



We make every day a little easier



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We make every day a little easier

ICA Gruppen operates in a number of areas important to people's everyday lives, including groceries, pharmacies, banking and insurance. The core business is grocery retail. The other operations should support the core business, but they may also be developed further to embrace new business opportunities and themselves contribute to profitability and continued growth.



ICA Sweden

With almost 1,300 stores, ICA Sweden is the leading grocery retail actor in Sweden. The independent ICA retailers own and operate their own stores, but have agreements with ICA Sweden in areas such as coordinated sourcing, logistics, market communication and store development.

[+ Read more on page 23](#)



Apotek Hjärtat

With almost 400 pharmacies, extensive online operations and a market share of over 32%, Apotek Hjärtat is the largest company in the Swedish pharmacy market. Pharmacy operations complement grocery retail and play an important role in ICA Gruppen's efforts to achieve a leading position in health.

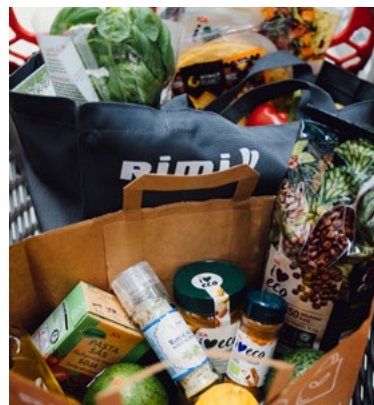
[+ Read more on page 28](#)

2 Source: Apoteksföreningen (Swedish Pharmacy Association).

ICA Bank

ICA Bank provides a broad range of banking and insurance services to private and corporate customers. In addition, ICA Bank helps strengthen customer loyalty to ICA stores, while reducing transaction costs both for the stores and for ICA Gruppen.

[+ Read more on page 32](#)



Rimi Baltic

Rimi Baltic operates a grocery retail business through some 315 wholly owned stores in Estonia, Latvia and Lithuania. The properties owned by the Group in the Baltic region are also part of Rimi Baltic. At year end, Rimi Baltic had 84 stores in Estonia, 140 in Latvia and 91 in Lithuania. Rimi Baltic's combined market share in the region is around 13%¹.

[+ Read more on page 26](#)

1 Source: Country statistics.



ICA Real Estate

ICA Real Estate has a large and actively managed property portfolio within the retail segment. Its overall mission is to satisfy the long-term need for appropriate properties in the right locations and to create the conditions for ICA Gruppen's businesses to increase growth and capture market shares.

[+ Read more on page 30](#)

The year in brief

Stronger positions for ICA Sweden, Apotek Hjärtat and Rimi Baltic

For ICA Gruppen, 2024 was a strong year with stable growth and profitability. ICA Sweden, Apotek Hjärtat and Rimi Baltic captured market shares and improved their respective market positions. Growth was primarily volume-driven. Price effects were negative in Rimi Baltic. ICA Bank continued to capture market share in mortgages, while several property sales within ICA Real Estate during the year helped lower ICA Gruppen's collective borrowings.

Offering of new shares to members of ICA-handlarnas Förbund

During the fourth quarter, ICA Gruppen offered ICA-handlarnas Förbund and its members in Sweden the option to subscribe for class F shares. The subscription period closed on 4 December with subscriptions for shares to a value of approximately SEK 1.8 billion. These funds could then be utilised to further reduce the Group's borrowings. The share issue also strengthens the shared view on the operations and the future development of the Group.

Food price inflation lower than in 2024

Food price inflation declined in Sweden and the Baltic countries during the year. In Sweden inflation amounted to 1,4%, compared with 12,1% in 2023. In Estonia, Latvia and Lithuania it amounted to 3,2%, 2,8% and -0,7% compared with 15,8%, 13,2% and 14,6%, respectively, in 2023.

Continued development of operations, offering and concept

In line with our vision of making life easier for customers and thereby creating value for ICA Gruppen and independent ICA retailers, work continued during the year to develop existing operations as well as new offerings and concepts. There was also considerable focus on continuing to inspire and encourage sustainable and healthy choices.

Multiple large property transactions

ICA Real Estate completed several large property transactions during the year. In spring 2024, a land swap transaction with the City of Stockholm was completed in Årsta and, in November, four store properties were divested to Delcore Fastigheter. The transactions helped to lower ICA Gruppen's net debt¹ by almost SEK 900 million.

¹ Excluding IFRS 16 Leases.



ICA Gruppen is among the first in the industry with science-based net zero targets

In 2024, ICA Gruppen became one of the first grocery retail businesses in the Nordics to have its science-based net zero climate targets approved by the Science Based Targets initiative (SBTi). The targets include reducing various 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. The targets apply to ICA Gruppen as a whole and cover the climate impact of all of the companies in the Group as well as their value chains.

ICA Sweden and ICA retailers invest heavily in lower prices

During the year, ICA Sweden completed comprehensive investments to reduce regular prices to the ICA stores, thereby enabling them to lower prices for consumers and to maintain already-low prices. In addition, ICA retailers also made their own substantial price investments to benefit consumers. Focus was on broad price reductions, above all on everyday items in customers' weekly shopping.



Red Cross and ICA in a joint initiative to increase Swedish home preparedness

As a major player and with a presence across Sweden, ICA plays an important role within preparedness when it comes to food, medicines and secure payment solutions. During the preparedness week in September, ICA and the Red Cross conducted a joint initiative to improve civilian preparedness in Sweden.



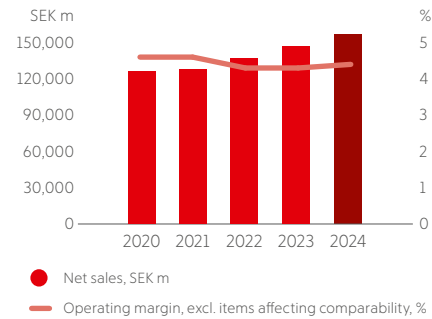
Green bond issue

During the year, ICA Gruppen completed a second green bond issue totalling SEK 2 billion. The issue, which was conducted under ICA Gruppen's Swedish MTN programme, was met with great interest and the orderbook totalled 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.



THE YEAR IN BRIEF

Performance 2020–2024



ICA Gruppen's net sales increased 6.5%, driven essentially by higher volumes, but also by inflationary effects at the beginning of the year. Operating profit excluding items affecting comparability amounted to SEK 6,884 million (6,363), corresponding to an increase of 8.2 percent.

Financial key performance indicators

See page 33 for definitions.

Group, SEK m	2024	2023	2022
Net sales	157,216	147,645	136,288
Operating profit before depreciation/amortisation/impairment (EBITDA)	14,107	13,173	12,526
Operating profit excluding items affecting comparability	6,884	6,363	5,905
Operating profit excl. items affecting comparability and IFRS 16 Leases	6,145	5,841	5,611
Operating profit	7,022	6,707	6,475
Profit before tax	5,262	4,693	5,103
Profit for the year	4,356	4,250	4,518
Cash flow from operating activities excl. ICA Bank	13,257	12,738	10,327
Operating margin excluding items affecting comparability, %	4.4	4.3	4.3
Operating margin excluding items affecting comparability and IFRS 16 Leases, %	3.9	4.0	4.1
Return on capital employed excluding ICA Bank and IFRS 16 Leases, %	13.1	13.3	12.2
Return on equity excluding ICA Bank, %	21.9	25.5	12.2
Net debt excl. ICA Bank and IFRS 16 Leases	-14,605	-20,659	-29,520
Net debt excl. ICA Bank	-37,564	-43,424	-47,084
Net debt excl. ICA Bank and IFRS 16 Leases/EBITDA excl. IFRS 16 Leases	1.6	2.2	3.3
Net debt excl. ICA Bank/EBITDA	2.7	3.3	3.8

Sustainability key performance indicators

See pages 103–106 for information and definitions.

Group	2024	2023	2022
Emissions from own operations (tonnes CO ₂ e)	82,441	97,983	101,399
Emissions from own operations (tonnes CO ₂ e/SEK m turnover)	0.52	0.66	0.74
Climate impact from food sold in ICA stores (tonnes CO ₂ e/kg of food sold)	1.87	1.85	1.83
Food waste in warehouses and stores, % by weight	1.27	1.35	1.54
Change in food waste relative to base year 2016, %	-30	-26	-16

In accordance with Chapter 6, Section 11 of the Annual Accounts Act, ICA Gruppen AB (publ) has chosen to prepare the statutory sustainability report as a separate document from the Annual Report. The Sustainability Report, the content of which is listed in the table of contents, can be found on pages 76–171 of this document.



→ CEO Nina Jönsson

Stronger positions in rapidly changing markets

For ICA Gruppen, 2024 was an eventful, challenging but also very successful year. We had strong sales growth on the back of an increased number of customer visits and during the year we increased our market share in the grocery and pharmacy markets. We are now entering 2025 with strong market positions and lower debt, while our sustainability work continues at a rapid pace.



CEO'S COMMENTS

Financially, we performed largely in line with our targets in 2024. Underlying sales growth in grocery retail operations was strong overall, in parallel with strengthened earnings in SEK.

ICA Sweden reported increased sales for the full year, where unlike the previous year, growth was essentially fully volume-driven. Adjusted for structural costs last year, operating profit was on a par with the previous year in SEK, but large investments put pressure on the operating margin, which could only be partially compensated for by cost savings and higher efficiency in areas such as logistics.

Rimi Baltic also performed well, with higher market shares and improved earnings. This trend was the result of active work with the assortment and campaigns as well as cost efficiency.

Apotek Hjärtat posted its best year ever in terms of operating profit as well as market share. Evidence continues to mount regarding the competitive advantage of co-location with ICA. It is also especially exciting that growth in e-commerce operations during the year was considerably higher than for the market in general.

ICA Bank's performance was mixed. On the one hand, the bank had a good year with increased business volume and improved earnings, while ICA Insurance was burdened with a negative claims trend. This combination meant that overall, ICA Bank's earnings were down year-on-year.

ICA Real Estate continued to generate stable cash flows, while concurrently implementing important investments in areas such as warehouses and logistics. Several major divestments totalling over SEK 1.3 billion were made during the year, even as the property market remained challenging.

Altogether, ICA Gruppen's net sales increased 6.5% to SEK 157.2 billion during the year. Operating profit excluding items affecting comparability and effects from IFRS 16 Leasing amounted to SEK 6.1 billion (5.8), corresponding to an operating margin of 3.9% (4.0). Net debt decreased with over SEK 6 billion to SEK 14.6 billion, which was primarily a consequence of strong cash flows, property divestments and the new share issue to independent ICA retailers completed in the end of the year.

Continued focus on price

ICA Sweden, independent ICA retailers and Rimi Baltic worked hard during the year to ensure that they could offer competitive prices and high value for money, not least for everyday items as well as fruit and vegetables. This involved lowering the price of everyday items, offering more discounts both in store and online, adjusting the assortment and continuing to develop the range of private label products. The investments in price are long term and will continue in full force 2025.

Overall, our performance during the year clearly demonstrates the power of our organisation and the opportunities that are created when we work together, coordinate our resources and focus on the best interests of our customers. This is also evident in our strong culture in which the retailer perspective, entrepreneurship, local market knowledge and the drive to constantly develop are vital components. This is inspiring to see and motivates us to remain focused.

Thriving agriculture and stable domestic food production

During the year, long-term work continued to support local food production as well as local suppliers. This is important work, both as a response to customer demand for locally produced items, and to support farmers and vibrant farming communities. It has long been a top priority, but during the past year it became even more urgent as a result of increasing certainty. Supporting Swedish agriculture is an important component of ensuring stable domestic food production and increasing food security. However, securing robust systems and stable supply chains requires businesses, civil society, authorities and politicians to collaborate, as well as greater clarity regarding actual conditions. This is where we all need to step up and take greater responsibility.

A more sustainable food supply chain

2024 was the hottest year since records began, and the first year with an average temperature that was more than 1.5°C above pre-industrial levels. To help break this trend and limit the consequences of it, enormous investments need to be made immediately across the entire value chain.

"Investments in price will continue in 2025"





Emissions from the food industry are responsible for a significant portion of climate impact and as an important actor in society we have a particular responsibility.

Our own operations have continued to reduce emissions, only since 2022 with –19%. As an example, from 1 January 2025, all goods transports in the major cities are fossile free. We will continue to work on this, of course, but to make a more extensive change we need to reduce the overall climate footprint all the way from food production down to consumption. Impacts need to be reduced at every stage. This is where we will make additional efforts. Some of these pertain to reducing the impact of the products sold in our stores and pharmacies, while others pertain to changes to the assortment and various ways of stimulating and encouraging customers to choose more plant-based foods. We want to make it easy to make the right choices when shopping. The goal is to reach net zero climate impact across the entire value chain by no later than 2050, with significant reductions by 2030.

