers that put products on the market must be affiliated with a relevant recycling organisation and producer responsibility scheme in each country where ICA Gruppen operates or must be able to demonstrate that their packaging materials are treated in another acceptable way.

The guidelines also state that ICA Gruppen shall use return systems for distribution and packaging materials when these are available and justified for environmental and economic reasons.

A significant proportion of the waste generated in ICA Gruppen's value chain is processed in stores and pharmacies. ICA Sweden's Store Policy applies for independent ICA stores, and states that the stores must reduce the amount of waste going to landfill by sorting it for re-use, recycling or incineration in accordance with municipal guidelines. It is recommended that stores recycle glass, household waste, metal, hard plastics and waste from grease separators. Organic, compostable and wet organic waste should be sent for anaerobic digestion or composted.

### Examples of external standards, frameworks and partnerships

	Comments	Relevant operations
Agreement for reduction of food waste (SAMS)	The initiative was launched in 2020 as part of the Swedish Government's investment in food waste reduction. It is run jointly by Sweden's National Food Agency, Environmental Protection Agency and Board of Agriculture. SAMS aims to contribute to reaching UN Sustainable Development Goal target 12.3, which is to halve global per capita food waste by 2030, as well as to reaching Sweden's national action plan for food waste reduction.	ICA Sweden



## E5 | RESOURCE USE AND CIRCULAR ECONOMY

## Strategy and focus

ICA Gruppen's main business model, food retail, is largely linear. To reduce the negative effects of resource use, ICA Gruppen's business model needs to become more circular. For both inflows and outflows, active steps are being taken to ensure high resource efficiency and increased opportunities for circularity.

**Prevention of food waste**

ICA Gruppen is running a number of initiatives to reduce food waste at producer level, in own operations and among customers.

A great deal of energy is spent preventing food waste from happening at all. Initiatives to reduce waste at the producer level include allowing raw materials with blemishes to be included in ICA Gruppen's corporate brand products. In warehouses and stores, work is ongoing with forecasting, purchasing, registering, monitoring and analysing the root cause of food waste. Tools in stores also include discounts on short-dated items, and the processing/cooking of food that is at risk of being wasted into products. The introduction of AI-based tools for forecasts and price reductions enable an accelerated pace of work. Both ICA Sweden and Rimi Baltic also have long-term partnerships with for example Food Bank in the Baltics and Stadmissionen's concept for social grocery stores, Matmissionen, in Sweden, for the donation of food that for various reasons can not be sold in regular stores, but are still safe to consume.

Among consumers, ICA Gruppen works with communication and inspiration with respect to planning, storage and the actual best-before date of food.

**Recycling of waste**

Virtually all waste from ICA Sweden's warehouses is recycled, and organic waste is converted into biogas and biofertiliser. ICA Sweden supports ICA stores around the country to work according to the waste hierarchy, and in line with the local requirements that apply in each municipality.

In the Baltics, a significant share still goes to landfill, which has to do with the opportunities for recycling in the region being in an earlier stage of development. The objective here is to increase recycling. Rimi Baltic also works actively to promote increased opportunities for recycling in society at large, for example by taking an active role in providing infrastructure for recycling within the context of the producer responsibility, and by collaboration initiatives such as Baltic Circularity Hotspot. The initiative, co-founded by Rimi Baltic, aims at increasing consciousness around circularity in the region.

**Circular flows for grocery distribution**

Through the Swedish Food Retailers Federation, ICA Sweden is a partner in Svenska Retursystem (SRS), which provides an industry-wide system for reusable, returnable pallets and boxes. A large proportion of ICA's grocery distribution from warehouse to store currently uses SRS in its flows. In addition to reducing consumables, SRS also helps to decrease food waste by reducing the risk of crushing and bruising during transportation.

Rimi Baltic also works to increase circular flows, for example by introducing re-usable crates in cooperation with dairy suppliers to stores.

**Packaging designed for circularity and increased shelf life**

The major resource outflows also include packaging, primarily paper, plastic, glass and metal. When developing packaging, the aim is to minimise and optimise the use of materials and to enable the longest possible shelf life for the food in question. The input material should be recycled or renewable and the packaging must be suitable for transportation and easy to handle in stores and by consumers. Furthermore, the size of the packaging should be adapted to reduce waste.

The work uses a holistic approach to sustainability and a life cycle perspective, which includes efforts to reduce the amount of plastic, transition to more renewable materials, and a packaging design that simplifies the recycling process. The packaging work is based on the European Packaging Directive and recycling targets for different types of materials.

**ICA Sweden's packaging strategy**

ICA Sweden has developed a strategy to guide efforts to reduce environmental impact and increase circularity in relation to packaging for ICA's corporate brand products. The strategy is based on ICA Gruppen's climate and plastics targets (see pages 94 and 121), and also establishes a number of basic principles for packaging work:

- To minimise the amount of material, design for efficient transport and handling in warehouses and stores, and to avoid air. To optimise and offer the right size for the right household.
- To circulate materials, design to remove unnecessary waste and emissions, increase the share of renewable sources and use mono-materials wherever possible.

- To make it easy for customers to make good choices, from purchasing and use to separating materials and recycling.
- To take account of function, sustainability over time and environmental impact both in the production phase and in the consumption phase.

**Collection of medicines**

Surplus medicines must be handled in a manner that eliminates the risk of harmful environmental impact. All Apotek Hjärtat pharmacies accept leftover medicines from the public. The waste is processed according to established procedures and is sent to facilities specifically approved for incineration at extra high temperatures. The ashes are also taken care of and deposited in special depots.

**Standards, certifications and support for ICA stores**

A significant proportion of resource use in ICA Gruppen's value chain occurs in independent ICA stores. ICA Sweden therefore works in various ways to guide, support and follow up the stores' work with waste and recycling, based on ICA's "Miljösmart Butik" standard and the municipal requirements that apply to each store.

**Sustainability plans and environmental certifications for increased circularity in property projects**

ICA Real Estate works in a structured way to ensure that resource efficiency and circular principles are integrated into construction projects from the outset. The sustainability plan developed for each construction project includes examples of initiatives that can contribute to ICA Real Estate's ambition to reduce construction waste, and increase recycling and circularity. This could include identifying the potential for re-use, choosing materials from a life cycle perspective, and minimising the amount of waste in production and also ensuring the prerequisites for waste sorting for residents in cases where ICA Real Estate creates the preconditions for building housing.

The environmental certifications that ICA Real Estate uses both for new construction and for existing buildings (see page 115) all require and award points for initiatives in circular material flows and waste management, such as waste reduction procedures and recycling inventories.

## E5 | RESOURCE USE AND CIRCULAR ECONOMY

## Actions and activities

**Packaging development for less plastic, more recycling and more renewable materials**

Work continued during the year to develop packaging for ICA Gruppen's corporate brand products in line with the packaging strategy and the plastics target. This involves working with:

**Reduced use of plastics**

ICA Sweden changed the packaging for its corporate brand minced meat assortment in 2023, from traditional trays to flowpack packaging, and Rimi made the same change in 2024. The new packaging preserves the mince as well as previous packaging, but use up to 82% less plastic. In Sweden, the change was estimated to reduce plastic consumption by 150 tonnes per year.

**Design for easier recycling**

To make plastic packaging recyclable, it is important to move to more transparent plastics, as well as to reduce the printed surface on packaging. During the year, the packaging was updated for the Treatville sweets brand and bags for ICA's frozen fruit and berries, with transparent plastic and reduced print, which makes them fully recyclable.

**Transition to renewable materials**

ICA Gruppen's plastic targets apply to food packaging, but the transition to renewable materials both in consumer and in transport packaging is also being actively pursued in other parts of the assortment. One example is ICA Sweden's decision during the year to replace the traditional plastic trays used for flowers with wood fibre trays. Replacing a polystyrene tray with a tray made from wood fibre reduced climate impact by up to 81%.

**Initiative to reduce paper bags in online shopping**

Distribution between warehouses and stores is based on a circular system with returnable crates, but paper bags are currently used in online shopping for deliveries to customers. ICA Sweden is implementing and participating in several initiatives to find alternatives to these.

**Simplified deposit flows in the Baltics**

As part of efforts to promote collection under the deposit system for beverage packaging, Rimi launched a new solution in Latvia and Lithuania during the year, where customers can choose to have the deposit refunded directly to their Rimi card, instead of as a receipt to redeem.

**Re-use in property projects**

ICA Real Estate aims to work with its suppliers to increase the proportion of recycling and circularity in construction projects. During the year, the new ICA Maxi in Norrköping was opened with a new store location. Instead of constructing a new building, ICA Real Estate chose to recycle the building that already existed on the site. The frame, exterior walls, roof and selected ventilation ducts were retained, while several renovations were needed to meet new construction regulations and to adapt the building into a modern property for ICA Maxi, Apotek Hjärtat and adjacent tenants.

## Targets and outcomes

**ICA Gruppen is to halve food waste from warehouses and stores by 2025**

ICA Gruppen's target is to halve food waste from warehouses and stores, both in Sweden and in the Baltics, by 2025 compared with the base year 2016. The food waste is calculated as a percentage by weight, in line with an international standard produced by the Food Loss & Waste Protocol (FLW Protocol).

**ICA Gruppen's plastics target**

In accordance with the grocery industry's plastics target, plastic food packaging for ICA Gruppen's corporate brand products shall be recyclable by 2025, and made from recycled or renewable raw materials by 2030.

**Reduced construction waste in construction projects**

ICA Real Estate aims to work with suppliers to reduce construction waste in construction projects and increase the proportion of recycling and circularity.

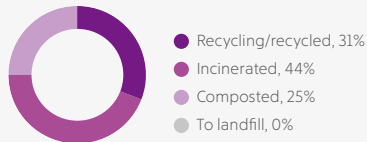
## E5 | RESOURCE USE AND CIRCULAR ECONOMY

## Waste

**Comment:** Waste data currently includes only waste from the warehouses of ICA Sweden and Apotek Hjärtat, and Rimi Baltic's stores and warehouses. The input data used to calculate climate impact for ICA stores is limited and is not considered sufficiently representative to be extrapolated to ICA stores as a whole. For Apotek Hjärtat, data collection is challenging as waste streams in most cases are not separate from other activities in the same building.

In addition to the waste generated by ICA Gruppen's operations, the pharmaceutical waste collected by Apotek Hjärtat from its customers is reported under E2 (pollution), see page 110.

Distribution of fractions Sweden, 2024, %



Distribution of fractions Baltics, 2024, %



Distribution of fractions ICA Gruppen total, 2024, %



Waste <sup>1</sup> , tonnes	2024	2023	2022
<b>Recycling/recycled</b>	<b>25,568</b>	<b>24,483</b>	<b>24,988</b>
of which			
Sweden	5,123	5,041	4,861
Baltics	20,445	19,442	20,127
<b>Incinerated</b>	<b>11,292</b>	<b>7,998</b>	<b>9,850</b>
of which			
Sweden	7,117	2,375	2,822
Baltics	4,175	5,622	7,027
<b>Compostable</b>	<b>8,944</b>	<b>8,378</b>	<b>9,811</b>
of which			
Sweden	4,029	3,978	4,693
Baltics	4,915	4,400	5,118
<b>Landfill</b>	<b>12,996</b>	<b>12,614</b>	<b>13,223</b>
of which			
Sweden	35	36	43
Baltics <sup>2</sup>	13,961	12,578	13,180
<b>TOTAL</b>	<b>59,801</b>	<b>53,473</b>	<b>57,872</b>
of which			
Sweden	16,305	11,431	12,420
Baltics	43,496	42,042	45,452

1 Data for Sweden refers to waste from warehouses within ICA Sweden, and from 2024 also Apotek Hjärtat. The Baltics data refers to waste from warehouses and stores.

2 As waste streams are mixed in the waste management system in Lithuania, data is not available on the share sent to landfill or incineration. Reported figure includes all waste that may have been sent to landfill.

	2024	2023	2022
<b>Recycling rate<sup>1</sup>, %</b>			
Sweden	100	100	100
Baltics	68	70	71

1 Includes recycling/recycled, compostable and incinerated waste.

**Comment:** ICA Gruppen works to minimise waste and maintain high recycling rates in warehouses and stores. Different waste management systems in different geographical markets affect the extent to which it is possible to increase the recycling rate.

The recycling rate decreased slightly in the Baltics to 68% (70) in 2024. The recycling rate in Sweden has been rounded off to the nearest whole number, which is 100%. Waste data does not include waste from the retailer-owned ICA stores or pharmacies. Historical data has partly been corrected, which means that some data may differ from that previously reported.

## Certifications

Environmentally certified ICA stores	2024	2023	2022
Number of ICA stores certified according to Miljösmart Butik	215	195	111
Number of Swan Ecolabel certified stores	26	38	80
Number of ICA stores with other environmental certification (e.g. KRAV)	1	1	2
Total number of environmentally certified ICA stores	242	234	193
Share of ICA stores with environmental certification (%)	19	18	15

Environmentally certified properties	2024	2023	2022
Number of properties certified according to Miljöbyggnad i Drift	21	14	4
Number of properties certified according to Miljöbyggnad	1	1	3
Number of properties certified according to Netto Noll	0	0	0
Number of properties certified according to BREEAM-SE	2	0	0
Number of properties certified according to BREEAM in-Use	0	1	0
Total number of environmentally certified properties	52	28	12
Share of properties with environmental certification (%)	28	15	6

Environmentally certified operations (ISO 14001)	Year first certified
ICA Sweden, logistics operations	1998
ICA Real Estate	1999
ICA Sweden, sourcing operations	2012
ICA Special, sourcing operations	2012
Rimi Baltic, sourcing operations	2015

**Comment:** The share of environmentally certified stores is increasing steadily, among other things following a decision in 2022 that all ICA Maxi stores would implement ICA Sweden's internal environmental support tool for stores called Miljösmart Butik. This has also contributed to a lower use of external certifications such as the Swan Ecolabel.

The share of properties with an environmental certification is also increasing, in line with ICA Real Estate's strategic priorities.



## E5 | RESOURCE USE AND CIRCULAR ECONOMY

## Food waste

	2024	2023	2022
<b>Total food waste, % by weight</b>	<b>1.27</b>	<b>1.35</b>	<b>1.54</b>
Sweden	1.25	1.31	1.46
Baltic countries	1.39	1.57	2.00
<b>Total food waste from warehouses, % by weight</b>	<b>0.24</b>	<b>0.24</b>	<b>0.25</b>
Sweden	0.27	0.27	0.28
Baltic countries	0.04	0.06	0.09
<b>Total food waste from stores, % by weight</b>	<b>1.04</b>	<b>1.11</b>	<b>1.29</b>
Sweden	0.98	1.05	1.18
Baltic countries	1.35	1.51	1.91
<b>Total food waste, change from 2016, %</b>	<b>-30</b>	<b>-26</b>	<b>-16</b>
Sweden	-28	-25	-16
Baltic countries	-37	-29	-10

**Comment:** The total food waste from stores (ICA Gruppen-owned as well as those owned by ICA retailers) and warehouses (including e-commerce warehouses) in Sweden and the Baltics has continued to decrease, and has since the base year decreased by 30% (26). The largest share of ICA Gruppen's food waste occurs in stores, where the food waste share has decreased compared to the previous year in both Sweden and the Baltics. A smaller share of ICA Gruppen's total food waste comes from the group's warehouses. The food waste share has decreased here as well in the Baltics, but remain on the same level as the previous year in Sweden.

The continued reductions in food waste in 2024 are the result of an ongoing strategic effort to track and prevent food waste in all parts of ICA Gruppen's operations, in parallel with the development of supporting systems and co-operation initiatives to enable for example prognostication, automatic price reductions, and donations. For more information on ICA Gruppen's strategic efforts for reduced food waste, see page 120.

## Resource inflows

ICA Gruppen's upstream resource inflows consists mainly of food and groceries purchased for resale, but also of resources used in stores, offices, warehouses and construction. In addition, there is an indirect impact resulting from the use of virgin and non-virgin materials in the manufacture of for example electronics, disposables, textiles, batteries, household goods and building materials.

## Resource outflows

ICA Gruppen's resource outflows consist mainly of food, groceries and medicines from stores and pharmacies, along with associated packaging materials.

## Waste

ICA Gruppen's operations give rise to waste in all parts of the value chain. Upstream activities contribute to food waste in primary production and the food industry. The production of non-food, packaging and medicines also contributes to waste streams. In the Group's own operations, there is an impact from food waste in warehouses, logistics and stores, and from construction and demolition materials in connection with the construction and renovation of stores, warehouses and offices. Downstream, the waste mainly comprises food waste and consumables in independent ICA stores and from consumers. In addition, there is also waste related to non-food, including electronics.

## Packaging

ICA Gruppen aims to disclose packaging data starting 2025.

## Reporting principles

## 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 repurposing 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 indicates the total number of certified properties out of the total property portfolio (Source: Sweden Green Building Council, SGBC).





# Social

ICA Gruppen's work extends throughout the value chain. From working to protect and improve conditions for workers in the value chain, to attracting, recruiting and retaining skilled and motivated employees in own operations and in ICA stores.

Moreover, at the heart of ICA Gruppen's community involvement is being rooted in the local communities where stores and pharmacies are located.



## Own workforce

### Impacts, risks and opportunities

#### Impact and organisation

As a large employer with operations in several countries, ICA Gruppen has an impact on a large number of individual employees. ICA Gruppen's own workforce refers to employees in offices, warehouses and logistics, in stores owned by ICA Gruppen, and in pharmacies. Overall, the number of employees in our own workforce at the end of 2024 was approximately 27,000. Most of these worked in stores, warehouses and pharmacies.

The outcome of the double materiality assessment shows that ICA Gruppen's main actual and potential impacts related to its own workforce comprise working conditions and equal treatment and opportunities for all. Working conditions include secure employment, work-life balance, and health and safety. Equal treatment and opportunities for all includes aspects such as pay, gender equality, training and skills development, and measures against violence and harassment in the workplace.

#### Risks and opportunities for ICA Gruppen

New technologies, new consumption patterns, extensive industry slippage, rapid digitalisation and demographic shifts are changing the conditions for the industries in which ICA Gruppen operates. From an organisational perspective, this places great demands on the willingness to change, innovation and agility. In this process, change management, continuous learning and the ability to attract and retain sought-after skills play a crucial role in the Group's continued expansion and performance.

One of the main risks for ICA Gruppen is the dependence on employees with the right skills, and the ability to remain relevant at all times, and for ICA this is a matter of ensuring that these conditions are in place. In addition, there are also legal and brand-related risks associated with accidents and incidents. Opportunities include attracting qualified and motivated employees by continuing to work actively with diversity, gender equality and inclusion.



## S1 | OWN WORKFORCE

## Governance

In addition to laws and regulations, ICA Gruppen's employee relations are guided by a number of governing documents, policies and guidelines. These include Group-wide frameworks such as the Code of Conduct and the Sustainability Policy (see page 80). In addition, there are also a number of policies and guidelines related specifically to our own workforce.

## People Policy

ICA Gruppen's People Policy describes the framework within which employees and managers must operate to live up to the shared values and to achieve the set targets. The policy aims to create a work environment that supports employees in delivering good service to customers, while promoting a sustainable and healthy work-life balance. It serves as a guide for behaviour, expectations and responsibilities, and promotes a culture of respect, diversity and inclusion. The policy applies to all ICA employees, including all operating companies (OpCos).

The policy is designed in accordance with international and local laws and regulations. It is further aligned with the UN Guiding Principles on Business and Human Rights (UNGP), the ILO Declaration on Fundamental Principles and Rights at Work, the UN Children's Rights and Business Principles and the OECD Guidelines for Multinational Enterprises.

Each CEO is responsible for the implementation of and compliance with this policy within their respective business. Within their areas of responsibility, each member of the ICA Management Team is responsible for ensuring that work within ICA is conducted in accordance with this policy. All employees are responsible for familiarising themselves, and acting in compliance, with the content of this governing document. Employees who breach this policy may be subject to disciplinary action up to and including dismissal, depending on the facts and circumstances.

## Health and safety guidelines

The aim of ICA Gruppen's health and safety guidelines is to promote health and prevent work-related injuries and ill health. It sets out the visions, guidelines and targets for health and safety management.

The guidelines make it clear that we offer safe and secure workplaces that enable a sustainable work life. We promote health and life balance, and foster an open and inclusive work environment. We work continuously to reduce work environment risks and health and safety management takes place in collaboration with employers, employees and safety officers.

The management team and managers are responsible for ensuring that the guidelines are known and complied with. Any non-compliance can be reported via ICA Gruppen's whistleblower service, or to the immediate supervisor.

## Remuneration guidelines for senior executives

The remuneration guidelines for senior executives aim to ensure that remuneration promotes the business strategy, long-term interests and sustainability of the Company and the Group. The Group strives to offer its senior executives terms and conditions that are market-based and motivating as well as well-balanced and reasonable in relation to the executives' skills, responsibilities and performance.

The guidelines are determined by the Board and prepared by the Remuneration Committee.

## Alcohol and drug guidelines

ICA Gruppen's alcohol and drug guidelines state that no one may be under the influence of alcohol or drugs at work. The guidelines also include procedures in case of suspected abuse and/or positive results for alcohol and/or drug use. ICA Gruppen's goal is to react and act early when appropriate. Employees with problems should dare to seek support and help.

The management team and managers are responsible for ensuring that the guidelines are known and complied with. To ensure that no one is under the influence of alcohol or drugs at work, alcohol and drug tests are performed. ICA Gruppen follows the negotiation process and collaborates with trade unions when conducting alcohol and drug tests. Everyone working at ICA Gruppen's workplaces must be prepared to undergo drug and alcohol testing.

## Strategy and focus

The ability to attract, recruit and retain competent and motivated employees forms the basis of ICA Gruppen's efforts to develop its offering and achieve set targets. ICA Gruppen works actively and purposefully to maintain, develop and strengthen the Group's attractiveness as an employer. Key elements of this work include ensuring market-based employment conditions and benefits, as well as offering good opportunities for continuous learning, a stimulating and safe work environment and a positive corporate culture.

## ICA Gruppen's People Strategy

ICA Gruppen's ambitions and strategy in terms of employees are integrated in the overall Group-wide strategy, including Ambition 2030. They are further clarified in ICA Gruppen's shared People Strategy. Key elements of this include:

## Growing together

Meeting new customer needs in a rapidly changing world requires employees who have the mandate and drive to continuously develop the business. The most critical factors include continuous learning and the continuous development of new skills driven by employees, managers and teams. Within ICA Gruppen learning is easy – every day. Continuous learning is about culture, habits and ways of working. It is also about having supportive structures so that everyone has the same opportunities. The aim is to enable employees to build their own learning journeys and establish a develop-before-recruit approach. Competition for the right skills is intense, so to enable increased internal mobility ICA Gruppen actively works to identify the potential of existing employees, to support their learning journey and to find new opportunities for their development within the Group. The aim is to ensure sustainable skills development, access to critical talent and the ability to offer existing employees new development and career opportunities.

## Empowered organisation

The rapid changes in the world around us place high demands on the continuous development both of the organisation and of working methods. Empowered teams with a mandate to act are among the key success factors for ICA Gruppen's continued development. ICA Gruppen works proactively to improve ways of working, shape the organisation and implement transformations based on relevant personal data and insightful decisions. The objective is to



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increase flexibility and speed both in decision-making and in implementation processes – thereby enabling faster deliveries, achieving increased customer focus and minimising risk. This transition affects both leadership and employeeship, based on Leadership@ICA – which emphasises that everyone at ICA is a leader. In general, decision-making is being shifted closer to the employees working in independent, cross-functional teams. An increasing focus is also being placed on greater collaboration and dialogue between the various operations and functions within the Group.

**Sustainable work life**

ICA Gruppen works actively to ensure a safe and healthy work environment that, combined with good working conditions, creates a sustainable working climate with low sickness-related absence and good health.

ICA Gruppen wants to be an attractive employer that fosters both commitment and community, and offers workplaces where people can develop together. A number of initiatives are under way within the Group aimed at ensuring a good physical, social and organisational work environment. Work is conducted in three areas: Reactive, Preventive and Proactive. Reactive and preventive work includes rehabilitation, accident prevention and systematic work environment management. This area is clearly regulated and forms an important basis for the day-to-day work. In addition, ICA offers several opportunities for preventive and proactive activities, such as skills development, talks, in-house gym facilities, wellness benefits and Benify deals. Management of the work environment and health is a natural part of the business and takes place in collaboration with employers, employees and unions.

**Working conditions**

ICA Gruppen's employer responsibility includes ensuring good working conditions for its own workforce. Good working conditions are also an important strategic issue for ICA Gruppen to attract, retain and engage employees. For ICA Gruppen, this entails an ongoing process to reduce negative impacts and increase positive impacts by ensuring competitive offerings.

**Remuneration based on objective grounds, known to employees**

Decisions regarding remuneration of salaried employees and unionised employees in ICA Gruppen must comply with and be aligned with regulatory requirements, applicable collective agreements and other market practices. Remuneration is granted in accordance with ICA Gruppen's decision-making procedure, ICA Gruppen's Remuneration Policy and other guidelines for setting salaries. Total remuneration may consist of fixed salary, pension contributions, other benefits and variable remuneration. ICA Gruppen strives to ensure that total remuneration is market-based and well-balanced in relation to the individual's level of skill, responsibility and performance.

Remuneration decisions, processes, structures and systems should be gender-neutral and non-discriminatory. The principle of equal pay for equal work or work of equal value, regardless of gender, should be the starting point.

Salaries should be set on objective grounds, which must be known to employees. Salaries are set for unionised employees in accordance with the collective agreement. Salaries for salaried employees should be individual and differentiated according to the individual's responsibilities and performance. There should be a clear link between pay progression and the employee's performance. Performance includes delivered results in relation to the position, but also how the tasks are performed, including the employee's compliance with ICA Gruppen's values. Individual goals are set in a dialogue between manager and employee and followed up during the year. A final evaluation takes place as part of the annual salary review, where the overall performance assessment is an input factor in the determination of the revised salary.

In Sweden, annual salary surveys are conducted with the aim of achieving equal pay and complying with the Swedish Equality Ombudsman's regulations. The salary survey is part of measures to prevent and counteract discrimination, and to promote equal rights and opportunities. ICA analyses regulations and practices encompassing salary and other employment conditions, and also analyses pay gaps between women and men.

**Pensions and insurance**

As an employee of ICA Gruppen in Sweden, employees are entitled to an occupational pension and other insurance coverage in accordance with applicable collective agreements. These insurances include health insurance, occupational injury insurance and life insurance.

**Holidays and leave**

All employees of ICA Gruppen are entitled by law and collective agreements to holidays with a continuous period of leave. The number and timing of holiday days may vary, depending on factors such as the contractual area, and type of post and country.

**Shortage of work situations**

In ICA Gruppen's operations in Sweden, there is an established process for handling shortage of work situations that arise during organisational changes/operational shutdowns. This process has been negotiated with trade union partners. In accordance with the process, employees who cannot be reassigned to another position are offered a voluntary agreement on termination of employment or, alternatively, invocation of a LAS process. All of ICA Gruppen's companies in Sweden are affiliated with the collective agreement foundation TRR Trygghetsrådet and the TSL Job Transition Foundation (Trygghetsfonden TSL), which offer transition support and financial support.

**Continuous dialogue**

ICA Gruppen strives for a straightforward, open and continuous dialogue between employees, and between employees and managers. In addition to ongoing dialogue, there are several structured forums and channels.

**Employee surveys**

ICA Gruppen puts a great deal of effort into measuring employee engagement and following up the initiatives implemented by the Group. An important part of this process is the regular employee surveys (SpICAp). For most employees, surveys are conducted two to six times a year. ICA Gruppen uses the data to better understand how employees perceive their working conditions, and to identify areas for improvement and action. The results are also used to understand perceptions using various demographic parameters, such as age and gender.

**MAP – ICA Gruppen's development dialogue**

MAP (Goals, Accountability and Personal Development) is ICA Gruppen's development dialogue. The aim is to continuously follow-up and support performance, learning and development. MAP is divided into three parts. Evaluation & Summary, Planning and Ongoing Dialogue.

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**Follow-up at the end of employment**

When employment is terminated due to resignation, employees who are leaving ICA Gruppen are requested to anonymously answer an exit survey linked to their employment, and to ICA Gruppen as an employer. The results of the exit surveys are summarised anonymously and used as a basis for evaluation, management and decisions linked to, for example, the revision of policies, plans and procedures.

**Union involvement**

ICA informs and negotiates matters with trade unions in accordance with the obligations that apply under the Swedish Employment (Co-Determination in the Workplace) Act, collective agreements and local collaboration agreements. Issues related to significant changes in ICA Gruppen are always handled in close collaboration between the management team and various trade unions. Employee representatives also sit on the Board, which means that representatives from white-collar and blue-collar unions have direct insight into the Board's work and the strategic direction of the Group.

Rimi Baltic also engages in dialogue with employee representatives, through either trade unions or works councils, to review and discuss major changes in the company's organisation and operations. Other channels for dialogue that are mentioned above (such as the employee survey, MAP, whistleblowing) also apply to Rimi Baltic.

Regarding trade union representation, ICA Gruppen safeguards the right to, and opportunities for, freedom of association, collective bargaining and trade union representation. Similarly, the right of employees to join or not join a trade union is respected, and everyone is treated equally whether or not they are members of a union.

**Health and safety in the workplace**

The physical and mental health of employees is a top priority for ICA Gruppen. As an employer, ICA Gruppen is responsible for ensuring a safe work environment for its employees. This means that the Company is required by law to work systematically and proactively to identify any risks and hazards in the workplace. The Company takes action if necessary.

For Rimi, the reporting and follow-up of workplace accidents is governed by local regulatory requirements and Rimi works to ensure full compliance. In addition, reactive investigations, reporting and mitigation activities are com-

plemented by proactive education and engagement activities to raise the culture for a safe and healthy workplace (such as training, health month initiatives and communication campaigns).

At Group level, there is a health and safety policy that clarifies the responsibility to plan, implement and follow up measures on an annual basis to prevent negative health and safety impacts, and to promote a safe and secure work environment.

In Sweden and the Baltics, systematic health and safety management includes employee appraisals, health and safety training for employees and managers, and collaboration with local safety officers.

In ICA Gruppen's operations in Sweden, the incident reporting system, Handels informationssystem om arbetsmiljö (HIA) is used to report risks, incidents, accidents, occupational diseases and preferential treatment/discrimination.

**Continuous learning**

Within ICA Gruppen learning is easy – every day. Continuous learning is about culture, habits and ways of working in teams, organisations and for each employee, and about supportive structures and approaches to ensure that everyone has the same opportunities. Managers are trained to work with skills and development, and to lead learning. ICA offers many opportunities to come together around different areas, and to build own skills in the team with self-help and built-in digital facilitation. This reduces the dependence on programmes or facilitators. By certifying and supporting hundreds of learning design professionals, the speed and accessibility of learning is increased. At the same time, it ensures that joint, company and target group-specific learning is relevant. The Group-wide learning platform Learning Hub is used to integrate on-the-job learning, increase opportunities for just-in-time learning and create conditions for networking and exchange of experience. All employees in all ICA Gruppen companies, including stores, have access to the platform. Rimi Baltic also continued its efforts within the Knowledge Sharing Masters (KSM) concept during the year, with the common aim of strengthening the learning culture and increasing opportunities for sharing knowledge and experiences.

**Channels for raising concerns and whistleblowing**

All employees in ICA Gruppen are encouraged and urged to report irregularities and breaches of internal or external regulations. You can report to your immediate supervisor, safety officer or the HR department. It is also possible to

report issues anonymously via ICA Gruppen's online whistleblower service or to the head of Internal Audit.