As one of the first grocery retail actors in the Nordics, we had our science-based climate targets approved during the year by the SBTi. Having clear targets is important, of course, but even more important is having a concrete plan for how to reach them. During the year we have clarified and specified our roadmap. More information about this can be found in our sustainability reporting on pages 76–171. It also includes in-depth information about our work with other aspects of sustainability, including biodiversity as well as social and ethical aspects.

Focus on the future

There's no doubt that the last few years have been challenging. First came the pandemic and its consequences, then inflation, increased geopolitical uncertainty and an increasingly unstable operating environment.

But looking ahead, we do that from a position of strength and with clear objectives. While the economy is predicted to improve in the coming year, we believe that the increased focus on price will remain. That is why we will continue to invest in lowering prices.

One of our top priorities is to continue expanding the portion of our offering that makes every day easier. Based

on personalised and sustainable offerings with high value for money, we intend to increase volumes and strengthen overall market positions. We intend to continue to grow within our core business of grocery retail, but also within our complementary operations of non-food, pharmacy, banking and insurance. We will do this through continued improvement in each of our business areas, through more seamless interaction between our physical and digital channels, through maximising the opportunities that come with new technology and through increased internal collaboration based on the Group-wide loyalty programme Stammais. Our ambition is to gradually launch more Group-wide offerings that strengthen the whole, such as the mortgage offering with an interest rate discount for Stammais members, the food insurance plan ICA Bank launched in the beginning of the year and our attractive offerings for pet owners and students.

Customer-focused, close to stores and agile

Events in the world and in the market make efficiency, agility and adaptability essential – at the Group level, in our operating companies and in stores. To enable more aggressive investments in prioritised areas, in recent years we have implemented multiple changes to our organisational structure to reduce the number of overlapping functions as well as to facilitate faster decisions, a stronger focus on customers and sales, and better support to the ICA retailers. We have also established new structures and processes for skills development and continuous learning in areas that are key to our continued development. This work never ends and in 2025 we will further step up our efforts.

Overall, last year's performance clearly demonstrates the strength of the ICA Idea – the combination of individual drive and collective strength. Based on this strong foundation, we are now further refining our offerings and continuing to create value for customers as well as society at large.

Solna, February 2025

Nina Jönsson
CEO



A business model built on collaboration

ICA Gruppen's business model is built on collaboration in various areas...



Free retailers in cooperation

The combination of individual drive and collective strength forms the basis of ICA Gruppen's operations.



Offering

Coordination between the businesses makes it possible to provide strong, relevant customer offerings.



Customer insights

Access to data-driven customer insights from loyalty programmes provides valuable information on preferences and behaviours – and also enables personal offers to be made.



Marketplaces

Co-location strengthens local marketplaces and makes life easier for customers.



Online

Coordinated online solutions and development of food ecosystems.



Investments

Coordinating investments benefits all operations and promotes financial efficiency.



Sourcing

Coordinated sourcing ensures good prices and the right quality. It also enables the Group to have coordinated social and environmental requirements for suppliers.



...with advantages for:

Customers...

- Making every day a little easier
- Attractive and relevant offerings adapted locally based on the ICA retailer's entrepreneurship
- Co-locating operations and coordinated online solutions mean people can get several things done all in one place
- Integrated loyalty programmes – bonuses at ICA, Apotek Hjärtat, ICA Bank and ICA Insurance covering all phases of life
- Quality and value for money

...the businesses...

- Strong brand loyalty
- Opportunities for synergies and economies of scale
- Making marketplaces more attractive through co-location of operations
- Access to customer insights

...ICA retailers...

- Strong brands
- Good prices and the right quality
- Broad assortment
- Structures for e-commerce
- Less administrative burden
- Financing options
- Stable supply chain

...employees...

- Helps make life easier and more sustainable
- Exciting opportunities to move between different types of operations within the same group
- An entrepreneurial culture with great opportunities to make a difference, both individually and as a team

...and society in general

- Coordinated environmental, health and quality initiatives
- Grants for areas including research, youth sports and support activities such as the NGO Mind
- Jobs and tax revenue
- Robust rural communities
- Presence in 286 out of 290 municipalities
- Infrastructure for the supply of groceries and medicines as well as banking and insurance services



Financial targets

Grow faster than the market

Good sales development and a strong market position are key factors in achieving and maintaining good profitability. This target applies to the Group's grocery operations within ICA Sweden and Rimi Baltic, and to Apotek Hjärtat.

Achieve an operating margin of 4.0%, excluding items affecting comparability and IFRS 16 Leases

The target level provides room for investments and a return on invested capital, and is at a good level for the industry. The target is measured excluding items affecting comparability and IFRS 16 Leases in order to better reflect trends and performance in ongoing operations.

Achieve a return on capital employed of 10.0%, excluding IFRS 16 Leases

The target level indicates that the Group is using capital effectively. ICA Bank is not included in the calculation because banking legislation stipulates that its assets and liabilities are not available to the Group. Instead ICA Bank has a target for return on equity that is a more appropriate target for banking operations. The effects from IFRS 16 Leases are also excluded for the metric to better reflect operational development.

Net debt excl. ICA Bank and IFRS 16 Leases/ EBITDA excl. IFRS 16 Leases <2x

A good balance between earnings and borrowing gives the Company the freedom and ability to act, even in times of recession. Effects from IFRS 16 Leases are excluded from this metric so that debt is linked to lending from the capital market and that EBITDA also includes, for example, rental costs.

→ Outcome 2024

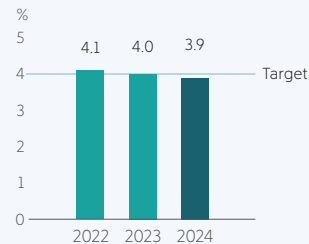
The grocery retail market in Sweden grew 4.1% in 2024 according to the Swedish Food Retail Index (DVI). Sales at ICA stores grew 5.8% in 2024. Growth in the pharmacy market according to Apoteks-föreningen (Swedish Pharmacy Association) was 10.1%, while store sales for Apotek Hjärtat grew 11.2%. In other words, ICA and Apotek Hjärtat both reached the goal of growing faster than the market in 2024.

This also holds for Rimi Baltic, where store sales increased 4,2% while according to country statistics for the Baltics as a whole the market increased 3,1%. Rimi grew faster than the market in all three countries.



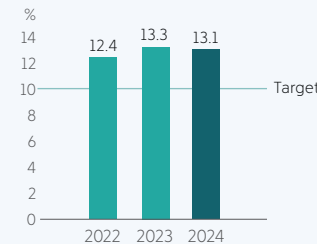
→ Outcome 2024

The outcome for 2024 was 3.9%, somewhat lower than last year's 4.0%. Adjusted for structural costs of SEK 265 million in 2023, the underlying operating margin for 2023 was 4.2%. The operating margin for Rimi Baltic remained unchanged, while Apotek Hjärtat's margin increased. Lower margins for ICA Sweden (incl. structural costs for 2023), ICA Real Estate and ICA Bank, together with higher Group-wide costs (IT and new business) led to a weaker total operating margin.



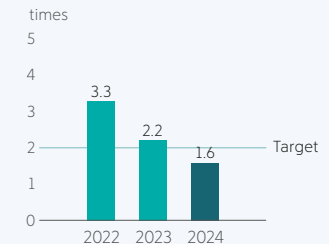
→ Outcome 2024

The return amounted to 13.1%, compared with 13.3% for the previous year. Average capital employed excl. IFRS 16 Leases declined approximately SEK 3.8 billion. However, the performance measures also decreased, entailing a marginally lower level of return compared with 2023. Nonetheless the outcome was significantly higher than the target.



→ Outcome 2024

Net debt decreased just over SEK 6 billion during the year, from SEK 20,659 million to SEK 14,605 million. Though EBITDA decreased nearly SEK 300 million, significantly lower net debt meant that the debt ratio decreased to 1.6x, compared with 2.2x one year ago.



Sustainability targets

ICA Gruppen's science-based climate targets

ICA Gruppen to reach net zero GHG emissions across the entire value chain by 2050

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).

Short-term targets for 2030

- Energy and industry ("Non-FLAG"): In Scope 1 and 2, ICA Gruppen will reduce absolute GHG emissions 42% by 2030, compared with the base year 2022. In Scope 3, ICA Gruppen will also reduce absolute GHG emissions 42% within the same timeframe.
- Forest, Land and Agriculture ("FLAG"): In Scope 3 FLAG, ICA Gruppen will reduce absolute GHG emissions 30.3% by 2030, compared with the base year 2022¹. ICA Gruppen is also to meet anti-deforestation requirements for all goods that can be linked to deforestation² by no later than December 2025.

Long-term targets for 2050

- Energy and industry ("Non-FLAG"): In Scope 1 and 2, ICA Gruppen will reduce absolute GHG emissions 90% by 2050, compared with the base year 2022. In Scope 3, ICA Gruppen will also reduce absolute GHG emissions 90% within the same timeframe.
- Forest, Land and Agriculture ("FLAG"): In Scope 3 FLAG, ICA Gruppen will reduce absolute GHG emissions 72% by 2050, compared with the base year 2022¹.

¹ Target includes FLAG emissions and removals
² As defined in the EU Deforestation Regulation



ICA Gruppen's prioritised sustainability targets in other areas

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

Food accounts for approximately one quarter of total human impact on the climate. It is therefore crucial to take care of food that is produced. ICA Gruppen's target is to halve food waste by 2025 compared with 2016. The target includes warehouses and stores in the Swedish and Baltic operations. The food waste is calculated in line with an international standard produced by the Food Loss and Waste Protocol (FLW Protocol). Preventative work is the focus of ICA's food waste agenda and includes data-driven methods to improve purchasing forecasts. However,

sales and processing in stores as well as various types of partnerships to donate edible food to those in need also play an important role.

Since 2016, ICA Gruppen's food waste in relation to food sold has decreased 30%. ICA Sweden has continued efforts to improve data collection and analysis to reduce waste, and Rimi Baltic has accelerated the pace of waste reduction both in stores and in warehouses through partnerships and data-driven solutions.

	2024	2023	2022
Food waste, % by weight	1.27	1.35	1.54
Change in food waste relative to base year 2016, %	-30	-26	-16

Ambition 2030

A positive force in a difficult world

For a long time now, ICA Gruppen's markets have been changing at a brisk pace – all the more so in recent years as a result of rapid digitalisation, industry slippage and persistent changes in demand with new consumption patterns as a result of the high rate of inflation in 2022 and 2023. These changes are impacting offerings, business models and internal processes. They bring great opportunities – but also challenges.

ICA Gruppen's goals include ensuring long-term growth with sustained profitability. The overall ambition is to continue to grow the core business while exploring business opportunities that can generate new revenue streams and strengthen the entire ecosystem with new services that make every day a little easier.

Ambition 2030 sets out this course in more detail and states where ICA Gruppen is to be in a few years' time so as to respond to developments in the world around us.



Operating with high efficiency and speed



Deploying next generation technology



Attracting and empowering people

FIND PERSONAL SOLUTIONS

SAVE TIME & EFFORT

GET VALUE FOR MONEY

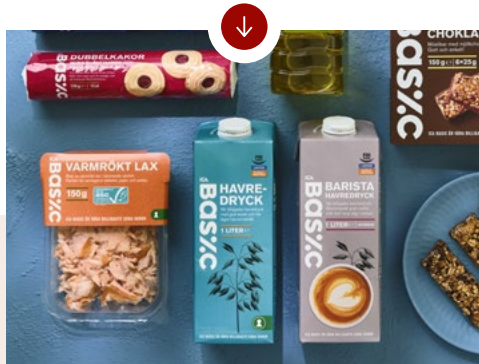
MAKE SUSTAINABLE CHOICES



An uncertain world and a changing market

Strained finances for many households

While food price inflation returned to more normal levels in 2024, the high inflation of the previous two years continues to impact customer behaviour and prices remain a very important factor. Together with rising interest rates, inflation has led to shrinking disposable incomes and strained finances for many households. However, pressure eased somewhat in 2024 with falling interest rates and positive real wage growth at the end of the year.



Much greater focus on low-price and discounted items

- Increased demand for low prices – and more competition from discount actors – but slowly rising optimism among customers during the year
- Greater price transparency due to digitalisation and online shopping, with another year for growth in online shopping in 2024

Ever clearer effects of ongoing climate change

The effects of climate change are becoming increasingly clear. 2024 was the hottest year since records began, at more than 1.5°C above pre-industrial levels. All of the warmest years on record have been recorded after 2015. Extreme weather conditions brought devastation in the form of droughts and floods, affecting food production in various places around the world.



Need to review the entire value chain – from farm to fork

- More and more customers want to reduce their environmental impact
- Transparency and acting responsibly are increasingly important
- Ever more important to identify and manage climate-related risks in the value chain

Growing differences and expectations

Demographic changes and increased polarisation in terms of values, lifestyles and incomes are resulting in groups with very different needs and expectations.



Need for flexibility in supply, assortment and offering

- Increasingly important to be able to satisfy various types of personal preferences
- Breadth and depth are important for major actors
- Knowledge and insight into customers' preferences increasingly crucial

Increased uncertainty in the world

Russia's war in Ukraine, the ongoing war in the Middle East and a number of other conflict hotspots have changed the security situation, both in Europe and around the world. Together with experiences from the pandemic, this has led to increased focus on supply preparedness, including the production and distribution of food and groceries.



More focus on supply preparedness, local primary production of food and safety

- Need to support local primary production of food to increase self-sufficiency
- Increased need for collaboration between business, civil society, government agencies and politics



FIND PERSONAL SOLUTIONS

Our ambition

- We excel in our markets by being the best at serving and inspiring all customer segments with tailored, local and attractive offerings to meet a broad range of everyday needs
- We are recognised for providing personal experiences that create engagement and loyalty, regardless of channel

Improved network of stores and pharmacies with the right format in the right place

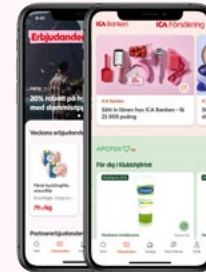
Development and optimisation of the network of stores and pharmacies within ICA, Rimi Baltic and Apotek Hjärtat continues through initiatives such as establishing new stores and pharmacies, updating existing ones and continued co-location of ICA stores and Apotek Hjärtat. New concepts are also being 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. At the end of 2024, there were 62 unstaffed stores and there are plans to open more in the years ahead. Most will be in sparsely populated areas or small towns.

Greater personalisation

Increasing the level of personalisation and relevance in the customer experience are important components of strengthening customer loyalty. Several of the ongoing digitalisation projects within ICA Sweden, Rimi Baltic, Apotek Hjärtat and ICA Bank aim to enable an even better, more personal and more effective customer experience, physically as well as digitally.

A joint customer offering

In addition to continued development of offerings within each operation, a great deal of focus will be placed on developing joint offerings that are enabled by the Group structure, all with the goal of making every day a little easier for customers.



Stammis – discounts, personalised offers and bonus opportunities

The Stammis loyalty programme plays an important role in efforts to offer personal solutions while strengthening loyalty. Access to data-driven customer insights from the loyalty programme provides valuable information on preferences and behaviours – thereby enabling the right offering to be made in the right channel at the right price. Alongside ICA, the programme also covers Apotek Hjärtat, ICA Bank and ICA Insurance, and at the end of 2024 had more than 5 million members in total.





SAVE TIME & EFFORT

Our ambition

- We are recognised for providing a seamless, frictionless and reliable shopping experience that saves time and effort
- We simplify and provide solutions for customers so that they have more time and energy for what they value in life

Services that save time and make life easier

ICA Gruppen aims to offer solutions that make customers' lives easier and help them save time. This includes everything from the experience in stores, pharmacies and online to inspirational tips for daily meals, smart bank services and flexible parcel deliveries. The use of new innovations and technological solutions, such as digital assistants and AI, play a growing and important role in this. By allowing physical and digital channels to work together, and by fully leveraging the strength of our Group structure, new types of services and offerings will be developed – all in order to make the customer journey and customers' lives easier.

Seamless channel experience

ICA Gruppen must meet its customers in the locations and channels where they are and where they want to be – whether this is in a physical store or pharmacy, or online. The pace of change has been fast in recent years, and will continue to be so in the years ahead. Continued investments in assortment, technology and infrastructure will help enhance the customer experience and contribute to a stronger offering overall. These investments and initiatives are aimed at strengthening loyalty to the individual businesses and independent ICA stores as well as at facilitating increased internal collaboration.

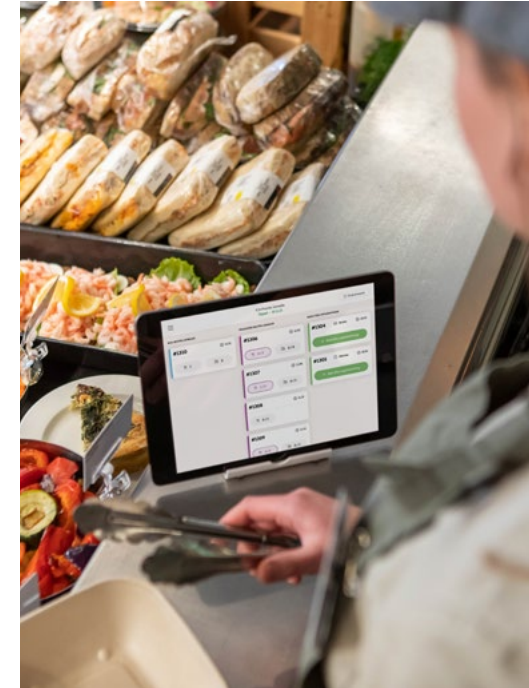
ICA at work

Many workplaces are currently unable to offer their employees food and snacks at the workplace. The pilot project "ICA at work" – a new concept where ICA stores across the country offer a flexible food-at-work solution in lockers placed at the workplaces – began in autumn 2023. The concept consists of a simple locker with a lock and scanner connected to our ICA ToGo app. The solution provides businesses with a flexible and affordable food solution at the workplace, directly from their local ICA stores.

ICA Paket

As part of the Group's efforts to make life easier, the parcel delivery service ICA Paket was launched at the end of 2023. ICA stores receive numerous shipments of groceries and parcels for their customers every day. ICA Paket allows these parcels to be transported along with existing lorry shipments from ICA's warehouses to the ICA stores – thereby utilising unused space on existing journeys. ICA Paket is a collaboration between ICAX, Early Bird and Ingrid.

Among those that have signed up to the service are Adlibris and Apotek Hjärtat.





MAKE SUSTAINABLE CHOICES

Our ambition

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

For a food system that is sustainable long-term

Food production around the world accounts for a significant share of global GHG emissions and has also been one of the main impact drivers behind biodiversity loss. To facilitate more sustainable food systems – locally and globally – changes are needed to promote more sustainable production, a transition in consumption to a higher percentage of plant-based food and a reduction in waste throughout the value chain. At each step ICA Gruppen is making comprehensive efforts, both itself and together with others.

In terms of the environmental and climate impact of customers' purchases, efforts are being made by ICA Sweden, the independent ICA retailers, Apotek Hjärtat and Rimi Baltic to develop the assortment and implement various kinds of campaigns aimed at inspiring and engaging customers to make climate-smart choices. These include the ICA Växa (ICA Grow) initiative, increased use of sustainability-labelled raw materials and ingredients in private label products, and a focus on

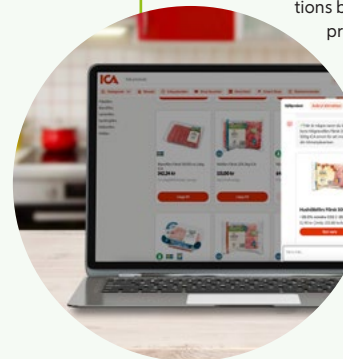
promoting sales of organic food and pharmacy products. To impact production, one of ICA Gruppen's targets is for its largest suppliers to work toward emissions reductions at the pace required to slow global warming.

Extensive efforts are also in progress – both among suppliers and among customers as well as within the Group's own operations – to minimise the amount of food waste.

Launch of Klimatknuften

Food production accounts for around one quarter of global climate impact. But knowing how to choose climate-smart products can be difficult. To make it easier for more customers to choose products with lower climate footprints, the AI service Klimatknuften (Climate Nudge) was launched in 2024.

In Klimatknuften, 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 is a pilot project being tested in ICA's e-commerce operations.





GET VALUE FOR MONEY

Our ambition

- We are seen as offering the best value for money in our markets, in terms of price in relation to quality
- We meet the needs of diverse customer segments by having offerings across the price range that are both relevant and offer value for money

Good prices for basic items – with special focus on fruit and vegetables

High food price inflation combined with higher interest rates have contributed to a marked increase in price consciousness in recent years, as well as increased demand for low-price and discounted items. The ambition at ICA Sweden, Rimi Baltic and Apotek Hjärtat is not to be a price leader, but to always be seen as offering value for money. All the businesses work actively on ensuring attractive prices and excellent value for money. This includes lowering prices on selected basic items and offering more discounts both in store and online. There is a particular emphasis on ensuring attractive prices for fruit and vegetables. ICA Sweden works on this in close collaboration with the independent ICA retailers.

Continued development of the private label assortment

A wide range of private label products plays an important role in efforts to offer good value for money. These products provide benefits for customers as well as for stores and pharmacies. They create a broad assortment while also promoting good profitability. ICA Sweden, Rimi Baltic and Apotek Hjärtat are continually working to develop and broaden the assortment, with a strong focus on the low-price segment.

Loyalty should pay

It should be rewarding to be a loyal customer. The work addresses several areas, including price, private label, offerings and marketing. The overarching and shared goal is to make it even more financially beneficial for customers to be loyal to ICA Gruppen's various businesses.

Stammis mortgage discount

Stammis members receive a discount on their mortgage with ICA Bank. Customers receive an interest rate discount in part based on their total purchases at ICA stores, Apotek Hjärtat, ICA Bank and ICA Insurance.





Operating with high efficiency and speed

Our ambition

- We optimise our operations for the entire ICA system by maximising the value of our combined assets to strengthen our uniqueness and competitive advantage
- We use business insights to automate and streamline our processes, thereby reducing costs and freeing up time to spend on value-adding activities



Increased efficiency across the entire value chain

Within ICA Gruppen numerous projects are under way aimed at enhancing long-term competitiveness. To enable forward-looking initiatives in terms of price and offerings we need a high level of internal efficiency and a strong focus on cost control – all the way from planning and construction to logistics, IT, store operations and staffing. The objectives include facilitating collaboration between the different businesses and reducing the number of overlapping functions.

Empowerment and mandate to make decisions

Technological development and changing customer behaviour 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. The objective is to increase flexibility and speed both in decision-making and in implementation processes – thereby enabling faster deliveries, achieving increased customer focus and minimising risk. This transformation impacts both leadership and what has become known as employeeship. 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.

Improving the customer journey and freeing resources through automated claims processing

In 2025, ICA Insurance will commence an extensive work to streamline the insurance claim processing. The plan is to automate the entire claims settlement process. Claims automation means that much of the administration can be completely eliminated. Smart dynamic forms will capture all the necessary information when the customers register their claim. For simpler claims, the entire process – from registration to decision and any disbursement – can be automated. In addition to cutting and shortening lead times, this also frees more time to handle more complex and time-consuming cases.

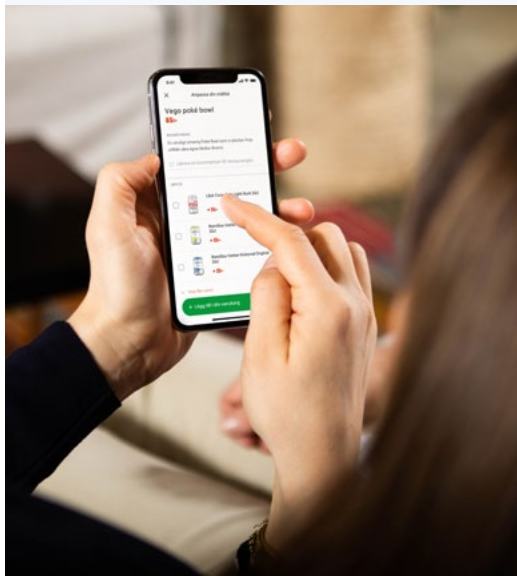




Deploying next generation technology

Our ambition

- We outperform our competitors in leveraging digital technology, different channels and insights from customer data to optimise the business and increase value to our customers
- We make data and technology easily accessible to ourselves, our stores and our customers to improve user-friendliness



Developing and leveraging opportunities with AA/AI

Data-driven insights from various parts of the business will strengthen the customer offering and competitiveness. Areas of particular priority include the use of AI and advanced analytics. The potential is significant, and extensive investments are being made in both areas. Assortment development provides data from areas including sales transactions, warehouses, deliveries and actual customer behaviour to create automated recommendations to help develop, change and optimise the assortment in individual businesses. Data-driven transformation also enables correctly targeted sustainability initiatives. Important areas for development include optimising measures to prevent food waste based on data-driven analysis, combining climate and sales data to analyse and identify the most efficient ways to reduce the climate footprint of food sold.

Renew and modernise the IT landscape

New technology and new technological abilities place considerable demands on functioning IT architecture and underlying platforms. Major projects are ongoing at ICA Sweden, Apotek Hjärtat and Rimi Baltic to replace the current IT landscape with new future-proof solutions. The work will result in improved service for customers, independent ICA stores and pharmacies as well as enable entirely new services and offerings.