**Equal treatment and opportunities for all**

ICA Gruppen works actively and continuously to manage the risks and opportunities associated with equal treatment and opportunities for all. This applies before, during and after an employee's employment.

**Skills-based and open-minded recruitment process**

ICA Gruppen strives for working groups with different backgrounds and experiences as this enriches the business and contributes to continued positive development. This also includes the recruitment process, where ICA Gruppen works actively with measures to achieve the most objective recruitment process possible. The aim of this process is to identify and match the competence, knowledge and skills of a candidate with a pre-defined set of requirements.

The goal is to reduce the risk of discrimination by overcoming unconscious bias. In addition, the HR function supports and trains managers on an ongoing basis to ensure they have the knowledge to conduct open-minded and skills-based recruitment processes. In addition to digital training, workshops are also provided as required, based on specific issues.

**Diversity and inclusion**

ICA Gruppen works actively to raise awareness of diversity, gender equality and inclusion. Making unconscious bias visible and preventing discrimination are important aspects of this process. The aim is not only to safeguard fundamental rights, but also to harness the creativity and added value that can be found in the interaction between people's differences, thereby creating a dynamic business with high quality products, services and customer service.

Rimi Baltic's work on disabilities and handicaps was recognized during the year at the Annual Award for Supporting People with Disabilities, organized by the disability organization Apeirons. Rimi Baltic's diversity work was also recognized during the year by the organizations Society Integration Foundation and the Agency for the Protection of the Rights of Persons with Disabilities.



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## Actions and activities

**Implementation of joint pulse surveys**

To capture feedback from employees and the organisation more quickly, ICA Gruppen introduced pulse surveys for salaried employees during the year. Strengths include the ability to receive faster feedback on relevant, timely and target-group-specific issues, increased proactivity and data-driven analysis.

**Data-driven salary setting**

ICA Gruppen aims to offer market-based pay structures. In order to better and more easily weigh in internal and external salary data, efforts commenced during the year to strengthen the system support for salary data and to ensure the quality of set job evaluations and job architecture. A well-developed job architecture also forms the basis for identifying equal and equivalent jobs in order to comply with the legal requirement for pay mapping. The job architecture is also used as a career framework.

**Adaptation to new regulatory requirements or amended internal policies**

Changes in procedures and approaches due to changes in laws and external regulations are implemented on a regular basis. In 2024, adaptations were made due to new regulations in the Swedish Agency Work Act. During the year, changes in the internal instructions for background checks led to the extension of these instructions to cover more positions, primarily in relation to new employees.

**Random alcohol and drug testing**

In 2024, efforts commenced to extend random drug and alcohol testing to all workplaces and all employees in Sweden.

**Prevention of threats, violence and harassment**

Since threats, harassment and unpleasant behaviour with racist overtones are increasing in pharmacies, there was a special focus on training initiatives for managers in Apotek Hjärtat with a focus on safety and security for pharmacy employees. This is taking place in Apotek Hjärtat, but also in collaboration with Apoteksföreningen (the Swedish Pharmacy Association).

**Diversity and inclusion initiatives**

During the year, initiatives to create and support an inclusive and diverse culture continued. These included the launch of a new digital inclusion training course and a new training programme for teams, with content based on the concept of complementary teams that benefit from collective strengths.

**Update of Rimi Baltic's Social Policy**

In Rimi Baltic, the Social Policy was updated during the year to reflect more attractive benefits for employees.

**Well-being training launched for store and office employees**

As part of efforts to improve well-being, during the year well-being training was integrated into the standard training package for store and office employees.

**New learning programme for managers launched in Rimi Baltic**

During the year, a new learning programme for managers was launched in the Baltics. The programme has created a unified platform for communicating key expectations and areas of responsibility for managers in Rimi Baltic. The topics addressed include ethical and values-based decision-making, skills-based recruitment and equal pay.

A programme on understanding and preventing workplace bullying was also introduced.

**Initiatives to increase internal mobility**

During the year, efforts continued with ICA Gruppen's initiative to develop internal talent in functions and roles with a skills shortage, especially IT/tech. Initiatives included the development of a career framework, and the launch and implementation of upskilling and talent programmes. Working methods for talent development were reviewed to ensure that talents remain and develop within ICA Gruppen. Specific talent programmes are also conducted continuously for future pharmacy managers at Apotek Hjärtat and for future group managers at ICA Logistics, as the operations need to continuously build talent for these roles. In addition, several initiatives are taking place to develop talent for more senior leadership positions. During the year, an updated framework for talent development for the most critical leadership roles was also tested.

**AI upskilling**

AI is a strategically important area for ICA Gruppen. With the rapid development of the technology and the opportunities it presents, all employees, regardless of their role, need to understand the possibilities of the technology, what it means for their role and how to benefit from it. During the year, ICA Gruppen launched the AI Greenhouse concept, in which all employees were offered ways to enhance their AI skills and shape their own learning journey in the area.

**Leadership and management development**

During the year, ICA Gruppen's Group-wide management programme and ICA's Senior Management Programme were revised to strengthen the capabilities needed to achieve Ambition 2030. The aim of the Company's joint leadership forum is to strengthen collaboration around joint customers and joint business, as well as expertise in leadership and AI. In addition, managerial support linked to change management was also launched, as well as a range of services to increase team development and collaboration within and between teams.



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## Targets and outcomes

## Characteristics of the undertaking's employees

Average full-time equivalents (FTEs)	2024	2023	2022
Sweden	12,849	12,704	12,904
Baltic countries	10,968	11,118	10,893
Asia	74	77	80
<b>ICA Gruppen total</b>	<b>23,891</b>	<b>23,900</b>	<b>23,877</b>

Employee turnover, %	2024	2023	2022
<b>ICA Gruppen total</b>	<b>25</b>	<b>25</b>	<b>26</b>

Total employee turnover includes all employees who leave for any reason.

Employee turnover (head count)	2024
<b>ICA Gruppen total</b>	<b>6,121</b>

Refers to the number of employees who left during the year.

**Comment:** In 2024, ICA Gruppen had 26,976 employees, mainly in Sweden and the Baltic countries. Converted to full-time equivalents (FTEs) on an annual basis, this corresponded to 23,891 average FTEs (23,900). Of the Group's employees, 60% (55) worked in stores and pharmacies, 18% (20) in warehouses and 22% (25) in other operations. Compared with other operations, stores and pharmacies had a higher share of part-time employees and also a higher share of women employed. Store employees in the retailer-owned ICA stores in Sweden are not included because they are employed by the company that owns the store in question. Reporting for own workforce has been broadened in 2024 to include more social sustainability aspects in line with the ESRs.

Type of employment, 2024, %



Employment by type, region and gender, number	2024			2023			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Sweden</b>									
Permanent	6,616	7,124	13,740	6,082	6,680	12,762	6,435	7,092	13,527
Temporary	401	1,192	1,593	543	1,528	2,071	401	1,131	1,532
<b>Baltic countries</b>									
Permanent	2,097	9,261	11,358	2,342	9,202	11,544	1,941	9,834	11,775
Temporary	55	158	213	57	141	198	54	144	198
<b>Asia</b>									
Permanent	37	33	70	37	38	75	39	40	79
Temporary	0	2	2	0	0	0	0	0	0
<b>ICA Gruppen total</b>									
Permanent	8,750	16,418	25,168	8,461	15,920	24,381	8,415	16,966	25,381
Temporary	456	1,352	1,808	600	1,669	2,269	455	1,275	1,730

## Targets

**Implementation rate for ICA Gruppen's development dialogue, 90%**

The implementation rate of the Goals, Accountability and Personal Development (MAP) dialogue is measured and followed-up annually. The target for all companies in ICA Gruppen is an implementation rate of at least 90%.

## Outcome 2024

MAP implementation rate (%)	2024
<b>Sweden, white collar</b>	<b>89</b>
<b>Baltics</b>	<b>72</b>
<b>Asia</b>	<b>100</b>

**Gender balance in critical positions**

ICA Gruppen's target is that women will hold 50% (+/-10%) of business-critical positions.

**Outcome 2024:** In 2024, the share of women in business-critical positions was 53%.

**Engagement index**

Having committed employees who thrive is very important to ICA Gruppen. As a result, ICA has set a target for an engagement index score of at least 80 in the employee survey for white collar employees.

## Outcome 2024

Engagement index score <sup>1</sup>	2024	2023
<b>Sweden, white collar</b>	<b>81</b>	<b>79</b>

<sup>1</sup> Refers to the average engagement index score from 2024 employee surveys for white collar employees (excluding pharmacists).

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## Diversity metrics

Gender distribution, %	2024		2023		2022	
	Men	Women	Men	Women	Men	Women
Total <sup>1</sup>	34	66	34	66	34	66
All management levels	29	71	27	73	28	72
Business-critical positions	47	53	47	53	52	48
Board and IMT	64	36	65	35	64	36

<sup>1</sup> Outcome based on full-time equivalents (FTE).

Gender distribution High management <sup>1</sup>	2024			
	Head count		Percentage	
	Men	Women	Men	Women
ICA Gruppen total	31	34	48	52

<sup>1</sup> High Management refers to ICA Management Team and the level below.

**Comment:** For 2024, ICA Gruppen has chosen not to report the share of employees and managers with a Swedish or foreign background. This is because the key performance indicator is no longer used as an internal KPI.

## Skills development metrics

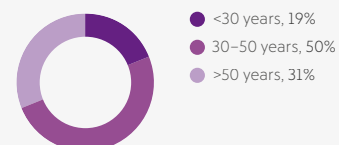
Percentage of employees that participated in regular performance and career development reviews (by gender) <sup>1</sup> , %	2024	
	Men	Women
Sweden	91	83
Baltic countries		
Lithuania	87	90
Latvia	72	79
Estonia	32	42
Asia	100	100

<sup>1</sup> Excluding warehouse workers and those with an end date or who are on long-term absence.

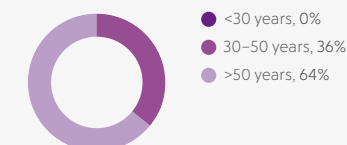
**Comment:** The outcome in Estonia was affected during the year by the implementation of a new SAP Success Factor tool, which resulted in lower participation and completion rates.

## Age distribution

Age distribution, all employees, 2024, %



Age distribution, Board and ICA Management Team, 2024, %



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## Health and safety metrics

Coverage by health and safety management system, %	2024
ICA Gruppen total	100

No. of work-related injuries	2024
ICA Gruppen total	1,624

No. of cases of recordable work-related ill health	2024
ICA Gruppen total <sup>1</sup>	179

<sup>1</sup> Excl. Lithuania.

Sickness-related absence, %	2024	2023	2022
ICA Gruppen total	5.8	6.0 <sup>1</sup>	6.9

<sup>1</sup> Corrections have been made to the previous year's figures.

Number of fatalities	2024
ICA Gruppen total	0

## Work-life balance metrics

Percentage of employees entitled to take family-related leave, %	2024
ICA Gruppen total	100

Percentage of employees that took family-related leave <sup>1</sup> , %	2024
Sweden	30
Baltic countries	
Lithuania	21
Latvia	17
Estonia	23
Asia	5

<sup>1</sup> Excluding care of relatives.

Breakdown of family-related leave taken <sup>1</sup> (%)	2024	
	Men	Women
Sweden	52	48
Baltic countries		
Lithuania	10	90
Latvia	14	86
Estonia	5	95
Asia	75	25

<sup>1</sup> Excluding care of relatives.



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## Remuneration metrics (pay gap and total remuneration)

Gender pay gap <sup>1</sup> , %	2024
Sweden	-1
Baltic countries	
Lithuania	5
Latvia	16
Estonia	2
Asia	N/A

<sup>1</sup> The difference in average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees. For example, a value of 5% should be interpreted as women having an average salary level of 5% lower than men, while a value of -5% should be interpreted as women having an average salary level of 5% higher than men.

**Comment:** The gender pay gap in Latvia is influenced by two drivers. Firstly, as there are less men than women in store jobs, average salary for men is influenced by a smaller relative impact by store salaries. Secondly, in office key expertise and leadership jobs, where Latvia has a high number due to regional HQ location, the relative portion of men is comparable to that of women, impacting the total average.

Annual total remuneration ratio <sup>1</sup> , %	2024
ICA Gruppen total	53

<sup>1</sup> The annual total remuneration ratio of the highest paid individual in relation to the average annual total remuneration for all employees.

## Whistleblower cases

Number of complaints within ICA's own workforce to raise concerns	2024
Total number of whistleblower cases received ICA Gruppen	36
of which cases classified as whistleblower cases by law	6

## Reporting principles

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. Sickness-related absence is calculated on a rolling 12-month basis up to and including November of the current year. Gender distribution, all management levels refers to all managers with responsibility for employees in the Group. The gender distribution for the board and ICA Management Team (IMT) refers 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 means individuals employed for an indefinite period or on a probationary basis, regardless of their degree of employment, as of November. Temporary employees means employees whose employment is for a limited term. The per-

centage 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. 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.



## Workers in the value chain

### Impacts, risks and opportunities

Operations at ICA Gruppen depend on workers in the value chain, such as employees at independent ICA retailers, grocery retail suppliers, producers within groceries, food, pharmacy products and construction materials as well as the contractors linked to new production, renovations or property management.

ICA Gruppen's actual and potential impact on workers in the value chain is mainly upstream, in the global value chain connected to food production. The areas where ICA Gruppen primarily has an impact include working conditions, equal treatment and opportunities for all, and other work-related rights. A risk for negative impact downstream occurs above all in connection to the working conditions for employees in retailer-owned ICA-stores. In the store environment, there are also risks connected to different types of violence or threats.

### Impacts in ICA Gruppen's value chain

#### Working conditions

There are challenges in the supply chain in terms of compulsory overtime and unfair wages, with a particular impact on women and migrant workers in primary production. A large portion of purchasing originates in countries with limitations in opportunities for social dialogue, freedom of association or collective bargaining. All together, these entail risks to the rights of the workforce. Impact on working conditions is real and is expected to continue in the medium and long term.

#### Equal treatment and opportunities for all

A large portion of the workforce in the agriculture sector and in factory production consists of women, who as a group are particularly vulnerable to shortcomings in local working conditions. Women are also generally more vulnerable to discrimination, infringements of rights, sexual harassment and violence. This applies to the supply chain as well as to employees at retailer-owned ICA stores. The challenges will likely remain in the medium and long term.



A lack of diversity is likely a challenge in ICA Gruppen's value chain since there is probably a lack of systematic work further up the value chain. This is expected to remain a challenge in the medium and long term.

#### Other work-related rights

ICA Gruppen also has an actual and potential impact upstream on other work-related rights. Situations such as compulsory or child labour likely arise in ICA Gruppen's value chains. The impact in low- and middle-income countries

primarily includes challenges related to access to water and sanitation. There is also an actual impact on privacy as a result of increased use of CCTV at workplaces. Overall, these impacts are likely to be persistent in the medium and long term.

#### Risks and opportunities for ICA Gruppen

ICA Gruppen has not identified any risks related to workers in the value chain with material impacts on own operations.

## S2 | WORKERS IN THE VALUE CHAIN

## Governance

Conditions for the workforce in the value chain are primarily regulated in global frameworks, local legislation and employment agreements between workers and employers. From ICA Gruppen's perspective, the relationship to workforce in the value chain is regulated at an overall level through the Code of Conduct and Sustainability Policy with its associated Sustainability Guideline, as well as in the sustainability appendices attached to all supplier agreements. In addition, there are also a number of policies and guidelines related specifically to employees in the supply chain and retailer-owned ICA stores.

### Policies and frameworks related to social aspects at suppliers in the value chain

ICA Gruppen's guidelines for grocery retail businesses and pharmacies state that products sold are to be produced in a way that ensures the absence of child and forced labour as well as the absence of discrimination. Workers at suppliers are to be guaranteed fair wages, freedom of association, working hours and the right to vacation and leave. Suppliers are to implement management systems to ensure compliance with laws and regulations in their country of operation. Production facilities in high-risk countries are subject to third-party certification or other equivalent monitoring/certification systems that ICA Gruppen accepts, for example Sedex Smeta and amfori BSCI (Business Social Compliance Initiative).