Reduced food waste through AI

ICA Sweden is partnering with foodtech company Whywaste through the innovation hub ICAx. Within the framework of this partnership all ICA stores are offered an AI-driven tool that provides store-specific, data-based recommendations in real time on how the store can prevent and reduce its food waste. At the end of 2024, some 120 stores were connected to the service, and based on the waste reductions they achieved, future reductions in waste are expected to be around 20–40% per store. Rimi Baltic is using AI-driven tools to introduce automatic price reductions on goods approaching their expiration dates.





Attracting and empowering people

Our ambition

- We are the most attractive and valued employer, where people have opportunities to grow, influence and perform
- We have a collaborative culture within and across our companies that mobilises the power of the organisation to make us agile, adaptable and insight-driven



An attractive workplace and a positive employee experience

ICA Gruppen's continued success is built upon being an attractive and valued employer that provides opportunities for employees to develop, influence and perform. Continuous dialogue throughout the employee journey will enhance the experience and enable further development. ICA Gruppen wants to be an 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. These include training both for managers and for other employees, and providing support to enable people to have a good work-life balance.

Securing future skills needs

Competition for the right talent and skills is tough, so in addition to external recruitment, ICA Gruppen actively works to identify the potential of existing employees and support their learning journey. The purpose is to ensure access to critical talent and also to be able to offer existing employees new development and career opportunities. 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 integrate on-the-job learning, increase opportunities for just-in-time learning and put the conditions in place for networking and exchange of experiences.

Major investment to broaden and deepen AI competence

AI represents a paradigm shift that will provide opportunities for entirely new types of value both for customers and for the ICA Gruppen organisation. A major initiative was launched during 2024, consisting of seminars, learning sessions and workshops, with the aim of increasing and broadening knowledge in the field. In total, more than 2,000 employees took the opportunity to deepen their skills. The aim has been to jointly explore and implement the technologies that will shape tomorrow's operations.

The initiative, which will continue in 2025, has been run within the ICA Greenhouse framework – ICA Gruppen's concept for skills development and continuous learning in critical areas.



Board of Directors' report

In 2024, food inflation fell sharply and sales growth went from being inflation-driven to being very much volume-driven. However, focus remains on price and ICA Sweden made substantial price investments during the year. While sales growth has been strong, margin growth has been subdued due to the price investments. Apotek Hjärtat posted a record year and both ICA Real Estate and ICA Bank reported stable earnings for the year. Strong cash flows, property divestments and the share issue to ICA retailers together contributed to a considerable reduction in net debt.

Food price inflation fell sharply during the year and amounted to +1.4% (12.1) for the full year. A similar trend took place in the Baltics, where however, food price inflation picked up again at the end of the year, especially in Estonia and Latvia.

Net sales and earnings

Consolidated net sales in 2024 increased 6.5% to SEK 157,216 million (147,645). In local currencies the increase was also 6.5%. The increase in sales was mainly driven by higher volumes, but also by inflationary effects in the

beginning of the year. The price effects in Rimi Baltic were negative. Growth returned in online food sales in Sweden in 2024. Sales for Apotek Hjärtat were driven both by volume and by price. Online sales in the pharmacy market continued to show strong growth.

Operating profit excluding items affecting comparability and IFRS 16 Leases was SEK 6,145 million (5,841), an increase of SEK 304 million. Earnings were on a par with last year after adjustment for structural costs and non-recurring items in ICA Sweden and ICA Real Estate in 2023 totalling SEK -310 million. The operating margin fell from 4.0% to 3.9%. The margin decline amounted to 0.3 percentage points if the operating margin for 2023 were to be adjusted for structural costs and non-recurring items as described above. Apotek Hjärtat's earnings improved considerably, primarily due to strong sales growth but also due to changed regulations for the reimbursement of medicines. Earnings also improved for Rimi Baltic and for ICA Bank. However, a weak year for ICA Insurance, including an unfavourable claims outcome, led to ICA Bank's overall earnings being down year-on-year. ICA Real Estate's earnings were lower after taking into account non-recurring items in 2023. The decrease can be linked to completed divestments that reduced income from Group-owned properties. Group-wide costs were up SEK 128 million, mainly due to higher IT expenses and new business ventures. The Group's gross profit increased in SEK at the same time as the gross margin decreased, which was largely attributable to implemented price investments.

The operating profit increased SEK 315 million to SEK 7,022 million (6,707) and included items affecting comparability from capital gains in connection with property divestments of SEK 591 million (514). Additional items affecting comparability included in earnings comprised impairment losses and other of SEK -453 million (-170), of which SEK -373 million is the final winding up cost for the closure of the customer fulfilment centre in Arendal and measures to adjust cost levels in the online operations in Sweden. Profit for the year amounted to SEK 4,356 million (4,250).

Net financial items and tax

The Group had a net financial expense of SEK -1,759 million (-2,014). The difference between the years of SEK +255 million was attributable to lower debt and lower interest rates.

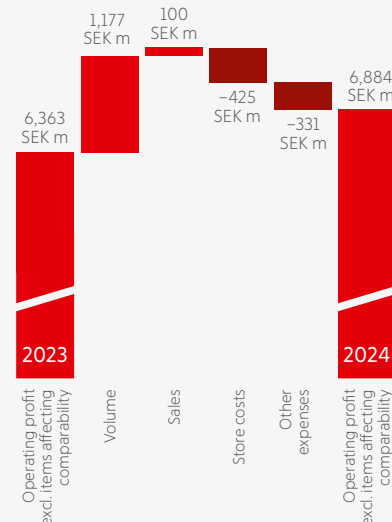
Tax expense for the year was SEK -906 million (-443), representing an effective tax rate of 17.2% (9.4). The tax rate for the year was positively impacted by tax-free capital gains from completed property divestments and lower reserve for dividend tax in Rimi Baltic. The tax expense for the year includes tax of approximately SEK 150 million on taxable capital gains that arose in the land swap transaction completed in the second quarter of 2024. The transaction will impact tax paid in 2025. In 2023, property divestments and tax-free capital gains were higher, which largely explains the difference in tax rate and tax expense between the years. Tax paid amounted to SEK -760 million (-845).

Financial position

Excluding IFRS 16 Leases and ICA Bank, net debt at the end of the year amounted to SEK 14.6 billion (20.7). Sustained stable cash flows, property divestments and the completed share issue enabled the relatively large decrease in debt to take place. The Group's net debt including IFRS 16 Leases (excluding ICA Bank and pension liabilities) amounted to SEK 37.6 billion (43.4) at the end of the year. As of 31 December 2024, the net debt (excluding ICA Bank and IFRS 16 Leases) in relation to EBITDA (excluding IFRS 16 Leases) was a multiple of 1.6 (2.2). The Group's long-term target is for this metric to be <2. Including IFRS 16 Leases, the debt ratio was a multiple of 2.7 (3.3). During the year, bonds for an additional SEK 4.5 billion were issued, of which SEK 2 billion comprised green bonds. Together with the green bond issue completed in 2023, ICA Gruppen has thus issued green bonds for a total of SEK 5.5 billion. In December, a directed share issue was completed to ICA retailers. The issue raised total proceeds of just over SEK 1.8 billion for the Group, of which just over SEK 1.6 billion in December and the remainder in early 2025. More information is provided in Note 17 on pages 54-55 and Note 12 to the Parent Company on page 68

Operating profit development

ICA Gruppen's operating profit excluding items affecting comparability increased SEK 521 million, SEK 218 million of which is the effect of IFRS 16 Leases and around SEK 310 million comprising structural costs and non-recurring items in 2023. Accordingly, the underlying difference between the years is marginally negative. Otherwise, the volume effects were positive in all operations, with the exception of ICA Bank and ICA Real Estate. Price effects were negative in ICA Sweden and Rimi Baltic, while higher prices, particularly for prescription medicines, contributed to Apotek Hjärtat's earnings increase. Credit losses were lower, while store costs increased for Rimi Baltic and Apotek Hjärtat. Other costs include higher IT expenses and costs for new ventures.



Cash flow

Cash flow from operating activities (excluding ICA Bank) amounted to SEK 13,257 million (12,738). Excluding the effects of IFRS 16 Leases, the difference between the years was SEK +53 million. Cash flow from investing activities was considerably more negative, due mainly to a sharp decline in divestments at the same time as investments were slightly higher.

Investments

Investments during the year amounted to SEK 4,029 million (3,759), of which SEK 1,851 million (1,734) was attributable to ICA Real Estate. Major investment projects during the year included new warehouse capacity, new stores, refurbishments and also investments in IT and digitalisation. Divestments during the year amounted to a total of SEK 1.4 billion (6.4).

Parent Company

As per 1 January 2024, IT operations were transferred from ICA Gruppen AB to ICA Sweden AB. Until that point the Parent company had sold these services internally within the Group. The Parent Company's net sales decreased to SEK 36 million (1,333) and profit after financial items decreased to SEK 1,887 million (4,368) among other things due to lower received dividends from subsidiaries, SEK 2,750 million (5,600). Interest expenses were lower, SEK 1,152 million (1,729), due to reduced indebtedness.

Seasonal variations

Grocery retail sales are affected by national holidays and when these occur. Christmas and Easter in particular are key holidays. For a large part of the retail sector, the fourth quarter is seasonally the strongest quarter.

Employees

In 2024, ICA Gruppen had around 27,000 employees, mainly in Sweden and the Baltic countries. Converted to full-time equivalents (FTEs) on an annual basis, the average number of employees

was 23,891 (23,900). More information can be found in the Sustainability Report section on pages 124–146.

Material risks and uncertainties

ICA Gruppen works at the Group level to systematically identify and manage the risks associated with its operations. The risk management process is an integrated part of the strategy and planning work of each unit. Risks are consolidated, and risk management is reported to and monitored by the ICA Management Team (IMT) and the Board of Directors.

ICA Gruppen has significant exposure to the Swedish and Baltic grocery retail sector, and to the Swedish pharmacy market. An economic downturn and political decisions are factors that could have a negative impact on the Group's sales and earnings. ICA Gruppen's Financial Policy stipulates how financial risks are to be managed and mitigated. The policy also provides a framework for the Group's treasury management. More information about risk management is provided on pages 185–190 of this document.

Important events after the balance sheet date

No important events occurred after the balance sheet day.

Statutory Sustainability Report and Corporate Governance Report

In accordance with Chapter 6 Section 8 and Chapter 6 Section 11 of the Annual Accounts Act, ICA Gruppen AB (publ) has chosen to prepare the statutory Sustainability Report and Corporate Governance Report as separate documents to the Annual Report required by law. The Sustainability Report, the content of which is listed in the table of contents, can be found on pages 76–171 of this document. The Corporate Governance Report can be found on pages 172–184.

The Board's proposed dividend

ICA Gruppen's Board of Directors has proposed to the Annual General Meeting a dividend amounting to SEK 545 million (540) in total. See also Note 17 on pages 54–55 and Note 12 to the Parent company on page 68.

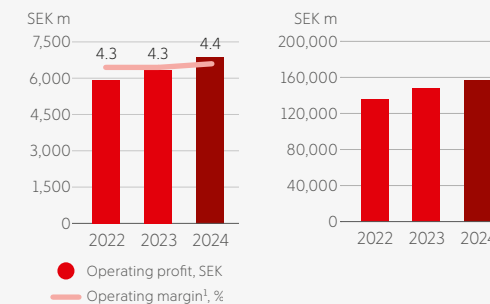
Net sales by segment

SEK m	2024	2023	2022
ICA Sweden	110,241	103,493	97,252
Rimi Baltic	21,874	21,039	18,482
Apotek Hjärtat	21,097	18,964	16,963
ICA Real Estate	3,315	3,179	2,893
ICA Bank	2,950	2,797	2,338
Other	63	1,334	1,303
Intra-Group sales	-2,325	-3,161	-2,941
Net sales	157,216	147,645	136,288

Cash flow statement, Group excluding ICA Bank

SEK m	2024	2023	2022
Cash flow			
From operating activities before change in working capital	12,129	11,579	10,513
Change in working capital	1,128	1,159	-186
From operating activities	13,257	12,738	10,327
Investing activities, net	-2,609	2,798	-744
Before financing activities	10,648	15,536	9,583
Financing activities, net	-9,414	-18,437	-6,696
Cash flow for the period	1,234	-2,901	2,887

Operating profit, SEK m and operating margin, %¹



¹ Excluding items affecting comparability.

Operating profit excluding items affecting comparability by segment

SEK m	2024	2023	2022
ICA Sweden	3,990	3,731	3,769
Rimi Baltic	849	810	682
Apotek Hjärtat	880	689	543
ICA Real Estate	549	554	690
ICA Bank	405	458	367
Other	-528	-400	-439
Operating profit excl. items affecting comparability excl. IFRS 16 Leases	6,145	5,841	5,611
IFRS 16 Leases	739	522	294
Operating profit excl. items affecting comparability incl. IFRS 16 Leases	6,884	6,363	5,905

→ ICA Sweden

Higher customer inflow and higher market share



The focus during the year was on meeting increased demand for value for money products. Efforts included investing in price reductions on many everyday items, campaigns in store and online, as well as further development of private label products. Increased customer flows during the year was an important factor in sales growth, which was higher than market growth for the entire year and led to capturing more market shares.