The sustainability appendices for products and services attached to sourcing agreements state that suppliers are to meet requirements based on principles established by the UN, the International Labour Organization (ILO) and the OECD. Product suppliers are recommended to revise their policies to comply with BSCI and to pursue certification according to SA8000 or other equivalent monitoring/certification system accepted by the Group.

Production facilities in high-risk countries are to hold valid third-party certification or other equivalent monitoring/certification system accepted by the Group. The Group's list of high-risk countries is based on the BSCI's list of high-risk countries, which is in turn based on the World Bank's Worldwide Governance Indicators (WGI). The current version is published on amfori BSCI's website.

The sustainability appendices cover suppliers for all of the operations and companies within ICA Gruppen.

Furthermore, ICA Real Estate also sets requirements related to working conditions in its contractor agreements for new construction and in the sustainability appendices connected to agreements for operation of properties.

### Policies and frameworks related to employees at retailer-owned ICA stores

#### Store policy (ICA's Good Business for Stores)

ICA Sweden's operations are based on a business model where economies of scale are combined with the local retailers' commitment, entrepreneurial skills and market knowledge. In this structure, ICA Sweden owns the rights to the store location and the brand, while the retailer owns and operates the store and is responsible for pricing and the assortment.

According to the statutes of the ICA-handlarnas Förbund, all ICA retailers are to use and manage the ICA brand in compliance with the ICA-handlarnas Förbund's store policy ICA's Good Business for Stores. The store policy is therefore to be followed by every ICA retailer. It includes an employee policy and a diversity and equality policy. These provide guidelines for physical and psychosocial work environments, training, wellness, diversity, protection of personal data and preventative work against harassment and abusive behaviour.



### Partnerships and external frameworks

	Focus	Relevant operations
Fair construction	To combat criminality and unfair competition in construction workplaces.	ICA Real Estate
ETI Sweden (Ethical Trading Initiative)	Sustainable business practices in global supply chains with particular focus on human rights and workers' rights.	ICA Sweden
Bangladesh Accord Pakistan Accord	Safety and working conditions within the textile and garment industry.	ICA Sweden

## S2 | WORKERS IN THE VALUE CHAIN

## Strategy and focus

As a major purchaser of groceries, food and pharmacy products, ICA Gruppen has a significant impact on employees in the value chain. There is less opportunity to influence than for the Group's own workforce, but ICA Gruppen strives to minimise risks and ensure a safe and secure work environment for employees in the value chain through clear requirements, active governance and continuous follow-up. There is particular focus on employees in high-risk countries, and employees in retailer-owned ICA stores.

**Focus on risk-based ways of working in line with due diligence principles**

ICA Gruppen has been implementing systematic social responsibility efforts for some time based on the UN's and ILO's conventions on human rights. Since 2021, ICA Gruppen has also been working on continuously developing its risk-based approach according to the principles of Human Rights Due Diligence (HRDD) and the Corporate Sustainability Due Diligence Directive (CSDDD). These efforts were established and decided upon by the ICA Gruppen Management Team.

The due diligence principles are based on the UN Guiding Principles on Business and Human Rights (UNGPR) and the OECD Guidelines for Multinational Enterprises. They guide companies in their risk management processes regarding human rights and the environment throughout the value chain. Companies are to apply due diligence to identify, act on and prevent adverse impacts on human rights and the environment based on the size of their own operations and the nature and context of their operations.

During the year, work continued to develop ICA Gruppen's risk-based way of working, primarily by clarifying procedures for impact analysis (see page 88) and its follow-up. Prioritised areas for the future include strengthening system support for evaluating social and environmental risks in the supply chain.

**Social audits of suppliers in high-risk countries**

All ICA Gruppen corporate brand suppliers in high-risk countries must be checked and approved by ICA Gruppen or by a third party. This requirement applies to ICA Gruppen's direct suppliers for the entire assortment. Direct suppliers for fresh fruits, vegetables and flowers are often wholesalers in Europe, which means a social certificate is also required for one sub-supplier down. If ICA Gruppen detects irregularities at a production facility used by the Group, a concrete action plan is established and followed up in a re-audit. The first time a supplier violates the contractual requirements, the supplier generally gets a chance to correct the problem. If the problem is fixed to the Group's satisfac-

tion, ICA Gruppen will keep working with the supplier. If the problem is repeated, the agreement with the supplier will be terminated.

**Follow-up of working conditions at suppliers in Asia**

ICA Sweden's purchasing office in Asia, ICA Global Sourcing (IGS), follows up compliance with social conditions at ICA's suppliers in Asia. IGS has a risk-based way of working, where they review social certificates from suppliers and potential suppliers in order to plan their own visits, whether announced or unannounced. IGS advises on how to manage deviations and when supplier relationships should be terminated. The office also is also the first point of contact in cases of complaints, for example through amfori BSCI's "Speak for change" grievance mechanism. IGS also monitors geopolitical developments in Asia with an eye on their potential impact on ICA's suppliers and their employees.

**Support to independent ICA retailers**

To provide HR support for independent ICA retailers, ICA Gruppen offers several independent services. In addition to administrative services such as salary administration and employment contracts, tools are also provided for systematic efforts in work environment, safety and fire prevention.

**High-risk ingredients**

ICA Gruppen has defined several high-risk ingredients that are associated with very substantial challenges in terms of the impact of their production on people, the environment and animal welfare. Risks for workers in the value chain include poor working conditions such as unfair wages and child or forced labour. For more information on work with high-risk ingredients, see page 115.

**The Swedish Platform on Risk Commodities**

Together with other Swedish companies, ICA has joined the Swedish Platform on Risk Commodities, which is coordinated by ETI Sweden (Ethical Trading Initiative). The platform is a cross-industry collaboration for a sustainable production and consumption of risk commodities. As a member, ICA Sweden undertakes to require verified more sustainable soy and palm oil in the goods handled by 2025, including for feed. ICA Sweden already today has verified more sustainable soy for its corporate brand products and in the feed used in production of them. Verification takes place both through physically certified soy and through a system for credits and mass balance, as the amount of physically certified soy in the market is limited.

## Actions and activities

**Follow-up of working conditions in berry forests**

ICA Sweden has been working for several years to prevent and act on risks related to berry picking. This has included the problem of migrant worker debt to employers, which can be classified as a form of forced labour. Among other things, ICA Sweden requires berry pickers to have collective agreements with guaranteed wages, holiday benefits and insurance policies. This is monitored through audits performed by external parties in which the social conditions are examined. They are also to have access to effective channels to report irregularities.

In 2024, ICA worked to better understand worker perspectives and needs, for example through on-site dialogues. Ongoing dialogues are held with suppliers on issues within workers' rights, such as debt and working hours. Together with other purchasing companies and berry companies, ICA Gruppen is also part of a working group led by ETI to introduce the Employer Pays Principle (EPP), whereby employers are to pay all costs associated with travel, accommodation and so on.

**Support to ICA-retailers in their role as employer**

A new sponsorship area was started within ICA Sweden in 2024 with the stated purpose of working with skills supply and HR issues for ICA stores. The new organisation provides support to retailers on topics like employer branding, skills supply and employer responsibility.

**Dialogue with suppliers and workers**

When appropriate, ICA Gruppen engages in dialogues with suppliers on current issues pertaining to worker rights. These can be based on either ICA Gruppen's own risk evaluation or matters noted by NGOs. This year's issues included working conditions and living wages on banana plantations as well as working conditions at Chinese fish-processing factories.

**Processes for enabling and increasing dialogue with value chain workers**

ICA Gruppen is working to develop a more structured method for dialogues with workers in the value chain. Since 2022, ICA Sweden has been working with ETI Sweden. This partnership within the framework of ETI Sweden's working group for food and beverages addresses issues such as those relating to working conditions and human rights in Swedish food and beverage supply chains. ICA Sweden is also part of ETI's working group for solar panels. Within the

## S2 | WORKERS IN THE VALUE CHAIN

framework of the ETI partnership, ICA Gruppen is also engaged in matters related to risk commodities and working conditions in citrus cultivation in Morocco, and in dialogue about working conditions in the berry industry.

ICA Sweden has previously signed the Pakistan Accord, which builds on the Bangladesh Accord to improve safety in the textile industry.

### Local presence through ICA Global Sourcing

Through subsidiaries and portfolio companies, ICA Gruppen has partnerships with several suppliers and factories in Asia, primarily in China. The majority produce goods for ICASwedens's special assortment – the part of the assortment that does not consist of food. To ensure quality and improve relationships with suppliers in China and other parts of Asia, ICA Gruppen has its own purchasing offices in Shanghai, Vietnam and Bangladesh, with purchasers and specialists within quality and social responsibility. This provides better insight into operations at the suppliers and also more opportunities for dialogues on requirements and expectations.

### Channels for raising concerns and whistleblowing

Workers in the value chain have the opportunity to report irregularities through the whistleblower service, WhistleB, which is available at icagruppen.se.

Retailer-owned companies covered by the Act on the Protection of Persons Reporting Irregularities are themselves responsible for providing such systems and for making information about them available.

Workers at ICA Gruppen's suppliers in Vietnam, Türkiye, Bangladesh, India and Cambodia that are subject to amfori BSCI audits have access to the "amfori Speak for change" grievance and redress mechanism.

## Targets and outcomes

### Outcomes of social audits

Share of socially audited suppliers/suppliers with approved social re-audits.

Socially audited suppliers, %	2024	2023	2022
Percentage of socially audited ICA Gruppen corporate brand suppliers in high-risk countries	95	95	93
Percentage of ICA Gruppen corporate brand suppliers in high-risk countries that have had an approved social re-audit	92	91	91

**Comment:** The share of suppliers with social audits remain on a high level, despite the numbers of suppliers increasing significantly in 2023. The number of suppliers increased partly due to efforts to reduce and manage the risk of supply disruptions due to extreme weather, and partly due to the focus on ensuring high value for money and attractive prices. At the end of 2024, a total of 95% (95) of suppliers of ICA Gruppen corporate brand suppliers in high-risk countries had undergone a social audit and 92% (91) had an approved social re-audit.

### Number of terminated contracts with suppliers due to non-compliance with social conditions

In 2024, ICA Gruppen decided to terminate agreements with four suppliers because they did not meet the Group's requirements on human rights or they had not made the necessary improvements since the first audit.

### Reporting principles

#### 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.



## Affected communities

### Impacts, risks and opportunities

ICA Gruppen's operations extend across many areas: **grocery retail, medicines and other pharmacy products, property development and management, and banking and insurance services. The breadth of the business means the Group has a potential impact – both positive and negative – in a great many areas. It affects individuals but also entire communities.**

#### Impacts in ICA Gruppen's value chain

In ICA Gruppen's value chain, there is an actual upstream impact on communities' economic, social and cultural rights. The impact includes the following areas:

- **Housing:** Factories and agriculture can have a negative impact on the surrounding environment, for example, with noise, odours, emissions to air and lack of stakeholder consultation.
- **Access to food:** Food and drug-related impacts in the form of pollution, and changes to nature and biodiversity could result in lower availability of food and soil contamination in nearby communities.
- **Water and sanitation:** Operations may also result in reduced access to drinking water and sanitation challenges in nearby communities.
- **Land-related impacts:** Landowners and communities could be negatively affected by the business operations. Plantations, mines and roads are often built on land where local inhabitants already live.

There is also an actual upstream impact on communities' civil and political rights as a result of purchases from countries where these rights are not respected.

Global purchasing, often from high-risk countries, has an actual and potential upstream impact on particular rights of indigenous peoples. This can for example concern indigenous people's rights to self-determination, cultural rights and control over land. Violations of the rights of indigenous peoples are often linked to the extraction of raw materials, but also to large-scale plantations, as for example for the production of palm oil and pineapples.

#### Risks and opportunities for ICA Gruppen

No material risks related to impact on affected communities have been identified. The opportunities include the potential to develop the offering based on a strong local presence, particularly in Sweden where ICA Gruppen's combined operations form an important part of the community infrastructure. This also involves active participation in ensuring Swedish preparedness and strengthening the robustness of the Swedish food system.

#### Governance

ICA Gruppen has signed the UN Global Compact and is thereby committed to its ten principles on human rights, labour, environment and anti-corruption. These, together with the UN Sustainable Development Goals and ICA Gruppen's internal policies and general guidelines, set the framework for ICA Gruppen's impact on affected communities.

Internal policies with a bearing on affected communities include ICA Gruppen's sustainability guidelines for retail and pharmacy operations, and the sustainability appendix for products. Among other things, these documents state that suppliers should have a due diligence process in place to ensure that negative impacts on human rights, the climate and environment in the supplier's value chain are identified and proactively addressed. For more information on these policies, see page 80.





## 53 | AFFECTED COMMUNITIES

**Strategy and focus****Active preparedness partner**

A deterioration in the security situation has highlighted the need to strengthen Sweden's ability to function in the event of a security policy crisis when trade with the outside world is limited. Given its presence in 286 municipalities in Sweden, ICA Gruppen plays an important role in contingency efforts. In 2024, a resilience analysis was conducted for ICA Gruppen's Swedish operations, with a focus on the ability to uphold vital society functions for customers in the event of crisis. In the analysis, access to food, medicines and secure payment solutions were identified as critical processes, where a good robustness is already in place, but where short and long term measures can increase resilience further.

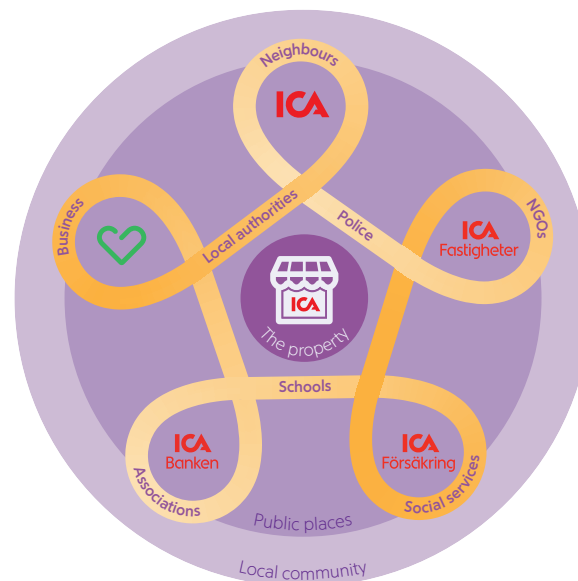
The efforts to increase preparedness are conducted within ICA Gruppen and in collaboration with others. For example, at the central level work is being conducted together with the Swedish Food Retailers Federation on industry-wide and competition-neutral planning. The aim is to ensure the conditions to secure functioning operations in the event of high alert. Similarly, Apotek Hjärtat works to ensure access to medicines. Locally, the independent ICA retailers have organised a national group that exchanges experiences and carries out pilot projects on collaboration in crisis situations.

As a whole, this work involves a great many different aspects. These include issues related to infrastructure, distribution and security, information efforts linked to home preparedness, and activities to ensure the long-term national food supply.

**Safe and secure places near ICA stores**

As a large and important player in the community, many of ICA's businesses contribute to developing safe and secure places around ICA stores. Each place has its own specific conditions and the aim of new construction or major renovation projects is to always base the project on the unique circumstances and needs of the specific location. Security issues are incorporated into the planning of new projects at an early stage through checklists and sustainability plans. Tenants' perceptions are measured in annual tenant surveys, which ICA Fastigheter works actively with, both in own operations and in dialogue with external property owners and the local community.

## ICA Gruppen's operations in Sweden contribute in various ways to safe and secure places

**ICA Stores**

A local and reliable actor that ensures access to food and services, but who also contributes to community engagement – for example, events and sponsorship.

**Apotek Hjärtat**

Contributes to ensuring access to pharmacy services and goods. A safe choice with long opening hours that stands for competence and care.

**ICA Bank**

Provides reliable payment solutions in stores and pharmacies, and lending.

**ICA Real Estate**

Develops long-term sustainable locations, and works as a property owner for good accessibility, infrastructure and safe traffic flows. Ensures safety maintenance and preventive measures such as lighting, welcoming spaces and clear signage.

Monitors leases and drives issues pertaining to security and good infrastructure around the store in relation to external property owners who have an ICA store as a tenant.

## S3 | AFFECTED COMMUNITIES

**Sponsorship, fundraising and non-profit activities**

ICA is involved in extensive sponsorship and fundraising activities at both the central and the local level. In Sweden ICA retailers account for a substantial and important part of ICA's sponsorship activity. Their commitment to local sports clubs, cultural events and social sponsorship is impactful.

In addition to the individual commitments of the ICA retailers in their local communities, the ICA Stiftelsen foundation conducts extensive activities based on the vision of a society that includes everyone. The ICA Stiftelsen foundation provides financial support to projects that can make a difference both locally and nationally, with the potential to spread further, has established long-term partnerships with selected non-profit organisations and associations, and runs its own initiatives aimed at inspiring and engaging local associations and local ICA retailers to work together towards a more sustainable future.

**Identifying and mapping impacts in accordance with Human Rights Due Diligence**

Since 2021, ICA Gruppen works continually to develop a risk-based way of working, in line with the principles for Human Rights Due Diligence (HRDD) and Corporate Sustainability Due Diligence (CSDD). The purpose is to identify, prevent and mitigate both actual and potential negative impacts on human rights, climate and the environment. This work builds upon international established frameworks such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (read more on page 136).

**Processes for dialogue and remediation**

The HRDD process for identifying and mapping impacts includes dialogues with affected communities and stakeholders. Since potential negative impacts on communities primarily occur several levels upstream in ICA Gruppen's value chain, dialogue is mainly conducted through industry initiatives and organisations that are regarded as representing the interests of affected communities. Priority areas for development for the next few years include establishing procedures for remediation in the event of human rights and environmental incidents in ICA's value chain.

**Efforts to reduce negative impacts caused by food production**

Both food production and pharmaceutical manufacturing have a significant actual and potential impact on affected communities. Read more about how ICA Gruppen works to reduce negative impacts from climate emissions (pages 92–102), pollution (pages 108–110), water and marine resources (pages 112–113) and biodiversity and ecosystems (pages 115–117).



## S3 | AFFECTED COMMUNITIES

## Actions and activities

**Activities related to preparedness, national self-sufficiency and strengthening the robustness of the Swedish food system**

During the year, ICA Gruppen participated in a number of initiatives aimed at strengthening Swedish preparedness, improving the conditions for national self-sufficiency and strengthening the robustness of the Swedish food system.

The responsibility for crisis preparedness in Sweden is spread between several different authorities and organisations. But every person also has a responsibility to be prepared and handle a crisis. The recommendation in Sweden is that everyone should be able to cope by themselves without help from society for up to one week. During "Preparedness Week," the Red Cross was present in hundreds of ICA stores throughout Sweden to provide information about how and why you need to be ready for a crisis. The campaign's slogan was "Get ready for a crisis with us!" and the aim was to raise public awareness – and thereby improve Sweden's civil preparedness. Preparedness Week is an initiative started by the Swedish Civil Contingencies Agency (MSB).

During the year, ICA Gruppen also participated in many activities that were part of the Swedish Food Retailers Federation's efforts to strengthen the robustness of the Swedish food supply chain.

This also included continuing initiatives during the year to support local food producers and thereby facilitate a thriving Swedish agricultural sector. Initiatives include the collaboration with LRF (Federation of Swedish Farmers), which began in 2014 and has the overall goal of broadening the range of Swedish goods in stores, while also contributing to sustainable Swedish agriculture. There is also comprehensive dialogue under way with suppliers to promote food production in Sweden.

**24/7 Stores increase accessibility**

Within ICA, Rimi Baltic and Apotek Hjärtat the store and pharmacy network is continually being optimised. In addition to improvements to existing stores and pharmacies, new types of concepts are being tested. To increase the level of service and accessibility, for example, unstaffed and 24-hour grocery stores are being tested in several locations in Sweden and the Baltics. Some are located adjacent to existing stores, while others are in standalone locations. Most are in sparsely populated areas or small towns. To access the unstaffed stores in Sweden, customers use the ICA ToGo app and Swedish, Danish or Norwegian BankID. At the end of 2024, there were 62 unstaffed stores in Sweden and there are plans to open more in the years ahead.

**Safety in focus at ICA Real Estate**

During the year, ICA Real Estate decided to conduct annual neighbourhood security walks at all active properties, designed in accordance with the Swedish National Board of Housing, Building and Planning's recommendations. Following each walk, a list of measures to increase safety and security in and around each property is created. Safety and security in and around stores was also the theme of the annual sustainability training that ICA Real Estate arranged for all its employees.

**Initiatives and partnerships for more local meeting places**

A priority area for the ICA Stiftelsen foundation is to create more meeting places in the local communities where ICA operates, for example, through the projects financed via the sale of ICA's own Folke cheese and the collaboration with the Swedish Football Association (SvFF). Under the Folke Initiative, non-profit organisations across the country can apply for funding to create new, local meeting places, which also encourage exercise. During the year, a new mountain bike trail was opened in Arbrå, an activity facility in Järpen and a sports field in Åsele. Within the framework of the collaboration with SvFF, local football clubs can apply for funds to create more social and positive meeting places around football. Some examples are a new barbecue area for the association, a new outdoor seating area for the local club or a new changing room. For example, a new stand was opened at a sports ground in Västra Frölunda during the year.

## Targets and outcomes

**ICA Real Estate is to have a safety strategy**

ICA Real Estate's Sustainability Strategy includes the objective of having a safety strategy, and working together with tenants and suppliers to create safe and secure places.



## Consumers and end-users

### Impacts, risks and opportunities

As Sweden's largest actor both in grocery retailing and in pharmacy operations, and with a significant presence in the Baltic countries, ICA Gruppen's products and services reach a large number of consumers. This role entails considerable responsibility, and the ability of consumers to feel confident about both the content of the products and the handling of customer data comprises a prerequisite for ICA Gruppen's operations.

#### Impacts in ICA Gruppen's value chain

##### Information-related impacts

ICA Gruppen's operations handle a large amount of data, both in relation to the products sold, and in relation to ICA Gruppen's customers. Negative impact on consumers may arise if these do not have correct information about food, pharmaceuticals, and other products, or if ICA Gruppen does not ensure their personal integrity when managing data.

##### Personal safety

In the production of goods sold in stores and pharmacies, pesticides, chemicals and additives are used among others things, that may have potential negative impact on consumers' health and safety. Inaccurate or limited product information also risks impacting consumers' health negatively in the worst case, for example in the case of allergens in food. Any inaccuracies may be unintentional or the result of deliberate misleading information, or food fraud.

From a child perspective, product safety and information is especially important, as children are particularly sensitive to hazardous chemicals, potential shortcomings in product information, and food with e.g. low nutritional value.

The provision of healthy food and individualised information and advice on medicines has an actual and potential positive impact on personal health.

#### Access to products and services

Downstream, there is a potential negative impact on consumers' access to critical products and services, related to any disturbances in payment systems.

#### Risks and opportunities for ICA Gruppen

Failure to comply with legal or regulatory requirements, shortcomings in the handling of data related to privacy, negative health impacts or deficiencies in payment systems could result in brand damage and also lead to negative financial impacts. On the other hand, capitalising on opportunities related to ensuring consumer access to critical products and services such as food, medicines, mail handling and payment services could strengthen the brand and ICA Gruppen's offering, with a potential positive financial impact.





## S4 | CONSUMERS AND END-USERS

## Governance

Internal policies with a bearing on consumers and end-users include ICA Gruppen's sustainability guidelines for retail and pharmacies. These include guidelines for quality management systems and the certification of suppliers of ICA Gruppen's private label products.

The goods that ICA Gruppen sells must meet requirements and expectations, and must maintain high standards in terms of the impact of their production on people, the environment and animal welfare. They must be safe to use and produced under good working conditions and in compliance with applicable animal welfare legislation. The requirements are defined in the Group's sourcing agreements which include a sustainability appendix.

ICA Handlarnas Förbund's store policy emphasises that the ICA store's information and communication must be factual, correct and relevant, and that customers should be treated well and have their views taken into account. The Store Policy also sets out how the store should act in relation to the sale of age-restricted products. It also states that all ICA stores must comply with the

Swedish standard for food handling in stores. The standard has been developed to meet the industry-specific requirements and conditions that exist for handling food in stores. The standard is based on the industry guidelines 'Säker Mat i din butik' (Safe Food in your store), which have been approved by the Swedish National Food Agency. The standard is intended for those businesses that handle and sell food to end-consumers. Stores that are certified have been audited and approved by an accredited third party/certification body.

ICA Gruppen's Data Protection Policy describes the Company's objectives for its data protection work, ICA's guiding principles and the GDPR's basic principles for data protection work. The Policy further states that the Company shall have an organisation for data protection governance and management as well as systematic data protection management to enable compliance. In so doing, in its operations the Company must comply with applicable data protection legislation and strive to adhere to guidelines, industry standards, standardisation and leading practices in the field.



## Long-term soundness of consumers' personal finances

ICA Bank's instructions for sustainability work make it clear that the Bank must strive to encourage customers to make sustainable choices, and enable economic activities that create increased prosperity for current and future generations. This involves, among other things:

- Applying good lending practices to reduce the risk of over-indebtedness,
- Having fair and sound forbearance management in the event that payment difficulties arise,
- Having a fair, sound and effective complaint handling system,
- Working actively to prevent the risk of the Bank and its customers being used for money laundering and terrorist financing,
- Working actively to prevent the Bank's customers from being exposed to fraud in the context of their engagement with the Bank,
- Informing and providing advice and tips on sustainability, sustainable choices, and alternative solutions in relation to financing/credit, savings and insurance distribution, where appropriate, and in general, communication with the Bank's customers eg. via the website or marketing.



## S4 | CONSUMERS AND END-USERS

## Strategy and focus

**Quality certified suppliers**

ICA Gruppen's product safety work is based on ensuring that all suppliers have sound and safe production processes. This is achieved by ICA Gruppen's suppliers being required to sign the Group's sourcing agreement with sustainability appendix. ICA Gruppen requires its corporate brand food suppliers to be third-party certified to a product safety standard approved by the Global Food Safety Initiative (GFSI). These standards include food safety management systems, Hazard Analysis and Critical Control Points (HACCP) and good manufacturing practices. Local suppliers of ICA Gruppen's corporate brand products can also be certified to local standards (in addition to GFSI-approved standards), allowing small suppliers to safely supply products. This system promotes local production and facilitates ICA Gruppen's local adaptation. Suppliers of corporate brand cosmetics and hygiene products are required to be certified to BRC Global Standard Consumer Products (BRC CP) or an equivalent standard. For other suppliers of corporate brand non-food products to ICA Gruppen, the goal is to be certified to BRC CP, ISO 9001 or an equivalent standard.

**Quality assurance of products**

Quality assurance of products is a central area for ICA Sweden, Rimi Baltic and Apotek Hjärtat. Quality tests and follow-up inspections are carried out regularly by ICA Gruppen's suppliers as part of their quality programmes, and each OpCo has well developed processes and routines in place to ensure both compliance with product criteria and sensory qualities. The exact routines vary by OpCo, but include for example risk-based sample testing, and a careful examination of ICA Gruppen's corporate brand products to ensure they comply with both agreed product specifications and internal requirements for e.g. nutritional value, origin of ingredients and packaging information.

For other suppliers (A-brands), requirements are set for ingredients and packaging text for food, food supplements, chemical products, personal protective equipment (PPE) and medical devices. For cosmetic products, suppliers for both corporate brand products and A-brands, must complete a self-declaration regarding compliance with current legislation and Apotek Hjärtat's requirements for ingredients in Apotek Hjärtat's Restricted Cosmetic Ingredients.

**Prevention of food fraud**

ICA Gruppen works actively to prevent food fraud. The main initiatives include work on quality certificates, analysis and unannounced audits, along with industry collaboration. ICA Gruppen is also engaged in continuous dialogue with the food industry and relevant authorities.

The Group has conducted an internal vulnerability analysis in accordance with GFSI (Global Food Safety Initiative) requirements and has its own action plan to prevent food fraud.

**Quality work in stores**

The Swedish ICA stores apply the Swedish standard for food handling in stores. Rimi Baltic uses its own standards for food handling based on Swedish standards and covering all of the store formats in Estonia, Latvia and Lithuania. In Sweden as well as the Baltic countries, continuous internal audits of stores are conducted in regard to the store's entire food handling. The audits enable issues to be proactively addressed to increase customer satisfaction and improve processes. In addition, they promote a culture of quality, responsibility and continuous improvement.

Each ICA retailer is responsible for ensuring that the store's employees have the knowledge required to comply with the store policy by continuously training, involving and informing employees. The starting point is that any non-compliance with the store policy should primarily be addressed by the ICA retailer with the support of ICA. Several tools are available to facilitate compliance with the store policy, such as ICA's self-monitoring tool and the supplier portal.

**Quality work in pharmacies**

The quality management system in each individual pharmacy, the so-called self-monitoring programme, is governed by regulations issued by the Swedish Medical Products Agency (MPA). All pharmacies have a pharmacist who is responsible for ensuring compliance with the requirements and who also reports to the MPA if there are serious operational deficiencies. In addition, this pharmacist carries out an inspection of the pharmacy every year. Apotek Hjärtat has quality assurance specialists who conduct regular internal inspections to ensure that its pharmacies maintain a high level of quality and follow the

self-monitoring programme. All pharmaceuticals in Sweden are subject to quality assurance carried out by the MPA, and pharmacies have an obligation to provide approved prescription drugs. Other products go through quality control performed by Apotek Hjärtat before they are added to the assortment.

**Medical product safety**

The medicines that are prescribed and to what extent is completely controlled by the healthcare prescriber and therefore not something that pharmacies can, or should, influence. Nevertheless, pharmacies play a crucial role in ensuring effective and correct use. The pharmacies' mission is to provide a responsible supply of medical products and basic pharmaceutical advice. It also includes a pharmacological assessment of prescriptions dispensed to identify any risks associated with the medication.

Apotek Hjärtat shall offer medicines in a safe manner, while also promoting effective and cost-efficient use of medicines. Through close contact with customers and scope for personal advice, there are good opportunities to contribute to better health for the individual, reduce government costs for medicines and limit the negative environmental impact that medicines can cause.

Apotek Hjärtat provides advice and information about medicines and preventive health – in pharmacies, by phone, via email or the chat function at apotekhjartat.se. Most prescriptions are still dispensed in pharmacies and this interaction with customers provides the best opportunity for advice, dialogue and information.

More than 90% of the prescriptions dispensed in Swedish pharmacies are processed electronically. In addition to making life easier for the customer, e-prescriptions also make it possible to reduce the risk of medication errors. The use of e-prescriptions has enabled the introduction of electronic decision support for pharmacists, known as electronic expert support (EES). This means that the current e-prescription is analysed both individually and in combination with the customer's previous prescriptions. It helps pharmacists detect whether the customer has been prescribed medicines that clash with each other, are inappropriate or have too high a dosage. The service therefore contributes to better use of medical products, while also saving costs both for customers and for society at large.

## S4 | CONSUMERS AND END-USERS

**Certifications and standards for quality management and food safety in purchasing and logistics**

The ISO 9001, ISO 22000 and BRC S&D standards are used for the certification of ICA Gruppen's operations. ISO 9001 is a quality management standard for business processes, ISO 22000 is a management system for food safety and BRC S&D is a standard specifically designed for logistics operations dealing with food.

	ISO 9001	ISO 22000	BRC S&D
ICA Sweden, logistics operations <sup>1,2</sup>	–	2017	2012
ICA Real Estate <sup>1</sup>	–	–	–
ICA Sweden, sourcing operations <sup>1</sup>	2012	–	–
ICA Special, sourcing operations <sup>1</sup>	2012	–	–
Rimi Baltic, sourcing operations <sup>1</sup>	2015	–	–
Rimi Baltic, Rimi-owned ware-houses <sup>1</sup>	–	–	2014

<sup>1</sup> Year first certified.