Sales by ICA stores

Sales in the Swedish ICA stores increased 5.8% (6.1) in 2024. The increase for comparable units amounted to 5.4% (5.7). The trend was primarily due to a higher volume of items sold, which was in turn driven by increased customer visits in all store formats.

The ICA stores' online sales increased during the year by around 8.0% (-10.8). Online sales amounted to 2.9% of total store sales during the year, compared with 2.8% in 2023.

Focus on price and customer loyalty

Food price inflation in 2024 was significantly lower than in 2023. However, strained finances for many households meant that there was continued focus on price, including demand for low-price products. Working closely with the ICA retailers, efforts to ensure good value for money and attractive prices continued. During the year, ICA Sweden invested in lower regular prices for the ICA stores, enabling them to lower prices for consumers or to maintain already-low prices. The ICA retailers also made their own substantial price investments to benefit consumers.

In addition to price reductions on a large number of everyday items, campaigns in store and online, efforts

also included further development of private label products. Private label products' share of total sales continued to grow during the year.

Continued development of Stammais

Strengthening of ICA Gruppen's loyalty programme, Stammais, continued during the year in close collaboration with Apotek Hjärtat and ICA Bank. Access to data-driven customer insights from the loyalty programme provides valuable information on preferences and behaviours – thereby enabling the right offering to be made in the right channel at the right price. At the end of the year the loyalty programme had more than 5 million members.

Continued development of the online offering

In the end of the year, 65 stores were connected to the highly automated customer fulfilment centre in Brunna just outside Stockholm. The main focus during the year was on increasing efficiency and utilisation rates. The development of ICA Gruppen's central e-commerce platform, Ocado Smart Platform, continued in parallel with the above. There were 361 active e-commerce stores by the end of the year.

Sales growth and number of stores including retailer-owned stores

Format	Store sales (excluding VAT)			Number of stores in Sweden			
	2024, SEK m	Change, all stores, %	Change, like-for-like, %	Dec 2023	New	Closed	Dec 2024
Maxi ICA Stormarknad	51,339	7.7	7.0	90	2	-	92
ICA Kvantum	36,586	5.7	5.1	129	3	-3	129
ICA Supermarket	43,254	4.7	4.5	422	2	-2	422
ICA Nära	22,383	4.0	3.8	629	3	-10	622
Total	153,562	5.8	5.4	1,270	10	-15	1,265

Key performance indicators

	2024	2023	2022
Net sales, SEK m	110,241	103,493	97,252
Operating profit before depreciation/amortisation (EBITDA), SEK m	4,612	4,497	4,524
Operating profit excl. items affecting comparability, SEK m	3,990	3,731	3,769
Operating margin excl. items affecting comparability, %	3.6	3.6	3.9
Investments, SEK m	1,667	943	1,110
Average number of employees	8,817	8,473	8,723
Private label share of store sales, %	26.8	27.0	26.7

Financial performance

ICA Sweden's revenue increased 6.5% during the year and was primarily volume-driven. Operating profit was marginally higher year-on-year, due to structural costs of approximately SEK 245 million in 2023. Price investments during the year had a negative impact on operating profit, which was largely

offset by streamlining and cost savings as well as improvements in online operations. The operating margin remained unchanged at 3.6%. Adjusted for structural costs in 2023, the operating margin decreased 0.2 percentage points.



→ ICA Sweden

Clearer division of responsibility and stronger focus on customers and stores

In order to better clarify the division of responsibility and strengthen focus on customers and stores, changes were made to the organisation during the year that led to dividing the previous Sales and Marketing function into three new areas: Hypermarket, Food and Local Market as well as Customer and Brands. Implementation of the change decided in 2023 continued concurrently and as a result, ICA Gruppen's Group IT and IT Services have become part of ICA Sweden, where they have been combined with parts of ICA Sweden's Strategy & Technology department to form the new Digital & Technology organisation.

Efficiency improvements within logistics and warehouses

Construction continued in Västerås of ICA Sweden's new highly automated freezer warehouse, which comprises an important component of streamlining logistics operations. The freezer warehouse is expected to be fully completed in 2025 and to go into operation in 2026. Construction also continued of the warehouse in Borlänge. Overall, the investments will support streamlined logistics flows, which in turn will improve the offering to stores as well as end customers.

Continued sustainability investments

Work continued during the year to reduce emissions and climate impact across the entire value chain. This covered a wide range of initiatives, including assortment, offering, support to stores, and transportation and logistics. Consumer-facing initiatives included the launch of

Hushållsfärs, ICA's own mince, which consists of 30% pea-based mince and 70% minced beef. In a partnership with ICAX, the AI service Klimatkuffen (Eng: Climate Nudge) was also launched, making it easier for more customers to choose products with a lower climate footprint. The service is a pilot project that is now being tested in ICA's e-commerce operations.

During the year, the partnership with Whywaste also expanded through an AI-powered tool that enables stores to reduce food waste. After successful pilot projects in a few stores, the system is now being made available for all ICA stores.

As a part of the important work to reduce emissions from transportation, an agreement was signed with A.P. Möller – Maersk during the year for Maersk's ECO Delivery Ocean maritime transportation solution that replaces fossil fuels with biofuel alternatives. The

agreement covers transportation of food as well as other goods that ICA Sweden purchases from Asia, South and North America, and Africa. The new agreement is expected to lower ICA Sweden's emissions from maritime transportation at least 80%, the equivalent of 3,500 tonnes CO₂e annually.

Mobilising for Swedish food

During the year initiatives to support local food producers were continued, thereby facilitating 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.



Market performance in 2024

According to the Swedish Food Retail Index (DVI), market growth during the year was 4.1%. Food price inflation amounted to 1.4% for the year as a whole compared with 12.1% in the previous year. Market growth was thus primarily volume-driven.

The Food Retail Index is based on sales statistics from a number of selected actors, both physical stores and online. The DVI market in 2024 amounted to SEK 343.4 billion, of which SEK 14.3 billion pertained to e-commerce operations.

Growth returns in online sales

After the pandemic, online food sales declined for much of 2022 and all of 2023. At the beginning of 2024, sales began to grow again and growth in 2024 for food online was approximately 4.9% according to the Swedish Food Retail Index. Online sales accounted for around 4.1% of the total market in 2024 according to the DVI.

The ICA stores' online sales increased during the year by 8.0%. This amounted to 2.9% of total sales.

Development of the grocery retail market in Sweden



Source: Statistics Sweden, HUI, Swedish Food Retailers Federation



Future focus

The focus in 2025 will remain on ensuring good value for money, both real and perceived. The continued development of the private label assortment will play a key role in this. The Stamma customer loyalty programme will be further developed, with a focus on increasing collaboration between the various operations within ICA Gruppen.

Online initiatives will continue, with a special focus on improving capacity utilisation at the highly automated customer fulfilment centre in Brunna. The goal is to connect it to more ICA stores. Development of the central e-commerce platform will continue, in close partnership both with Ocado and with the independent ICA retailers.

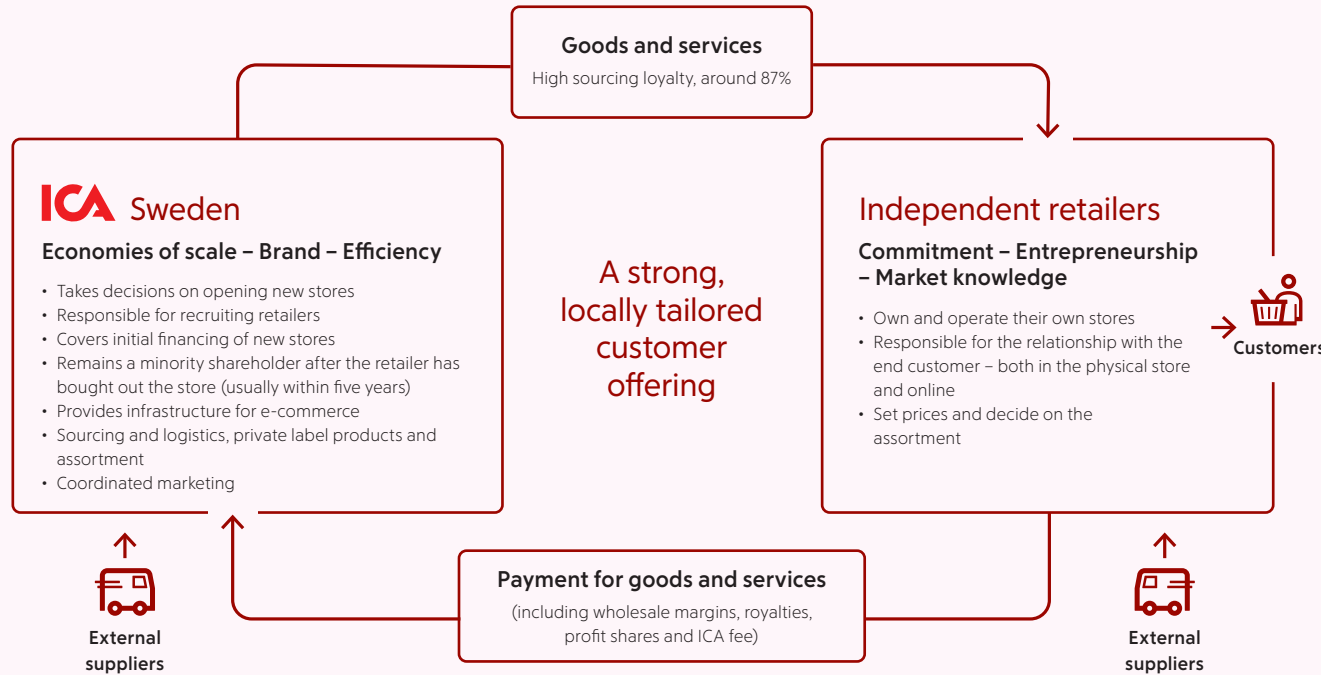
Considerable effort will continue to be invested in achieving the goal of fossil-free transportation of goods in Sweden's metropolitan regions by the end of the year.

Work will also continue on streamlining the organisation and improving ways of working. Support to independent ICA retailers will be further developed and improved, where priority areas include assortment, pricing, store operations, marketing and campaigns. The plan is to accelerate the pace of expansion in the coming years, with a greater focus on MAXI stores. The pace of renewal of the existing store network will remain high.

→ ICA Sweden

The ICA Idea – a unique business model since 1917

ICA Sweden's operations are based on a unique 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.



ICA Sweden's revenue and earnings

Revenue that contributes to profits

- Revenue from wholesale sales
- Sales in stores owned by ICA Sweden
- ICA Sweden's non-food sales in Maxi ICA Stormarknad hypermarkets
- Revenue from add-on services in competitive environments
- Performance-based revenue in the form of royalties and profit shares

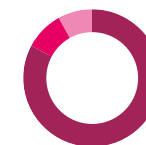
Revenue that provides cost coverage

- Revenue from ICA subscriptions (fees from ICA retailers to finance the joint organisation)
- Compensation for logistics, infrastructure
- Add-on services not exposed to competition

Factors affecting ICA Sweden's profits

ICA Sweden's earnings come largely from wholesale sales. The size of the mark-up is set out in an agreement with ICA-handlarnas Förbund. It is the same for all stores and varies depending on the type of product. Other compensation with a direct impact on profits includes royalties and profit shares from the stores. Profits are also generated from non-food products, store subsidiaries and add-on services.

ICA Sweden's revenue in 2024



- Wholesale, 83%
- Store subsidiaries and non-food sales at Maxi ICA Stormarknad, 9%
- Other sales/revenue, 8%

ICA Sweden's profit in 2024



- Wholesale, 61%
- ICA agreements (royalties and profit shares) and other (store subsidiary sales, ICA's own non-food sales, add-on services), 39%

Clear division of responsibility

The relationship between ICA Sweden and the individual ICA retailers is regulated in an agreement. The agreement sets out, among other things, how the store network will be operated

and how new stores will be financed. Key elements of the agreement include the overall division of responsibility between ICA Sweden and the retailer, the principles governing the rights to the

ICA brand and ICA Sweden's right to compensation in the form of royalties and, in some cases, profit shares. It also contains a pre-emption clause in the event that ICA retailers want to sell their company or its operations.

→ Rimi Baltic

Strong second half of the year – with improved market position



For Rimi Baltic, 2024 was characterised by a strong focus on costs and efficiency as well as active work with optimising the assortment and campaigns. Overall, this resulted in a strong second half of the year, resulting in improvements in market shares as well as profitability for the full-year.

In total, net sales increased 4.3% in local currency during the year, corresponding to an increase in SEK of 4.0%. The increase was due to higher volumes, while price effects in sales were negative. Both total and like-for-like store sales increased in all three countries. The biggest increase was in Lithuania. The number of customer visits increased in all three countries. Average purchases decreased in Estonia and Latvia, while they increased marginally in Lithuania.

Continued focus on price and costs

The main focus during the year was on meeting customer demand for low-price products. Initiatives included continuous price cuts for a large number of items (Rimi 700), an increased share of Rimi private label products in the assortment and the enhancement of loyalty programmes. A major change was also made to the private label assortment, with a focus on price and value for money. On the cost side there was a strong focus on streamlining the supply chain, administration and store operations. The implementation of solutions such as cash self check-out and self-scanning continued during the year. An important

project is the new distribution centre in Estonia, which will be commissioned in the spring of 2025 and replace two previous terminals.

Expansion of the store network and significantly increased online sales

The optimisation of the store network continued during the year. A total of 14 new stores opened. Seven stores were closed during the year. The e-commerce initiatives continued in parallel in all three countries. In local currency, online sales increased 29.1% during the year (12.1). As a share of total sales, online sales were at a level of 3.5% (2.8) in 2024.



Key performance indicators	2024	2023	2022
Net sales, SEK m	21,874	21,039	18,482
Operating profit before depreciation/amortisation (EBITDA), SEK m	1,304	1,338	1,162
Operating profit excl. items affecting comparability, SEK m	849	810	682
Operating margin excl. items affecting comparability, %	3.9	3.9	3.7
Investments, SEK m	483	666	465
Average number of employees	10,968	11,118	10,893
Private label share of store sales, %	27.0	26.0	24.3
EUR exchange rate, average	11.43	11.47	10.63

Store format by country

Concept	Estonia	Latvia	Lithuania	Total
Rimi Hyper	17	39	40	96
Rimi Super	26	37	39	102
Rimi Mini	38	58	0	96
Rimi Express	3	6	11	20
Rimi Value Store	0	0	1	1
Total	84	140	91	315

Sales development and number of stores

Country	Store sales (excluding VAT)			Number of stores			
	2024, EUR M	Change, all stores, %	Change, like-for-like, %	Dec 2023	New	Closed	Dec 2024
Estonia	483.0	2.5	0.5	82	3	-1	84
Latvia	922.7	4.3	3.5	138	6	-4	140
Lithuania	478.9	5.6	3.3	88	5	-2	91
Total	1,884.6	4.2	2.7	308	14	-7	315

Financial performance

Unlike the previous year, growth was fully volume-driven. Increased sales led to higher gross profit despite higher logistics costs. The gross margin remained unchanged. The higher gross profit was partially offset by higher operating expenses, primarily related to store operation. The cost

increases were primarily due to the development of the store network, personnel expenses arising from higher minimum wages, IT, electricity and store rents. Operating profit increased close to 5%, while the operating margin remained unchanged at 3.9% compared with 2023.

→ Rimi Baltic

Market performance in 2024

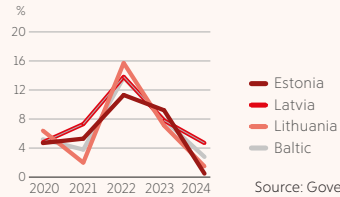
The grocery retail market in the Baltics grew 3.1% in 2024. Growth was driven primarily by increased volumes but also, to a certain extent, by food price inflation. Compared with 2023, inflation was considerably lower even though it increased towards the end of the year in Estonia and Latvia. Full year inflation was 3.2% in Estonia, 2.8% in Latvia and -0.7% in Lithuania. Growth in the three countries was; Estonia +0.8%, Latvia +1.8% and Lithuania +5.0%.

Total sales in the Baltic grocery retail market were around EUR 14,480 million in 2024, with Lithuania accounting for around 48%, Latvia for 27% and Estonia for 25%. Online grocery sales continued to increase during the year.

Tough competition and an emphasis on price

Grocery retail markets in Estonia, Latvia and Lithuania are characterised by tough competition, a strong focus on price and price perception. The pace of expansion has been fast in recent years, especially in the low-price segment, where Lidl in particular increased its presence in all three countries. In addition, decreasing or unchanged population rates are having a moderating effect on underlying growth in demand.

Development of the grocery retail market in the Baltics



Source: Government statistics

Rimi market share, groceries

Estonia	Latvia	Lithuania
13%	24%	7%



Future focus

In 2025, there will be a strong focus on continuing to increase sales and on capturing additional market shares. These initiatives include investments in assortment, promo prices and value for money. Moreover, development will continue on the loyalty programme. To remain competitive over time, continued optimisation of the store network and an overall strong focus on cost-effectiveness are also essential. Particular focus will be placed on improving efficiency within logistics and warehouses, where the establishment of a new distribution centre in Estonia plays an important role. The plan is for the centre to enter operation in the spring of 2025. The expansion and development of the store network will continue, for example, with a pilot project concerning hypermarket stores. In total, an estimated 15 new stores are expected to be established across all three countries during the year.

→ Apotek Hjärtat

Strong sales and enhanced market shares



For Apotek Hjärtat, 2024 was a successful year with strong sales and improved market share in physical pharmacies as well as online. At the same time, operating profit also grew to a record new high. Several large IT projects were conducted and will continue in 2025 in parallel with strong focus on the continued development of customer offerings in stores and online with high value for money.

Apotek Hjärtat's market share increased during the year, both in physical pharmacies and online. Total sales at pharmacies increased 11.2%, and 9.3% specifically at physical pharmacies. One of the primary drivers was a continued strong performance trend for pharmacies located close to food outlets. Altogether six new pharmacies were opened during the year, two of which were in new areas. All the new pharmacies opened in locations close to ICA. Moreover, a large number of pharmacies were refurbished in line with Apotek Hjärtat's newer store concept, which combines traditional pharmacy products and services with a broad offering within health and well-being. One pharmacy closed during the year.

E-commerce also continued to grow. In total, online sales increased 28%. As a share of total sales, online sales amounted to 11.9% for the year, an increase of 1.6 percentage points compared with 2023.

Updating the IT infrastructure

During the year, a major upgrade began of Apotek Hjärtat's underlying IT infrastructure. Focus during the year was on the development of new infrastructure for physical pharmacies, which included a pilot project for the new cash register system. The work will continue in 2025, and will also include prescription dispensing, the e-commerce platform and the app.

Continued investments within warehouses and logistics

Major investments during the year included the installation of automated robots at the online pharmacy in Norrköping. A total of 70 robots are now operational and more will come in 2025. In addition to the improvements in the work environment, the results indicate quicker and smoother deliveries as well as growth through increased capacity.

A stronger position in health

During the year Apotek Hjärtat continued its efforts to offer simple healthcare services. The partnership with Min Doktor, which is co-owned by Apotek Hjärtat since 2018, continued to develop and by the end of the year vaccinations were available at 57 locations, of which 48 were directly connected to an ICA store. In partnership with Blodtrycksdoktorn (the Blood Pressure Doctor), blood pressure measurement was established at nearly 180 pharmacies throughout Sweden during the year. The aim is to provide greater access to professional blood pressure measurement, along with rapid investigation and effective treatment where necessary.

Key performance indicators	2024	2023	2022
Net sales, SEK m	21,097	18,964	16,963
Of which:			
Prescription drugs, SEK m	16,000	14,131	12,547
OTC drugs, SEK m	1,811	1,728	1,588
Other products and services, SEK m	3,043	2,889	2,738
Operating profit before depreciation/amortisation (EBITDA), SEK m	1,080	884	741
Operating profit excl. items affecting comparability, SEK m	880	689	543
Operating margin excl. items affecting comparability, %	4.2	3.6	3.2
Investments, SEK m	268	202	178
Average number of employees	3,299	3,245	3,203
Private label share of other products, %	18.8	18.6	17.0

Number of pharmacies	Dec 2023	New	Closed	Dec 2024
Apotek Hjärtat	390	6	-1	395

Financial performance

Apotek Hjärtat's operating profit excl. items affecting comparability improved in 2024 reaching the highest level ever. The improvement was driven by strong sales growth accompanied by positive volume and price/mix effects. The revised regulation for reimbursement of medicines was also a factor. The growth was offset by increased store and IT

expenses as well as higher marketing costs. Cost savings and increased contributions for e-commerce operations offset the increases in costs. Min Doktor's share of profits also improved SEK 12 million. Overall, the operating margin strengthened 0.6 percentage points to 4.2%.



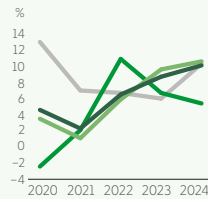
→ Apotek Hjärtat

Market performance in 2024

The combined sales in the Swedish pharmacy market for the year amounted to around SEK 64.3 billion, representing an increase of 10.1% compared with 2023. This was explained by higher average prices on prescription items, some inflation effects on other products as well as volume growth.

Sales in physical pharmacies increased 7.5% during the year. Online sales continued to grow during the year, with an increase of 19.8%. In total, online sales accounted for a record high 22.9% of the market, an increase of 1.9 percentage points compared with the previous year. For goods for resale, the share of online sales was over 49%.

Growth of the pharmacy market in Sweden 2020–2024



- Pharmacy market
- OTC drugs
- Prescription
- Commercial goods

Source: Swedish Pharmacy Association

Apotek Hjärtat's market share



- Apotek Hjärtat, 32.4%
- Other, 67.6%



Future focus

The goal going forward will be to further strengthen Apotek Hjärtat's position as the leading player in the Swedish pharmacy market. Top priorities include consolidating the position of the physical pharmacies while continuing to grow and take market share online. A key part of these efforts involves continued integration between the e-commerce channel and the physical pharmacies. Customer loyalty will be strengthened further, including through the development of Stammis and increased collaboration with other operations within ICA Gruppen. A total of ten new pharmacies are planned for 2025, all in locations close to ICA stores. At the same time, the rate of renewal of existing pharmacies will remain high. Another fundamental aspect is a continued focus on efficiency improvements in areas such as logistics, warehouse management and staffing. Work on automation will continue, with a particular focus on the customer fulfilment centre in Norrköping.

There will be considerable emphasis on continuing to develop and broaden the customer offering, not least in terms of online shopping, and also includes value-for-money choices for customers, private label initiatives, continued service development and a greater focus on health.

The transition to a more modern IT infrastructure will continue, where the largest investment comprises changing the prescription dispensing system but also changing the e-commerce platform during the year, which also entails a relaunch of apotekhjärtat.se

→ ICA Real Estate

Stable earnings trend, continued divestments

For ICA Real Estate, 2024 entailed continued support and development of ICA's store network and e-commerce in Sweden. In addition, a couple of major transactions were completed. The work with several major store and logistics projects continued during the year, for example the new freezer warehouse in Västerås.

Several large projects during the year

A significant focus during the year was on supporting, strengthening and developing ICA's store network and logistics in Sweden. Large projects started during the year included the construction of new ICA Maxi stores in Lund and Norrköping.

Development also continued during the year on a number of larger urban development projects which, in addition to grocery retail, include other commercial activity, housing, offices, restaurants, care and other functions important to communities. What these projects have in common is that they are long-term, include new stores and are run in close collaboration with municipalities and other actors. Examples of large ongoing development projects include the Brunnsbög district outside Lund and the Arninge shopping centre in Täby.

Several other important projects to support, strengthen and develop ICA's store network and logistics in Sweden were pursued during the year. One of the larger and more important being the construction of ICA Sweden's new freezer warehouse outside Västerås, located close to the flower warehouse that opened in 2023. The freezer warehouse is expected to be completed in 2025 and to enter operation in 2026.

Land swap deal with the City of Stockholm

Two major transactions were completed in the year. In June, a land swap deal was completed in Årsta with the City of Stockholm, whereby ICA Real Estate both divested and acquired land. ICA Real Estate plans to construct a building on the property to accommodate a new ICA store and housing. The housing project is being conducted as a joint venture with housing developer Nordr.

During autumn 2024, four store properties were divested to Delcore Fastigheter, which helped further reduce net debt, excluding IFRS 16 Leases, approximately SEK 390 million. Delcore Fastigheter is jointly owned by ICA Real Estate and the occupational pension company AMF.

Property transactions amounted to a total divestment for around SEK 1.3 billion with an effect of approximately SEK 900 million on ICA Gruppen's net debt excluding IFRS 16 Leases. Including IFRS 16 Leases, the divestments resulted in capital gains for the Group of around SEK 580 million.



Market valuation

The table shows the book value as well as the assessed market value of properties that are partly and wholly owned by ICA Real Estate.

	Book value	Assessed market value
Wholly owned Swedish properties	12.1	16.6
Properties partly owned through joint ventures, of which:	14.6	18.0
Ancore ¹	5.4	8.3
Trecore ¹	3.9	4.2
Delcore ¹	5.3	5.5
Total, incl. partly owned properties	26.7	34.6
Total ICA Real Estate²	19.4	25.6

1 Reported according to the equity method (see also Note 12).
2 Wholly owned properties and 50% of partly owned properties.