<sup>2</sup> ICA Sweden's logistics operations were certified to BRC S&D in the years 2012–2016.

**Processes for engaging with consumers and end-users****Processes for errors in product content or labelling**

Despite preventive actions in quality management, errors do occur, such as the detection of an allergen or unauthorised substance that should not be present in a product. If an error is detected, there is an established handling process, including procedures for recalling the product. If it is suspected that a product ICA Gruppen has sold may pose a health risk, the Group contacts the relevant supervisory authority, takes the product off the shelves and distributes a press release announcing a recall. Recalled goods are then flagged in the system, all the way to the store, so they cannot be sold at checkout. Recalls of goods and medicines within Apotek Hjärtat are processed in a similar manner.

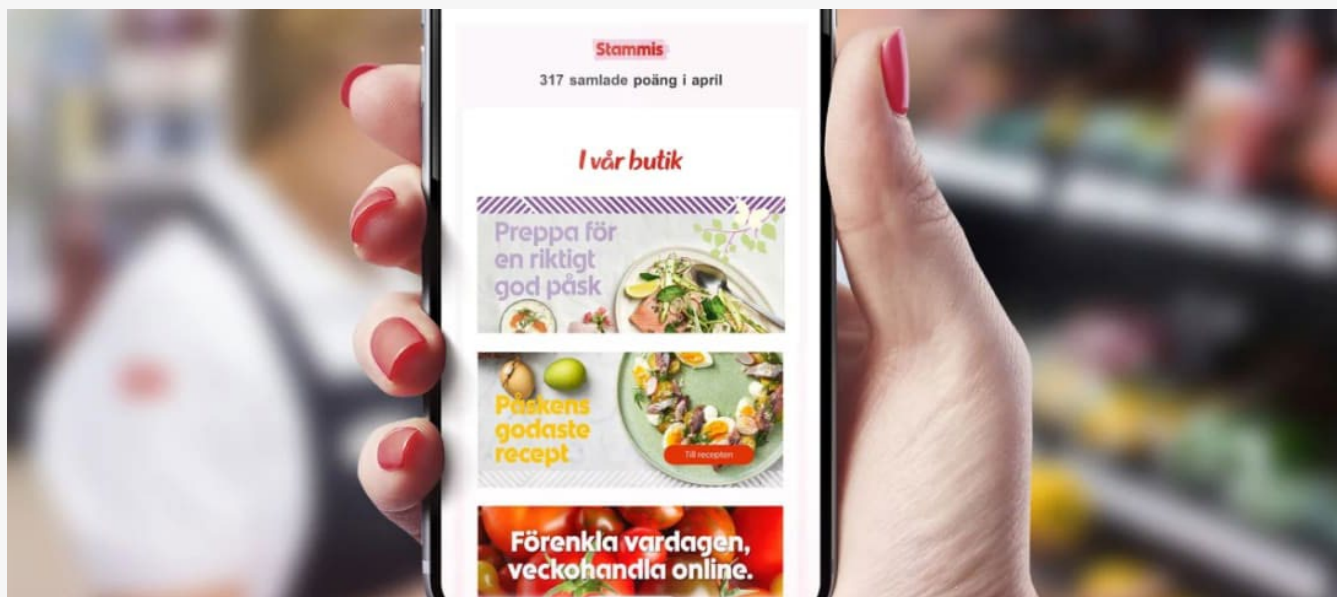
**Processes to remediate negative impacts and channels for consumers and end-users to raise concerns****Channels for inquiries, claims and complaints**

For ICA Sweden's private label products, complaints can be submitted by phone, email, chat and chatbot. Depending on the nature of the complaint, the case is escalated to the appropriate level of handling. Cases involving foreign objects, suspected food poisoning, allergic reaction, property damage, dental or other personal injury are always processed manually and in accordance with established procedures. More serious cases are followed up by a special unit, and include further contact with product managers, suppliers and insurance companies. Members of ICA Gruppen's loyalty programme Stämmis, who state their membership when making a complaint, are usually reimbursed within three to five days. For customers who are not members of Stämmis, it can take up to 14 days to receive reimbursement.

Complaints about external brands are made by contacting the supplier, or the store in which the product was purchased.

Complaints about products purchased from Rimi Baltic can be made via customer service or in-store. Rimi Baltic applies established processes for handling quality requirements, recalls and public recalls, both centrally and in stores.

Complaints at Apotek Hjärtat follow slightly different procedures depending on whether they are related to medicines or goods for resale, but always proceed from the starting point of acting promptly and in an accommodating manner. In the event of a complaint about a medicine, the customer has the right to request a response from the pharmaceutical company via the pharmacy.



## S4 | CONSUMERS AND END-USERS

## Targets and outcomes

## Public recalls (ICA Gruppen)

	2024	2023	2022
Total	107	80	77
Corporate brand products	32	24	11

**Comment:** If it is suspected that a product ICA Gruppen has sold may pose a health risk, the Group contacts the relevant supervisory authority, takes the product off the shelves and distributes a press release announcing a recall. A recall means that the product is immediately stopped at the checkout and is no longer available for sale. A recall is always followed up with the supplier through a visit and/or documented feedback on the measures the supplier has taken to prevent any reoccurrence.

The increase in recalls during 2024 can above all be attributed to larger recalls related to suspected or confirmed cases of salmonella, for eggs, and for pre-packed salad, where a large number of products were recalled as a precautionary measure.

## Number of analyses to detect food fraud

During the year, 20 analyses were performed as part of efforts to counteract food fraud in ICA Sweden, and 26 within Rimi Baltic.

## Quality-certified stores and stores that have implemented the Swedish standard for food handling in stores, ICA Sweden, number

	2024	2023	2022
Accepted by inspection body	517	581	604
Adopted the standard	1,093	1,105	1,093

**Comment:** The lower number of stores that are either accepted by inspection bodies or have implemented the Swedish standard for food handling in stores was strongly impacted by the pandemic, which made in-store audits performed either by ICA Sweden's sustainability coaches or external auditing firms more difficult. The challenging external environment in recent years has also continued to require some reprioritising in store operations, especially in smaller stores.

## Quality-certified suppliers, %

	2024	2023	2022
Percentage of quality-certified ICA Gruppen corporate brand suppliers	95	94	93

## Reporting principles

## 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 unauthorised chemicals, pesticides, sensory perception, microbiology and food fraud. The tests are performed both externally and internally.





# Responsible business conduct

The ambition of ICA Gruppen is to be a positive force in society. As part of this endeavour, the Group's continuous work focused on ethics and anti-corruption is of critical importance, and the Group works actively to ensure compliance both with external and with internal frameworks.



# Business conduct

## Impacts, risks and opportunities

**The ambition of ICA Gruppen is to be a positive force in society. As part of this endeavour, the Group's continuous work focused on ethics and anti-corruption is of critical importance, and the Group works actively to ensure compliance both with external and with internal frameworks.**

Corruption and deficiencies in business conduct are not only wrong, but may have a negative impact on the development of society at large and on ICA Gruppen's specific markets and value chains. Corruption tends to harm those who are already the most vulnerable while increasing inequalities, undermining democracy and having a generally negative impact on investments and economies.

ICA Gruppen's supply chains are complex and often consist of several stages, not seldom with suppliers and sub-suppliers in high-risk countries with an elevated risk of corruption and bribery. Any deficiencies in governance and corporate culture risk leading to negative effects also on compliance with environmental and social standards. A sound business culture is also important downstream, among independent ICA-retailers and in their respective business relationships.

ICA Gruppen is in many aspects a large actor, and how the Group manages supplier relationships and ensure adherence of competition regulations is therefore of particular importance.

As pertains to animal welfare, there is a significant risk of non-compliance with animal welfare requirements in the supply chain, both in European production and in production outside the EU.

## Risks and opportunities for ICA Gruppen

Crimes, abuse or misconduct related to corruption or deficiencies in business conduct in the Group's own operations, among suppliers and partners or among independent ICA retailers give rise to risks in relation to confidence in ICA Gruppen's and ICA's brands among customers, current and potential employees, suppliers, partners and the external environment. Breaches of laws and other regulations may also result in a negative financial performance due to the imposition of fines.

Swedish and European legislation impacts both ICA Gruppen's operations and the conditions in the value chain, and can lead to both risks and opportunities. A responsible engagement in the development of public policy, primarily through industry associations, is therefore material to ICA Gruppen.





## G1 | BUSINESS CONDUCT

## Governance

Neither ICA Gruppen nor its management accepts any form of bribery and active steps are taken to ensure that this does not occur. ICA Gruppen works in accordance with a business conduct governance model that has been applied within the Group since 2015. This includes the Code of Conduct, the Business Ethics Guideline, the whistleblower service, risk analysis, training, communication and reporting.

**Guidelines for business ethics and corporate culture**

Efforts to prevent business conduct risks are based both on external frameworks and on internal rules and guidelines. The external frameworks include the laws and regulations applicable to the business, industry practice and general good practice. This also includes compliance with the UN Global Compact, the UN Guiding Principles on Business and Human Rights, ILO's core conventions and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. ICA Gruppen also complies with the Code of Business Conduct (Swedish Anti-Corruption Institute).

The internal rules include ICA Gruppen's Code of Conduct and ICA Gruppen's Business Ethics Guideline. The Business Ethics Guideline describes ICA Gruppen's business principles and anti-corruption guidelines, including how to approach gifts and benefits, conflicts of interest and fair competition. All employees, internal consultants and board members within ICA must comply with ICA Gruppen's Code of Conduct and Business Ethics Guideline. There are also internal instructions that regulate corporate hospitality, meetings and travel.

**Policies related to business conduct**

- Code of Conduct
- Business Ethics Guideline
- Data Protection Policy
- Insider Policy
- Communication Policy
- Tax Policy
- Sustainability Policy

The basis for conducting business with ICA Gruppen, and internally within ICA Gruppen, is defined in the Code of Conduct and the Sustainability Policy. Suppliers and partners are expected to follow the intentions of these and act ethically and responsibly. By signing agreements, suppliers and partners undertake to meet ICA Gruppen's requirements.

A sound corporate culture forms the foundation for corporate social responsibility and ethical conduct. ICA Gruppen's corporate culture is based on the Group's values of simplicity, commitment and entrepreneurship. Simplicity means an approach that shines the spotlight on clarity, honesty and trust in each other. Commitment means a shared responsibility for the business, working methods and the external environment. Entrepreneurship refers to the pursuit of being empowered, customer-focused and seeking continuous improvement.

**Responsibility and governance**

ICA Gruppen's Board of Directors endorses the Code of Conduct and makes revisions to it. Similarly, the CEO approves the Business Ethics Guideline. ICA Gruppen's legal department prepares matters that relate to business conduct. Monitoring of the performance of operating companies is conducted according to ICA Gruppen's established process for monitoring compliance with policies and guidelines.

Business conduct aspects are also included in the annual risk analysis that is carried out for each company within the Group. The members of the ICA Management Team are responsible for ensuring that the Group's Business Ethics Guideline is implemented in their respective areas of responsibility. Managers within the Group are in charge of oversight and compliance. All employees are responsible for familiarising themselves with the content of ICA's governing documents and acting in compliance with them.

## Strategy and focus

**Management of relationships with suppliers**

The relationship with suppliers is ultimately regulated in the sourcing agreements with associated sustainability appendix that are prepared in connection with the signing of contracts. The agreements regulate anti-corruption and define specific product requirements. They also contain clauses requiring due diligence in relation to human rights, environmental protection and animal welfare, in line with internationally recognised principles.

Suppliers must ensure that these requirements are communicated to and implemented by all subcontractors involved in production or other activities on behalf of ICA Gruppen. Suppliers must also inform ICA Gruppen of any subcontractors involved in production or operations. The supplier is responsible for ensuring the compliance of these subcontractors with the requirements stipulated in the contract.

The agreement also states that ICA Gruppen, in agreement with the supplier, has the right to visit or audit the supplier if there are grounds to believe that there is non-compliance with any of the Group's requirements. ICA Gruppen is also entitled to relevant information about production facilities. In the event of detected or suspected non-compliance with requirements, the supplier must provide a detailed written description of the breach identified.

The sustainability appendix attached to all contracts also states that suppliers should have a due diligence process in place to ensure that negative effects on human rights and the environment in the supplier's value chain are identified and proactively addressed.

The greatest risk of non-compliance with ICA Gruppen's Code of Conduct and the sustainability appendix contained in specific sourcing agreements is deemed to be related to goods manufactured in or containing ingredients or materials from high-risk countries. High-risk countries are identified according to the amfori BSCI 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. All ICA Gruppen corporate brand suppliers in high-risk countries must be checked and approved by ICA Gruppen or by a third party. For more information on the findings of the social audits in 2024, see page 137.

## G1 | BUSINESS CONDUCT

**Prevention of corruption and bribery**

ICA works systematically to prevent corruption and maintain high ethical standards in relations with employees, suppliers, customers and its external environment. ICA Gruppen provides internal online training to ensure that all employees are familiar with the Business Ethics Guideline and act accordingly. The training is mandatory for all salaried employees within the Group.

The number of employees who have completed the online training is monitored and reported internally to the Board. To complement the online training, classroom-based courses are provided to the groups of employees who are the most exposed to business conduct dilemmas. To make it more accessible, this training can also be completed digitally. Employees also have access to local information, e.g. through a digital platform for information and training in the area of business conduct. Additional information is also provided on an ongoing basis to spread awareness about business conduct within the Group.

In day-to-day operations, each company subsequently works to ensure compliance with the principles for business conduct. ICA's central sourcing agreements contain rules stating that ICA employees may not accept or request gifts, corporate hospitality or other personal benefits that risk being improper. Under the agreements, suppliers must have implemented rules and procedures to prevent bribery, corruption and unethical business practices.

**ICA's Accountability Committee**

ICA Gruppen and the ICA retailers' membership organisation, ICA-handlarnas Förbund, have jointly created an accountability committee tasked with addressing matters relating to the commitments of the ICA retailers and their responsibilities and obligations pursuant to the statutes of ICA-handlarnas Förbund. The Accountability Committee can issue reminders or warnings and can expel members from ICA-handlarnas Förbund. The Committee consists of representatives from ICA Gruppen, ICA Sweden and ICA-handlarnas Förbund.

**Whistleblower service**

ICA Gruppen's online whistleblower service allows employees and other people subject to Sweden's whistleblower law to anonymously report any irregularities that they believe contravene laws or rules applicable to the business. Anyone at ICA Gruppen can raise concerns about irregularities without risking any negative reaction from the company.

The whistleblower service has clear procedures and processes for how to handle any issues reported. The service is available – via internal separate whistleblower channels – for ICA Gruppen's companies in Sweden, the Baltic

countries and Asia. Confidentiality and independence will characterise any investigations of reported incidents.

**Political influence and lobbying activities**

ICA Gruppen has an interest in maintaining good contacts with decision-makers relevant to the different operations within the Group. Through dialogue, decision-makers are made aware of the consequences of proposed policies and planned legislation.

A key element of this work entails being transparent and showing the various components of the ICA system, from warehouses and logistics to the retailer-owned stores, to thereby increase knowledge and understanding of ICA Gruppen's operations as well as their preconditions and social function. A large part of this work is performed in collaboration with sector and business associations at national and European level. In Sweden, the Group mainly collaborates within Svensk Handel (Swedish Commerce) and the Swedish Food Retailers Federation, but also in Svenskt Näringsliv (Confederation of Swedish Enterprise). At European level, collaboration with others takes place through the EuroCommerce and Independent Retail Europe organisations.

ICA Gruppen is included in the EU Transparency Register, which lists organisations that seek to influence legislation and policy implementation of EU institutions through dialogue and meetings with legislators. In the case of ICA Gruppen, this mainly concerns Swedish Members of the European Parliament.

ICA Gruppen is non-partisan, and does not make financial or other donations to political parties.