Key performance indicators

	2024	2023	2022
Net sales, SEK m	3,315	3,179	2,893
Of which rental income from owned properties, SEK m	1,051	1,123	1,354
Operating profit before depreciation/amortisation (EBITDA), SEK m	1,957	2,194	2,451
Operating profit excl. items affecting comparability, SEK m	549	554	690
Operating margin excl. items affecting comparability, %	16.6	17.4	23.9
Investments, SEK m	1,851	1,734	960
Divestments, SEK m	1,328	5,442	588
Property yield, %	6.7	6.4	7.1
Occupancy rate, %	98.0	98.5	98.6
Average number of employees	114	112	116

Other performance indicators

	Wholly owned	Joint venture according to the equity method ¹
Book value of owned properties, SEK bn	12.1	14.6
Assessed market value, SEK bn	16.6	18.0
No. of properties owned	92	115
No. of square metres owned, thousand	542	607
Occupancy rate, %	98.0	98.2
Share of rents from non-ICA operations, %	13.0	
Investments, SEK m	1,851	
Divestments, SEK m	1,328	

1 Table includes 100%, of which ICA Gruppen owns 50%.

Financial performance

ICA Real Estate's operating profit excl. items affecting comparability was on a par with last year, but approximately 11% lower than 2023 with non-recurring items of SEK -65 million taken into consideration. The trend is essentially entirely related to

reduced income from Group-owned properties after divestments were completed as well as higher depreciation. This was offset to some extent by rent indexation and variable rents as well as slightly lower costs and higher earnings from joint ventures.

→ ICA Real Estate

Lower costs, increased efficiency and new ways of working are a high priority

To meet generally higher cost levels, efforts continued with improving cost efficiency, optimising ways of working, and ensuring correct requirement specifications in connection with new builds and renovations. Within property management, work continued on a major project relating to control and operational monitoring of all managed properties. The aims include creating the right conditions for more efficient operation of the properties, improved energy and environmental performance, and improved net operating income. In addition, various initiatives are under way to reduce energy consumption in ICA-owned stores and other premises. These efforts form part of ICA Gruppen's Group-wide energy strategy, which aims for a 20% reduction in energy consumption both in stores and in logistics properties.

Sustainability in focus

ICA Real Estate's sustainability strategy was updated during the year. Clearer milestones have made the strat-

egy, which extends until 2030, more concrete and more clearly linked to daily work. Each target is now linked to specific activities and measurable KPIs to ensure effective follow-up. The targets are also adapted to new laws, industry requirements, certifications, the EU Taxonomy and owner directives.

One of the core components of the strategy entails reducing the environmental and climate impact of buildings. Efforts to minimise climate impact begin right from the planning phase. As far as each project allows, a timber frame is used when constructing new buildings. The advantages compared with concrete and steel include considerably lower carbon emissions, fewer loads and shorter distances when transporting materials, easier maintenance and also its carbon sequestration capacity. The ambition is to certify all new buildings to Miljöbyggnad or BREEAM standards. In parallel, work is ongoing to reach environmental certification of existing buildings to Miljöbyggnad iDrift and BREEAM In-Use.

The property market in 2024

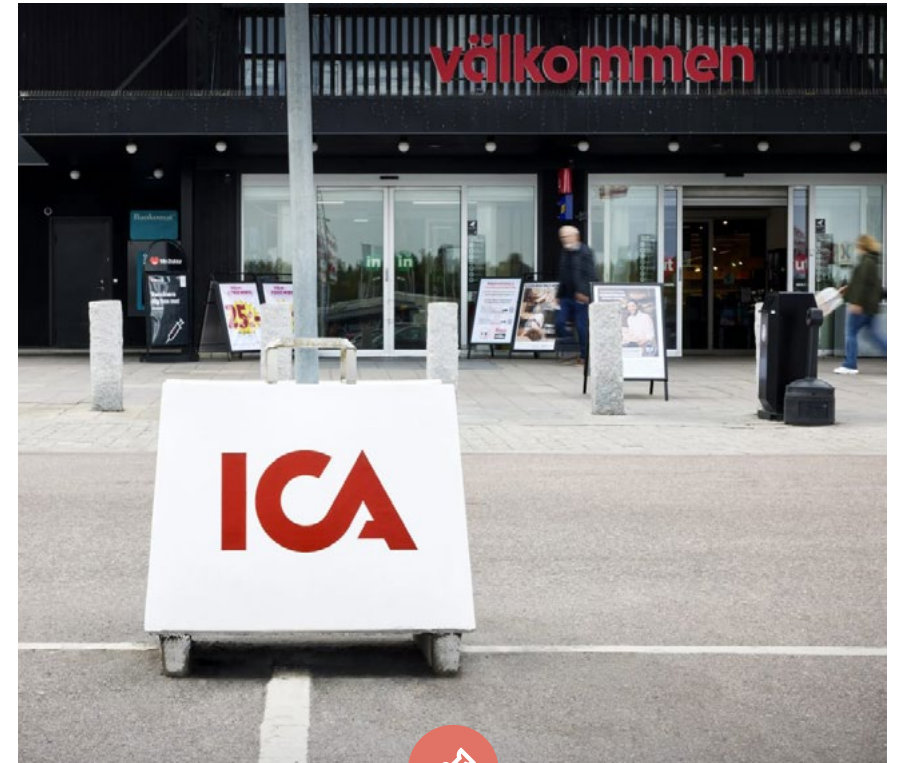
Despite a slight year-on-year recovery, where last year was very weak, total transaction volumes remained low in 2024. This was due to higher interest rates and costs, which together resulted in a sluggish market, where buyers and sellers sometimes found it difficult to meet.

For many property owners, the recession has resulted in higher vacancies, lower rental income and challenges with financing.

Higher yield requirements and declining property values affected, essentially, all real estate segments during the year. This was particularly evident in the housing sector, where housing starts have fallen sharply.

Despite continued uncertainty, the outlook for 2025 looks brighter than it has in years. This is helped by falling interest rates, a more positive sentiment in the Swedish bond market and significantly lower inflation.

Expectations are that sustainability aspects will continue to increase in importance both for financiers and for tenants, which will continue to set the bar high in terms of property owners' commitment and willingness to invest.



Future focus

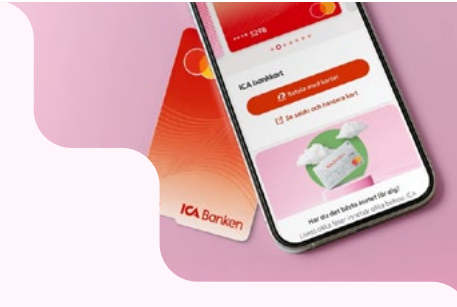
The focus in 2025 will be on creating stores and shopping centres that are even more attractive – all with the aim of supporting the ICA retailers in their efforts to become more competitive, take market share and enhance their profitability. As part of this, refurbishment and expansion projects will be conducted in properties owned by the Group and in joint venture-owned properties. In addition, investments will also be made in new locations.

There will continue to be a major focus on optimising the costs of new building work and refurbishments, and on improvements in efficient energy consumption in ICA stores, Apotek Hjärtat pharmacies and logistics premises.

Other major individual projects include the completion of the Arninge shopping centre in Täby and ICA Sweden's new freezer warehouse in Västerås.

→ ICA Bank

Good year for ICA Bank but less so for ICA Insurance



A growing market share in mortgages together with increased interest in banking and insurance services resulted in our position as the ICA customer's best choice being strengthened. Good customer ratings confirmed this and led to a prominent position in the Swedish Quality Index (SKI) for 2024. At year end, there were more than one million bank customers.

Focus remained strong during the year on the marketing of ICA Bank's mortgage offering, where customers receive an interest rate discount based on their total purchases at ICA stores, Apotek Hjärtat, ICA Bank and ICA Insurance. The housing market's continued relative weakness was reflected in demand for new mortgages, while demand for loans in connection with the restructuring of existing loans remained healthy. Mortgage volumes increased steadily over the year and at the end of 2024 were up 14% on 2023.

Stronger offering to suit ICA customers' household finances

In recent years, ICA Bank has invested considerable effort into strengthening its household finances offering, such as interest on current accounts and double bonuses at ICA and Apotek Hjärtat as an ICA Bank customer. In January 2024, we launched a food insurance plan, which is included in the card fee for some 600,000 bank and credit card customers. The insurance provides customers who buy their food at ICA with extra security if the unex-

pected happens. Anyone suffering a loss of income due to sick leave or unemployment can receive up to SEK 10,000 to shop at ICA and Apotek Hjärtat. The food insurance plan is unique in the Swedish market and a clear example of the strength of the ICA ecosystem.

Continued growth for ICA Insurance – with lower earnings

Awareness of ICA's insurance offering increased in 2024. ICA Bank Group's competitive mortgage offering has driven increased interest in home and personal insurance. The launch of ICA's own pet insurance during the year strengthened ICA's total offering to pet owners and generated healthy growth for the insurance company. Revenue from premiums increased slightly more than 10% and at year end there were around 240,000 customers. However, an unfavourable claims outcome with a number of large claims, in combination with weak profitability in certain product categories, led to a sharp decline in earnings compared with last year.

Key performance indicators

	2024	2023	2022
Revenues, SEK m	2,950	2,797	2,338
of which net interest income	1,382	1,398	1,059
of which net commission income	300	295	290
of which insurance revenue	1,099	996	877
Operating profit before depreciation/amortisation (EBITDA), SEK m	473	517	405
Operating profit excl. items affecting comparability, SEK m	405	458	367
of which ICA Insurance	-36	59	100
of which share in profit of JV (home mortgages)	-34	-35	-16
C/I ratio, % ¹	53	52	56
Return on equity, % ²	9.8	10.7	8.5
Credit loss ratio, % ¹	-2.2	-2.3	-1.8
Common Equity Tier I ratio, % ¹	14.7	14.1	13.9
Business volume, SEK m ¹	59,391	58,403	58,194
Average number of employees	566	514	485

¹ Refers to ICA Banken AB.

² The calculation of return on equity for ICA Bank excludes the effect of Group contributions.

Financial performance

ICA Bank's revenue was impacted by slightly lower net interest income, while net commission income and other income increased SEK 50 million. The credit loss ratio improved and the Bank's total profit increased approximately SEK 40 million. Business volume was impacted by a strong increase in mortgages, while consumer loans declined as a result of a deliberately lowered risk appetite and lower market growth.

ICA Insurance's income increased just over SEK 100 million, or approximately 10%, as a result of the increase in policies and adjusted premiums. However, an unfavourable claims outcome and higher operating expenses led to significantly lower operating profit compared with 2023, down SEK 95 million.

Market performance in 2024

The sharp decline in lending to households in 2023 started to pivot into weak growth in 2024. Falling interest rates and a growing optimism about better household finances also meant that activity in the housing market started to pick up

from previous low levels. Growth in lending to households was at the end of the year approximately 1.6%. Growth in mortgages, around 83% of total lending, was 1.4% and pure consumer credit, approximately 6% of the total, grew by 5%.

Future focus

The focus going forward is on continuing to increase revenues, volumes and profits. The development of innovative new services will help make people's lives and managing their finances easier.

The aim is to increase the number of customers, while concurrently deepening,

broadening and developing relationships with existing customers. Here, continued collaboration with other operations within ICA Gruppen will play a central role.

ICA Insurance will continue to grow in terms of number of customers, and with increased focus on restoring profitability.

→ Financial information

Definitions of key performance indicators

Business volume (ICA Bank)

Sum of lending, deposits, fund savings and home mortgages (including volume intermediated via collaborations).

C/I ratio (ICA Bank)

Total costs in relation to total income.

Capital employed

Equity plus interest-bearing liabilities.

Capital employed excluding IFRS 16 Leases

Equity plus interest-bearing liabilities excluding IFRS 16 Leases.

Common Equity Tier 1 ratio (ICA Bank)

The bank's capital base in relation to risk-weighted assets.

Credit loss ratio (ICA Bank)

Credit losses in relation to average lending.

Divestments

Payments received for property, plant and equipment and intangible assets sold during the period according to the statement of cash flows.

EBITDA

Operating profit before depreciation, amortisation and impairments (Earnings Before Interest, Taxes, Depreciation and Amortisation).

EBITDA excluding IFRS 16 Leases

Operating profit before depreciation, amortisation and impairments (Earnings Before Interest, Taxes, Depreciation and Amortisation) excluding EBITDA from IFRS 16 Leases.

Equity/assets ratio

Equity including non-controlling interests in relation to total assets.

Gross profit

Net sales minus cost of goods sold.

Investments

estments in property, plant and equipment and intangible assets paid during the period according to the statement of cash flows.

Items affecting comparability

Gains/losses on the divestment of non-current assets, impairment of non-current assets and other major non-recurring items.