**Payment practices**

ICA Gruppen is subject to the following legislation and industry agreements with regard to payment practices:

**The Interest Act**

Section 2a of the Interest Act stipulates that a claim falls due for payment no later than 30 days after the creditor has demanded payment of the claim. Longer payment terms can be arranged between traders when expressly agreed between the parties.

**Code of Conduct for Swedish SME companies**

An industry agreement joined by ICA, among others, with the aim of combating excessive payment times. This entails payment terms for small and medium-sized enterprises of not more than 30 days from receipt of invoice. The

Code of Conduct is managed by the Association for efficient business transactions for companies (Föreningen för effektiva affärstransaktioner inom näringslivet).

**The Act on Prohibition of Unfair Trading Practices**

ICA Gruppen is subject to the Act (2021:579) on the prohibition of unfair trading practices when purchasing agricultural and food products. The rules aim to protect suppliers of agricultural and food products from certain unfair trading practices by their buyers. Key components of the law include provisions stipulating payment within 30 days, prohibitions on cancelling orders later than 30 days and unilateral changes to terms and conditions, such as price, payment, volume and location.

**Law on the reporting of payment times**

ICA is required to report annually on average agreed and actual payment times, as well as the proportion of invoices paid late, for companies with fewer than 250 employees.

**Animal welfare**

ICA Sweden sets standards both for Swedish and imported meat – not only for its private label products, but also for products from other suppliers. The requirements are based on Swedish animal welfare legislation. In general, animals must be treated well, protected from unnecessary suffering and kept in an environment that promotes their health and natural behaviour. Suppliers of all fresh and frozen meat in ICA Sweden's central assortment have been approved following an animal welfare audit. Meat from Swedish suppliers, whom are controlled by Swedish laws, is audited based on a risk assessment by ICA Sweden. These audits may, for example, verify how the animals are reared, and how they are treated during transport and slaughter. The audits are conducted either by ICA Sweden's own quality specialists or by a third party.

In 2024, Rimi Baltic developed an animal welfare policy which defines overarching requirements and expectations in relation to the assortment. The policy forms the basis for educational activities in the sourcing organisation and in relation to suppliers, and will lay the foundation for future follow-up of requirements.

ICA Sweden does not sell eggs from hens raised in cages in its central assortment, and in the Baltics, Rimi is working for a transition to cage-free eggs.

## G1 | BUSINESS CONDUCT

## Actions and activities

**Launch of Code of Conduct**

During the year, ICA Gruppen's Code of Conduct was implemented, consisting of shared values and business principles, and describing ICA Gruppen's commitment to conducting sustainable operations that are responsible, efficient and transparent. The Code of Conduct applies to all employees, internal consultants, managers and Board members of ICA Gruppen and its direct or indirect subsidiaries or associated companies.

**ICA retailer expelled from ICA-handlarnas Förbund**

During the year, the ICA Accountability Committee decided to expel a retailer due to non-conformance with the requirements for membership. The decision was prompted by very serious health and safety concerns, and means that the retailer in question may no longer operate a store under the ICA brand. The Committee has addressed around 15 cases since its formation in 2008, issuing warnings and reminders, but this is the first time the Accountability Committee has expelled an ICA retailer.

**Animal welfare****Continued focus on improving animal welfare in the poultry industry**

In autumn 2023, there were media reports of irregularities among multiple operators upstream in the broiler chicken industry, and in 2024 there were further reports of irregularities in chicken production. ICA takes a serious view of the reports, and continues to engage in dialogue with suppliers – both independently and as part of industry associations – on how requirements are set and how they monitor animal welfare in their operations and the value chain.

ICA Sweden also held discussions with its chicken suppliers regarding their position on slow-growing breeds, which offer better conditions for safeguarding animal welfare. While ICA Sweden already offers a wide assortment of products from slow-growing breeds, these only account for a small percentage of sales in the category.

ICA routinely monitors the development of purchasing criteria to further protect animal welfare in chicken production, but has chosen not to support the European Chicken Commitment (ECC), which consists of a number of welfare criteria that can be applied in connection with sourcing chicken. The reasons for this include the fact that the initiative omits a general requirement specifying access to an outdoor range, and instead has this as an expanded requirement for certain origins, such as Sweden. In ICA Sweden's opinion,

the requirement as it is formulated today would entail an increased risk of avian influenza, campylobacter and salmonella.

**Transition to cage-free eggs in the Baltics**

Rimi has initiated a number of activities to ensure a smooth transition to cage-free eggs in the Baltic markets. During the year, an open meeting was arranged with leading producers and the Latvian animal rights organisation, Animal Freedom. The phasing out of eggs from caged birds also began, when they were completely removed from the assortment in thirteen centrally located Rimi stores in Vilnius, Kaunas, Tallinn, Tartu and Riga. In conjunction with this, a social media awareness-raising campaign was also conducted.

## Targets and outcomes

**Incidents of corruption or bribery**

ICA Gruppen only reports cases of corruption or bribery for its operations in Asia, within ICA Global Sourcing (IGS).

In 2024, IGS confirmed one case of attempted bribery at a supplier. The incident was followed-up with an action plan.

**Number of animal welfare audits**

One animal welfare audit was conducted during the year at ICA Sweden.





# Appendix

The following appendix contains more detailed information on impact materiality for each OpCo, as well as ICA Gruppen's reporting according to the EU Taxonomy.



# Impact materiality – ICA Gruppen companies

ICA Gruppen's sustainability report is based on materiality for ICA Gruppen (see pages 84-89). However, differences exist in the activities and value chains of the operating companies. The following table illustrates, using the same criteria as ICA Gruppen's materiality assessment, which matters are material for the respective company based on the impact in the company's value chain.

## Materiality assessment outcome based on impact

Topic	Sub-topic and sub-sub-topic	ICA Sweden	Rimi Baltic	Apotek Hjärtat	ICA Bank	ICA Real Estate
E1	Climate change					
	Climate change adaptation	N	N	N	–	N
	Climate Change mitigation	N	N	N	N	N
	Energy	N	N	N	–	N
E2	Pollution					
	Pollution of air	N	N	N	–	–
	Pollution of water	N	N	N/P	–	–
	Pollution of soil	N	N	N	–	–
	Pollution of living organisms and food resources	N	N	N	–	N
	Substances of concern	N	N	N	–	–
E3	Water and marine resources					
	Water consumption	N	N	N	–	–
	Water withdrawals	N	N	N	–	–
	Water discharges	–	–	N	–	–
	Water discharges in the oceans	–	–	N	–	–
	Extraction and use of marine resources	N	N	–	–	–
E4	Biodiversity and ecosystems					
	Climate change	N	N	N	–	N
	Land-use change, fresh water-use change and sea-use change	N	N	N	–	N
	Direct exploitation	N	N	N	–	–
	Pollution	N	N	N	–	–
	Species population size	N	N	N	–	–
	Species global extinction risk	N	N	N	–	–
	Land degradation	N	N	–	–	–
	Impacts and dependencies on ecosystem services	N	N	N	–	–

P = Positive impact (actual or potential)

N = Negative impact (actual or potential)

Topic	Sub-topic and sub-sub-topic	ICA Sweden	Rimi Baltic	Apotek Hjärtat	ICA Bank	ICA Real Estate
E5	Circular economy					
	Resource inflows, including resource use	N	N	N	–	N
	Resource outflows related to products and services	N	N	N	–	N
	Waste	N	N	N	–	N
S1	Working conditions					
	Secure employment	N	–	–	–	–
	Work-life balance	N	N	N/P	–	P
	Health and safety	N	N	N	N	–
	Gender equality and equal pay for work of equal value	N	N	N	–	–
	Equal treatment and opportunities for all					
	Training and skills development	N	N	N	N	N
	Measures against violence and harassment in the workplace	N	N	N	–	N
	Diversity	N	N	N	–	N
S2	Working conditions					
	Working time	N	N	N	–	N
	Adequate wages	N	N	N	–	N
	Social dialogue & freedom of association	–	–	N	–	–
	Collective bargaining	N	N	N	–	N
	Equal treatment and opportunities for all					
	Work-life balance	N	N	–	–	–
	Health and safety	N	N	–	–	–
	Gender equality and equal pay for work of equal value	N	N	–	–	N
	Measures against violence and harassment in the workplace	N	N	N	–	N
	Diversity	N	N	N	–	N
	Other work-related rights					
	Child labour	N	N	N	–	N
	Forced labour	N	N	N	–	N
	Water and sanitation	N	N	N	–	N

## IMPACT MATERIALITY

	Topic	Sub-topic and sub-sub-topic	ICA Sweden	Rimi Baltic	Apotek Hjärtat	ICA Bank	ICA Real Estate
<b>S3</b>	Communities' economic, social and cultural rights	Adequate housing	N	N	N	–	N
		Adequate food	N/P	N/P	N	–	N
		Water and sanitation	N	N	N	–	N
		Land-related impacts	N	N	N	–	N
		Security-related impacts	N	N	N	–	N
		Local community initiatives (own sub sub-topic)	P	P	–	–	–
	Communities' civil and political rights	Impacts on human rights defenders	N	N	N	–	N
	Rights of indigenous peoples		N	N	N	–	N
<b>S4</b>	Information-related impacts for consumers and/or end-users	Privacy	N	N	N	N	N
		Access to (quality) information	N	N	N	–	–
	Personal safety of consumers and/or end-users	Health and safety	N/P	N/P	P	–	N
		Protection of children	N	N	N/P	–	–
	Social inclusion of consumers and/or end-users	Access to products and services	–	–	–	N	–

	Topic	Sub-topic and sub-sub-topic	ICA Sweden	Rimi Baltic	Apotek Hjärtat	ICA Bank	ICA Real Estate
<b>G1</b>	Corporate culture		N	N	N	N	N
		Protection of whistle-blowers	N	N	N	N	N
		Animal welfare	N	N	–	–	–
		Management of relationships with suppliers including payment practices	N	N	N	–	N
		Corruption and bribery	N	N	N	N	N

## TAXONOMY

# The EU Taxonomy

**Taxonomy reporting for ICA Gruppen**

ICA Gruppen's core business is retail and wholesale, which is not an eligible economic activity under the EU Taxonomy for environmentally sustainable activities. Of the 90 or so Taxonomy-eligible economic activities, ICA Gruppen has identified road transport, non-life insurance, construction of buildings, and acquisition and ownership of buildings as economic activities that ICA Gruppen is engaged in and that may fall within the EU Taxonomy.

After closer analysis of how these activities are defined, ICA Gruppen has determined that ICA Real Estate's operations constitute the only economic activity that ICA Gruppen is engaged in that falls within the Taxonomy for turnover, CapEx and OpEx. However, ICA Gruppen's total costs, excluding the cost of goods, only make up 1% of the denominator's share of the OpEx component. In terms of turnover and OpEx, road transport is part of the retail and wholesale economic activity because transport is included in the price of the goods ICA Gruppen sells to stores and customers. Investments in road transport vehicles are therefore only included in the CapEx table. Non-life insurance is a very small part of the Group's activities and has therefore been determined as not material in this context.

Based on the above, on the next pages ICA Gruppen reports the following information in the tables required by the EU Taxonomy:

**Turnover:**

7.7 Acquisition and ownership of buildings: Shows what proportion of ICA Gruppen's turnover constitutes turnover from real estate activities relating to retail stores in Sweden.

**CapEx:**

6.6 Freight transport services by road: Shows the proportion of ICA Gruppen's CapEx that is for the purchase and lease of vehicles for goods transport by road. At this time the link between financial data and the vehicle information needed to assess taxonomy alignment is not available and consequently the entire amount is reported as not Taxonomy-aligned.

7.7 Acquisition and ownership of buildings: Shows the percentage of ICA Gruppen's CapEx (on the balance sheet) occurring within real estate operations relating to stores, warehouses and offices in Sweden.

**OpEx:**

7.7 Acquisition and ownership of buildings: Costs to keep an asset in a usable condition, and then only costs that arise if the asset is not used. This key ratio shows what proportion of such costs within ICA Gruppen occurs within real estate activities relating

to stores in Sweden. As data for operational costs for Rimi Baltic has not been collected, an estimate has been used based on data from 2022, which is the most recent year for which data is available.

**Nuclear and fossil gas related activities:**

None of the OpCos in ICA Gruppen carries out, funds or has exposures to nuclear or fossil gas related activities. The table thus applies both to the individual OpCos and the Group as a whole

To avoid items being counted twice, only separate cost components have been included in the totals for the relevant operations.

**Taxonomy reporting for ICA Bank and ICA Insurance**

In line with new announcements from the EU Commission on interpretations in relation to the Taxonomy Regulation, Taxonomy tables for ICA Bank (including ICA Insurance) are included in ICA Gruppen's sustainability statements from 2024 (see pages 160-170).

**DNSH (Do No Significant Harm) criteria**

There is a risk that ICA Gruppen's economic activities within real estate will be negatively impacted by several of the climate-related risks listed in the European Commission's annex containing a list of technical screening criteria in relation to the Taxonomy. Above all, acute hazards such as storms, flooding or landslides could expose properties to negative impacts. There are also chronic hazards such as heat stress in the form of, for example, urban heat islands, that could impact properties during their lifespan. In light of this, when building and acquiring properties climate risk analysis is carried out as part of the risk analysis performed at the planning stage and in the municipal permit process with respect to requirements for new production. ICA Gruppen is also developing a more in-depth climate risk analysis process in line with TCFD principles (see page 93). Among other activities, during the year ICA Real Estate carried out a process to identify climate risks throughout the property portfolio where operations take place.

**Minimum safeguards with respect to human rights, anticorruption, responsible fiscal management and competition:**

ICA Gruppen's policies and guidelines (see page 80) form the basis for ensuring the Group's compliance with minimum safeguards as defined in relation to the EU Taxonomy. The Group has also undertaken to follow the OECD Guidelines for Multinational Enterprises and to perform Human Rights Due Diligence (HRDD) in line with the UN Guiding Principles on Business and Human Rights (see page 136).

**Nuclear and fossil gas related activities****Nuclear energy related activities**

1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

**Fossil gas related activities**

4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

## TAXONOMY

## Weighted average value of key performance indicators (KPIs) for ICA Gruppen's taxonomy-aligned economic activities

ICA Gruppen is a so-called mixed group, and the disclosures according to the taxonomy regulation thus include both bank and insurance-related tables and indicators. To give the reader a better understanding for the proportion of the Group's non-financial and financial activities respectively that are taxonomy eligible and aligned, the KPIs are weighted together in an average value in the table below.

	Revenue SEK m	Proportion of total group revenue (A)	KPI Per Business Segment			
			KPI turnover based (B)	KPI CapEx based (C)	KPI turnover based weighted (A*B)	KPI CapEx based weighted (A*C)
<b>A. Financial activities</b>	<b>2 909</b>	<b>2%</b>				
Asset management	–	0%	N/A	N/A	N/A	N/A
Banking activities	1 779	1%	0%	0%	0%	0%
Investment firms	–	0%	N/A	N/A	N/A	N/A
Insurance undertakings	1 130	1%	5,3%	5,5%	0%	0%
			Turnover KPI (B)	CapEx KPI (C)	Turnover KPI weighted (A*B)	CapEx KPI weighted (A*C)
<b>B. Non-financial activities</b>	<b>154 307</b>	<b>98%</b>	0%	1%	0%	1%
<b>Total revenue of the group</b>	<b>157 216</b>	<b>100%</b>				
					Average KPI turnover based	Average KPI CapEx based
<b>Average KPI of the group</b>					0%	1%

### Reporting principles

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.



## TAXONOMY

Proportion of **turnover** from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)										Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Yes/No	Yes/No	Yes/No	Yes/No				
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1. Environmentally sustainable activities (Taxonomy-aligned)																							
Acquisition and ownership of buildings	CCM 7.7	98	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0%	-	-				
Turnover of environmental sustainable activities (Taxonomy-aligned) (A.1)		98	0%	0%	-	-	-	-	-								0%						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
Acquisition and ownership of buildings	CCM 7.7	3,783	2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL														
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,783	2%	2%	-	-	-	-	-														
Total (A.1+A.2)		3,880	2%	2%	-	-	-	-	-											2%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
Turnover of Taxonomy-non-eligible activities (B)		153,336	98%																				
Total (A+B)		157,216	100%																				

## TAXONOMY

Proportion of **CapEx** from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Economic activities (1)	Code(s) (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Minimum safeguards (17)	Taxonomy-aligned proportion of CapEx, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)				
	SEK m	%	%	%	%	%	%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	€	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7	98	1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	–	Y	–	–	–	–	Y	4%	–	–
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		98	1%	1%	–	–	–	–	–								4%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Freight transport services by road	CCM 6.6	57	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Acquisition and ownership of buildings	CCM 7.7	4 397	48%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4 454	49%	49%	–	–	–	–	–										
Total (A.1+A.2)		4 553	50%	50%	–	–	–	–	–								53%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		4 580	50%																
Total (A+B)		9 133	100%																

## TAXONOMY

Proportion of **OpEx** from products or services that are associated with economic activities that are aligned with the taxonomy criteria – disclosures that cover year 2024

Economic activities (1)	Code(s) (2)	Absolute OpEx (3) SEK m	Proportion of OpEx (4) %	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)										Minimum safeguards (17) Yes/No	Taxonomy-aligned proportion of OpEx, year N (18) %	Taxonomy-aligned proportion of OpEx, year N-1 (19) %	Category (enabling activity) E (20)	Category (transitional activity) T (21)
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Yes/No	Climate change adaptation (12) Yes/No	Water and marine resources (13) Yes/No	Circular economy (14) Yes/No	Pollution (15) Yes/No	Biodiversity and ecosystems (16) Yes/No									
A. TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (taxonomy-aligned)																								
Acquisition and ownership of buildings	CCM 7.7	5	2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	2%	N/A						
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		5	2%	2%	-	-	-	-	-								2%	N/A						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																								
Acquisition and ownership of buildings	CCM 7.7	107	34%	EL	N/EL	N/EL	N/EL	N/EL	N/EL															
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		107	34%	34%	-	-	-	-	-															
Total (A.1+A.2)		113	35%	35%	-	-	-	-	-								2%	N/A						
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																								
OpEx of taxonomy non-eligible activities (B)		206	65%																					
Total (A+B)		319	100%																					

## TAXONOMY

## Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets (SEK m)	KPI <sup>1</sup> (%)	KPI <sup>2</sup> (%)	% coverage (over total assets) <sup>3</sup>	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
31-dec-24							
Main KPI	Green asset ratio (GAR) stock	0	–	–	87.74	24.60	12.26

		Total environmentally sustainable activities (SEK m)	KPI (%)	KPI (%)	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	0	–	–	–	–	–
	Trading book <sup>4</sup>	N/A	N/A	N/A			
	Financial guarantees	0	–	–			
	Assets under management	0	–	–			
	Fees and commissions income <sup>5</sup>	N/A	N/A	N/A			

1. Based on the Turnover KPI of the counterparty.

2. Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.

3. Per cent of assets covered by the KPI over banks' total assets.

4. For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR.

5. Fees and commissions income from services other than lending and AuM.

## Accounting principles

## 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 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 &amp; 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.



## TAXONOMY

Assets for  
the calculation  
of GAR (turnover)

SEK m

GAR - Covered assets in both numerator and denominator																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
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1. Due to lack of data, turnover are only calculated for AUM.

## TAXONOMY

Assets for  
the calculation  
of GAR (CapEx)

SEK m

GAR	amount	Proceeds / net	enabling	Proceeds / enabling	net	enabling	Proceeds / enabling	net	enabling
<b>GAR - Covered assets in both numerator and denominator</b>									
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	18,899								
<b>Financial undertakings</b>	3,868								
Credit institutions	3,868								
Loans and advances	-								
Debt securities, including UoP	3,868								
Equity instruments	-								
Other financial corporations	-								
of which investment firms	-								
Loans and advances	-								
Debt securities, including UoP	-								
Equity instruments	-								
of which management companies	-								
Loans and advances	-								
Debt securities, including UoP	-								
Equity instruments	-								
of which insurance undertakings	-								
Loans and advances	-								
Debt securities, including UoP	-								
Equity instruments	-								
<b>Non-financial undertakings</b>	-								
Loans and advances	-								
Debt securities, including UoP	-								
Equity instruments	-								
<b>Households</b>	15,031								
of which loans collateralised by residential immovable property	-								
of which building renovation loans	1,022								
of which motor vehicle loans	1,005								
<b>Local governments financing</b>	-								
Housing financing	-								
Other local government financing	-								
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-								
<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	6,165								
<b>Financial and Non-financial undertakings</b>	3,377								
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	3,377								
Loans and advances	2,321								
of which loans collateralised by commercial immovable property	655								
of which building renovation loans	-								
Debt securities	-								
Equity instruments	1,056								
Non-EU country counterparties not subject to NFRD disclosure obligations	-								
Loans and advances	-								
Debt securities	-								
Equity instruments	-								
<b>Derivatives</b>	-								
On demand interbank loans	-								
Cash and cash-related assets	2,398								
Other categories of assets (e.g. Goodwill, commodities etc.)	389								
<b>Total GAR assets</b>	25,064								
<b>Assets not covered for GAR calculation</b>	3,503								
Central governments and Supranational issuers	2,005								
Central banks exposure	1,498								
Trading book	-								
<b>Total assets</b>	28,566								
<b>Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations</b>									
Financial guarantees	-								
Assets under management <sup>1</sup>	-								
Of which debt securities	-								
Of which equity instruments	-								

1. Due to lack of data, capex are only calculated for AUM.

## TAXONOMY

## GAR sector information

Breakdown by sector – NACE 4 digits level (code and label) <sup>1</sup>		31-dec-24													
		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD
		Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount
		Of which environmentally sustainable (CCM)	Of which environmentally sustainable (CCM)	Of which environmentally sustainable (CCA)	Of which environmentally sustainable (CCA)	Of which environmentally sustainable (WTR)	Of which environmentally sustainable (WTR)	Of which environmentally sustainable (CE)	Of which environmentally sustainable (CE)	Of which environmentally sustainable (PPC)	Of which environmentally sustainable (PPC)	Of which environmentally sustainable (BIO)	Of which environmentally sustainable (BIO)	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
SEK m	SEK m	SEK m	SEK m	SEK m	SEK m	SEK m	SEK m	SEK m	SEK m	SEK m	SEK m	SEK m	SEK m		
68.20 Rental and operating of own or leased properties		336		–										336	

Breakdown by sector – NACE 4 digits level (code and label)<sup>1</sup>

1. Sectors without exposure are excluded from the list.

## TAXONOMY

## GAR KPI stock

	31-dec-24														
	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling	Proportion of total assets covered
% (compared to total covered assets in the denominator)															
<b>GAR - Covered assets in both numerator and denominator</b>															
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-														
<b>Financial undertakings</b>	-														
Credit institutions	-														
Loans and advances	-														
Debt securities, including UoP	-														
Equity instruments	-														
Other financial corporations	-														
of which investment firms	-														
Loans and advances	-														
Debt securities, including UoP	-														
Equity instruments	-														
of which management companies	-														
Loans and advances	-														
Debt securities, including UoP	-														
Equity instruments	-														
of which insurance undertakings	-														
Loans and advances	-														
Debt securities, including UoP	-														
Equity instruments	-														
<b>Non-financial undertakings</b>	-														
Loans and advances	-														
Debt securities, including UoP	-														
Equity instruments	-														
<b>Households</b>	-														
of which loans collateralised by residential immovable property	-														
of which building renovation loans	-														
of which motor vehicle loans	-														
<b>Local governments financing</b>	-														
Housing financing	-														
Other local government financing	-														
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-														
<b>Total GAR assets</b>															

## TAXONOMY

## GAR KPI flow

	31-dec-24																			
	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total new assets covered
% (compared to total covered assets in the denominator)																				
GAR - Covered assets in both numerator and denominator																				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-																			
Financial undertakings	-																			
Credit institutions	-																			
Loans and advances	-																			
Debt securities, including UoP	-																			
Equity instruments	-																			
Other financial corporations	-																			
of which investment firms	-																			
Loans and advances	-																			
Debt securities, including UoP	-																			
Equity instruments	-																			
of which management companies	-																			
Loans and advances	-																			
Debt securities, including UoP	-																			
Equity instruments	-																			
of which insurance undertakings	-																			
Loans and advances	-																			
Debt securities, including UoP	-																			
Equity instruments	-																			
Non-financial undertakings	-																			
Loans and advances	-																			
Debt securities, including UoP	-																			
Equity instruments	-																			
Households	-																			
of which loans collateralised by residential immovable property	-																			
of which building renovation loans	-																			
of which motor vehicle loans	-																			
Local governments financing	-																			
Housing financing	-																			
Other local government financing	-																			
Collateral obtained by taking possession: residential and commercial immovable properties	-																			
Total GAR assets																				



## TAXONOMY

## KPI off-balance sheet exposures (turnover)

	31-dec-24																		
	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)		Circular economy (CE)			Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	
% (compared to total covered assets in the denominator)																			
Financial guarantees (FinGuar KPI)	-	-	-	-	-	-											-	-	-
Assets under management (AuM KPI)	-	-	-	-	-	-											-	-	-

## KPI off-balance sheet exposures (CapEx)

	31-dec-24																		
	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)		Circular economy (CE)			Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling
% (compared to total covered assets in the denominator)																			
Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## TAXONOMY

## The underwriting KPI for non-life insurance and reinsurance undertakings

Economic activities (1)	Substantial contribution to climate change adaptation			DNSH (Do No Significant Harm)					
	Absolute premiums, year t (2) SEK m	Proportion of premiums, year t (3) %	Proportion of premiums, year t-1 (4) %	Climate change mitigation (5) Y/N	Water and marine resources (6) Y/N	Circular economy (7) Y/N	Pollution (8) Y/N	Biodiversity and ecosystems (9) Y/N	Minimum safeguards (10) Y/N
<b>A.1 Non-life insurance and reinsurance underwriting taxonomy-aligned activities (environmentally sustainable)</b>	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A
A.1.1 Of which reinsured	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A
A.1.2 Of which stemming from reinsurance activity	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A
A.1.2.1 Of which reinsured (retrocession)	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A
<b>A.2 Non-life insurance and reinsurance underwriting taxonomy-aligned activities that are taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned)</b>	337	29	30	Y	N/A	N/A	N/A	N/A	N/A
<b>B. Non-life insurance and reinsurance underwriting that are not taxonomy-eligible</b>	827	71	70						
<b>Total (A.1 + A.2 + B)</b>	<b>1,164</b>	<b>100</b>	<b>100</b>						

## Reporting principles

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.

## TAXONOMY

## The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, taxonomy-aligned economic activities in relation to total investments

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:		The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based (%):	5.3	Turnover-based (SEK m):	40.6
CapEx-based (%):	5.5	CapEx-based (SEK m):	42.5
The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities, Coverage ratio: %		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio (%):	40.3	Coverage (SEK m):	772
<b>Additional, complementary disclosures: breakdown of denominator of the KPI</b>			
The percentage of derivatives relative to total assets covered by the KPI.		The value in monetary amounts of derivatives:	
%:	–	SEK m:	–
The proportion of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings (%):	7	For non-financial undertakings (SEK m):	57
For financial undertakings (%):	18	For financial undertakings (SEK m):	140
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings (%):	–	For non-financial undertakings (SEK m):	–
For financial undertakings (%):	–	For financial undertakings (SEK m):	–
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings (%):	14	For non-financial undertakings (SEK m):	109
For financial undertakings (%):	11	For financial undertakings (SEK m):	87

## TAXONOMY

The proportion of exposures to other counterparties over total assets covered by the KPI:		Value of exposures to other counterparties:	
%:	49	SEK m:	379
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, taxonomy-aligned economic activities:	
%:	N/A	SEK m:	N/A
The value of all the investments that are funding economic activities that are not taxonomy-eligible relative to the value of total assets covered by the KPI:		Value of all the investments that are funding economic activities that are not taxonomy-eligible:	
%:	35	SEK m:	269
The value of all the investments that are funding taxonomy-eligible economic activities, but not taxonomy-aligned relative to the value of total assets covered by the KPI:		Value of all the investments that are funding Taxonomy-eligible economic activities, but not taxonomy-aligned:	
%:	6	SEK m:	49
<b>Additional, complementary disclosures: breakdown of numerator of the KPI</b>			
The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:		For non-financial undertakings:	
Turnover-based (%):	5	Turnover-based (SEK m):	35
Capital expenditures-based (%):	5	Capital expenditures-based (SEK m):	37
For financial undertakings:		For financial undertakings:	
Turnover-based (%):	1	Turnover-based (SEK m):	5
Capital expenditures-based (%):	1	Capital expenditures-based (SEK m):	5
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, taxonomy-aligned:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, taxonomy-aligned:	
Turnover-based (%):	N/A	Turnover-based (SEK m):	N/A
Capital expenditures-based (%):	N/A	Capital expenditures-based (SEK m):	N/A
The proportion of taxonomy-aligned exposures to other counterparties in over total assets covered by the KPI:		Value of taxonomy-aligned exposures to other counterparties over total assets covered by the KPI:	
Turnover-based (%):	0	Turnover-based (SEK m):	0
Capital expenditures-based (%):	0	Capital expenditures-based (SEK m):	0

## TAXONOMY

**Breakdown of the numerator of the KPI per environmental objective**

Taxonomy-aligned activities – provided 'do-not-significant-harm'(DNSH) and social safeguards positive assessment:

<b>(1) Climate change mitigation</b>			
Turnover (%):	-	Transitional activities: A% (Turnover; CapEx)	-
CapEx (%):	-	Enabling activities: B% (Turnover; CapEx)	-
<b>(2) Climate change adaptation</b>			
Turnover (%):	-	Transitional activities: A% (Turnover; CapEx)	-
CapEx (%):	-	Enabling activities: B% (Turnover; CapEx)	-
<b>(3) The sustainable use and protection of water and marine resources</b>			
Turnover (%):	N/A	Transitional activities: A% (Turnover; CapEx)	N/A
CapEx (%):	N/A	Enabling activities: B% (Turnover; CapEx)	N/A
<b>(4) The transition to a circular economy</b>			
Turnover (%):	N/A	Transitional activities: A% (Turnover; CapEx)	N/A
CapEx (%):	N/A	Enabling activities: B% (Turnover; CapEx)	N/A
<b>(5) Pollution prevention and control</b>			
Turnover (%):	N/A	Transitional activities: A% (Turnover; CapEx)	N/A
CapEx (%):	N/A	Enabling activities: B% (Turnover; CapEx)	N/A
<b>(6) The protection and restoration of biodiversity and ecosystems</b>			
Turnover (%):	N/A	Transitional activities: A% (Turnover; CapEx)	N/A
CapEx (%):	N/A	Enabling activities: B% (Turnover; CapEx)	N/A

**Reporting principles**

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.



## Auditor's Limited Assurance Report on ICA Gruppen ABs Sustainability Report and statement regarding the Statutory Sustainability Report

*Translation from the Swedish original*

To ICA Gruppen AB (publ), Corp. Id. 556048-2837

### Introduction

We have been engaged by the Board of Directors of ICA Gruppen AB to undertake a limited assurance engagement of ICA Gruppen ABs Sustainability Report for the year 2024. ICA Gruppen AB has defined the scope of the Sustainability Report in the table of contents in this document, the Statutory Sustainability Report is defined on page 5.

### Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with applicable criteria and the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024. The criteria are defined on page 77 in the Sustainability Report and consist of the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our responsibility is limited to the historical information that is presented and does not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised) Assurance engagements other than audits or reviews of financial information. A limited assurance engagement consists of making inquiries,

primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR:s accounting standard RevR12. The auditor's opinion regarding the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of ICA Gruppen AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

### Conclusions

Based on the limited assurance procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.

Stockholm, 19 February 2025

KPMG AB

Helena Arvidsson Älgne  
Authorized Public Accountant

Torbjörn Westman  
Expert Member of FAR