Like-for-like store sales, pharmacy sales

Sales for stores/pharmacies that generated sales both in the reporting period and in the comparative period.

Net debt, excluding ICA Bank

Interest-bearing liabilities excluding pensions, ICA Bank, and cash and cash equivalents.

Net debt, excluding ICA Bank and IFRS 16 Leases

Interest-bearing liabilities excluding lease liabilities according to IFRS 16 Leases, pensions, ICA Bank, and cash and cash equivalents.

Net debt, excluding ICA Bank/EBITDA

Interest-bearing liabilities excluding pensions, ICA Bank, and cash and cash equivalents in relation to EBITDA rolling 12 months.

Net debt excluding ICA Bank and IFRS 16 Leases/EBITDA excluding IFRS 16 Leases

Interest-bearing liabilities excluding pensions, ICA Bank, lease liabilities according to IFRS 16 Leases, and cash and cash equivalents in relation to EBITDA, excluding EBITDA from IFRS 16 Leases, rolling 12 months.

Net interest income (ICA Bank)

The difference between interest received and paid by ICA Bank.

Net margin

Profit for the period in relation to net sales.

Occupancy rate (ICA Real Estate)

Market rent for leased premises divided by total rental value (contracted annual rent + market rent for unleased premises).

Operating margin

Operating profit as a percentage of net sales.

Operating margin excluding IFRS 16 Leases

Operating profit excluding IFRS 16 Leases as a percentage of net sales.

Operating profit

Profit before net financial items and tax.

Property yield (ICA Real Estate)

Net operating income in relation to average book value of properties.

Return on capital employed

Operating profit plus financial income, rolling 12 months, in relation to average capital employed. ICA Bank's operations are excluded both from the income statement and from the balance sheet when calculating return on capital employed.

Return on capital employed excluding IFRS 16 Leases

Operating profit plus financial income, rolling 12 months, in relation to average capital employed. ICA Bank's operations are excluded both from the income statement and from the balance sheet when calculating return on capital employed and reported excluding IFRS 16 Leases. assets sold during the period according to the statement of cash flows.

Return on equity

Profit for the period, rolling 12 months, in relation to average equity. ICA Bank's operations are excluded both from the income statement and from the balance sheet when calculating return on equity.

Return on equity excluding IFRS 16 Leases

Profit for the period, rolling 12 months, in relation to average equity. ICA Bank's operations are excluded both from the income statement and from the balance sheet when calculating return on equity, and reported excluding IFRS 16 Leases.

Consolidated statement of comprehensive income

SEK m	Note	2024	2023
Net sales	2	157,216	147,645
Cost of goods and services sold	3	-131,283	-122,889
Gross profit		25,933	24,755
Selling expenses	3	-15,202	-14,584
Administrative expenses	3, 5	-4,434	-4,360
Other operating income	6	526	514
Other operating expenses	3	-	-
Share of profits of associates and joint ventures	12	60	38
Operating profit excl. items affecting comparability	2, 4, 5, 7	6,884	6,363
Capital gains/losses from sale of subsidiaries and non-current assets	2, 16	591	514
Impairment and impairment reversed	2, 3	-375	-170
Other items affecting comparability	2	-78	-
Operating profit	2	7,022	6,707
Financial income		83	107
Financial expense		-1,843	-2,120
Net financial items	8	-1,759	-2,014
Profit before tax		5,262	4,693
Tax	9	-906	-443
PROFIT FOR THE YEAR		4,356	4,250
Other comprehensive income, items that will not be reclassified to profit or loss, net after tax			
Remeasurement of defined benefit pensions	9, 18	260	-513
Other comprehensive income, items that may be reclassified to profit or loss, net after tax			
Change in translation reserve		76	-34
Change in hedging reserve		-37	-507
Share of other comprehensive income of joint ventures		-18	-68
Total items that may be reclassified to profit or loss	9, 17	21	-608
COMPREHENSIVE INCOME FOR THE YEAR		4,637	3,129

SEK m	Note	2024	2023
Profit for the year attributable to:			
Owners of the parent		4,356	4,250
Non-controlling interests		0	0
Comprehensive income for the year attributable to:			
Owners of the parent		4,637	3,129
Non-controlling interests		0	0

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Consolidated statement of financial position

Assets	Note	31 Dec 2024	31 Dec 2023
SEK m			
Non-current assets			
<i>Intangible non-current assets</i>	10		
Goodwill		16,301	16,301
Trademarks		13,013	12,978
IT systems		2,495	2,376
Other		22	23
		31,831	31,678
<i>Property, plant and equipment</i>	11		
Buildings and land		11,377	10,974
Investment properties		1,012	1,263
Leasehold improvements		344	392
Equipment		3,272	2,953
Assets under construction		2,343	1,943
		18,348	17,526
Leased right-of-use assets	7	21,382	21,356
		39,730	38,881
<i>Financial non-current assets</i>			
Interests in joint ventures and associates	12	1,382	1,305
ICA Bank's investments	13	5,368	4,239
ICA Bank's lending	13	13,345	15,193
Receivables from related parties	15	0	15
Other financial non-current assets		228	450
		20,323	21,203
<i>Deferred tax assets</i>	9	59	60
Total non-current assets		91,943	91,822

Assets	Note	31 Dec 2024	31 Dec 2023
SEK m			
Current assets			
<i>Inventories</i>	14	5,713	5,182
<i>Current receivables</i>			
Trade receivables		5,757	5,015
Tax receivable		4	–
ICA Bank's investments	13	193	100
ICA Bank's lending	13	5,024	4,341
Receivables from related parties	15	195	162
Other current assets		557	210
Prepaid expenses and accrued income		2,310	3,406
Assets held for sale	16	16	1
		14,057	13,235
<i>Cash and cash equivalents</i>	21	8,023	6,884
Total current assets		27,793	25,301
TOTAL ASSETS		119,735	117,123

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Cont. Consolidated statement of financial position

SEK m	Note	31 Dec 2024	31 Dec 2023
Equity and liabilities			
Equity	17		
Share capital		515	503
Other capital contributed		9,514	7,694
Reserves		1,022	1,001
Retained earnings		12,306	8,230
Equity attributable to owners of the parent		23,357	17,428
Non-controlling interests	9	9	0
Total equity		23,366	17,428
Non-current liabilities			
Provisions for pensions	18	3,337	3,539
Deferred tax liabilities	9	3,694	3,711
Bonds	19	13,990	11,488
Other interest-bearing liabilities	19	1,756	9,566
Non-current lease liabilities	7, 19	18,826	18,330
Other provisions		61	65
Other liabilities		42	53
Total non-current liabilities		41,706	46,750
Current liabilities			
Bonds	19	1,994	957
Other interest-bearing liabilities	19	692	1,231
Trade payables		18,746	17,227
Deposits ICA Bank	13	24,145	24,336
Current lease liabilities	7, 19	4,135	4,436
Liabilities to related parties	15	19	8
Tax liabilities		295	53
Other liabilities		1,235	1,364
Provisions		226	369
Accrued expenses and deferred income		3,176	2,963
Total current liabilities		54,664	52,945
TOTAL EQUITY AND LIABILITIES		119,735	117,123

Consolidated statement of changes in equity

SEK m	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Other capital contributed	Reserves	Retained earnings	Total		
Opening equity, 1 Jan 2023	503	7,694	1,609	5,073	14,878	0	14,878
Profit for the year				4,250	4,250	0	4,250
Other comprehensive income			-608	-513	-1,121	0	-1,121
Comprehensive income for the year			-608	3,737	3,129	0	3,129
Expenses relating to buyout from Nasdaq ¹				-21	-21		-21
Dividend				-559	-559		-559
Closing equity, 31 Dec 2023	503	7,694	1,001	8,230	17,428	0	17,428
Opening equity, 1 Jan 2024	503	7,694	1,001	8,230	17,428	0	17,428
Profit for the year				4,356	4,356	0	4,356
Other comprehensive income			21	260	282	0	282
Comprehensive income for the year			21	4,616	4,637	0	4,637
Change in non-controlling interests						9	9
Attributable to buyout from Nasdaq ¹				0	0		0
New issue, Note 17	10	1,589			1,599		1,599
Ongoing new issue, Note 17	1	232			233		233
Dividend				-540	-540		-540
Closing equity, 31 Dec 2024	515	9,514	1,022	12,306	23,357	9	23,366

¹ Attributable to the procedure for the buyout of ICA Gruppen's shares from Nasdaq Stockholm.

Consolidated statement of cash flows

SEK m	Note 21	2024	2023
Operating activities			
Operating profit		7,022	6,707
Dividend from joint ventures	12	75	75
Adjustments for non-cash items		6,197	6,177
Income tax paid		-760	-845
Cash flow from operating activities before change in working capital		12,533	12,114
Change in working capital			
Inventories (increase -/decrease +)		-513	284
Current receivables (increase -/decrease +)		190	11
Current liabilities (increase +/decrease -)		1,609	961
ICA Bank's net of deposits, lending and investments		-154	-580
Cash flow from operating activities		13,666	12,789
Investing activities			
Purchase of property, plant and equipment and intangible assets		-4,029	-3,759
Sale of property, plant and equipment and intangible assets		1,354	6,399
Loans issued		-15	-32
Repayment of loans issued		0	18
Other financial non-current assets		-13	0
Interest received		51	100
Investments in joint ventures and associates	12	-123	-258
Cash flow from investing activities		-2,775	2,468
Financing activities			
Borrowings		4,504	11,002
Repayment of borrowings		-9,333	-22,878
New issue	17	1,608	-
Relate to the buyout from Nasdaq ¹		0	-21
Capital contributions, acquisitions and dividends relating to non-controlling interests		9	0
Amortisation lease liabilities		-4,369	-4,097
Interest paid lease liabilities		-869	-675
Interest paid		-772	-1,292
Dividend paid to shareholders of ICA Gruppen AB		-540	-559
Cash flow from financing activities		-9,763	-18,520

SEK m	Note 21	2024	2023
Cash flow for the year			
Cash and cash equivalents at beginning of year		6,884	10,143
Exchange differences in cash and cash equivalents		11	3
Cash and cash equivalents at end of year		8,023	6,884

¹ The expenses relate to the procedure for the buyout of ICA Gruppen's shares from Nasdaq Stockholm.

Notes

Note 1 Accounting principles and general information

ICA Gruppen AB (publ) has corporate registration number 556048-2837 and its registered office is in Solna municipality, Sweden. The head office address is ICA Gruppen AB, SE-169 71 Solna, Sweden, the visiting address is Kolonnvägen 20, Solna, and the website is icagruppen.se.

ICA Gruppen Aktiebolag (AB) is a subsidiary of ICA-handlarnas Förbund, corporate registration number 802001-5577. A new issue of class F shares to mainly members of ICA-handlarnas Förbund was completed in 2024. After the issue, ICA-handlarnas Förbund owns 85.4%, AMF Tjänstepension AB (AMF) owns 12.5% and members of ICA-handlarnas Förbund own 2.1% of the shares in ICA Gruppen AB. See also Note 12 to the Parent Company's financial statements.

ICA Gruppen AB (publ) is the Parent Company of ICA Gruppen, the core business of which is grocery retail. The Group includes ICA Sweden and Rimi Baltic, which mainly conduct grocery retail operations, ICA Real Estate, which owns and manages properties, ICA Bank, which offers financial services and insurance, and Apotek Hjärtat, which conducts pharmacy operations. For more information, see icagruppen.se.

The annual financial statements and consolidated financial statements were approved for publication by the Board of Directors on 19 February 2025.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRS IC), both as endorsed by the European Commission. RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Corporate Reporting Board, is applied as well. This recommendation lays down supplementary standards based on the provisions in the Swedish Annual Accounts Act.

From 2025 onwards, ICA Gruppen will move from quarterly reporting to four-monthly reporting with the first report for the period January to April 2025.

New standards and interpretations applied from 1 January 2024

Some minor amendments to standards have been endorsed for application from 2024, but no amendment is expected to materially impact ICA Gruppen's financial statements. The same applies for the interpretations issued by IFRS IC.

BEPS 2.0, global minimum tax rules

BEPS 2.0 is effective as of 1 January 2024 with certain safe harbour relief during the initial years. ICA has conducted a project with the primary task of interpret-

ing the regulations. Due to its continued evolution and extremely complex nature, the regulatory framework is difficult to interpret. ICA's interpretation is based on the support and assistance provided by its advisors, and from participation in the Swedish Tax Agency's consultation meetings as well as on questions posed in the Swedish Tax Agency's database for this purpose. The regulatory framework has subsequently been implemented in the IT system acquired for this assignment.

The result from calculations is that the safe harbour rules have been possible to apply in all countries where the Group has operations and that no top-up tax on earnings is due. However, the regulatory framework remains under development and some uncertainty exists regarding the outcome of the calculations, but our assessment is that any top-up tax will not be a material amount.

New standards from IASB applied from 2025 onwards that are relevant to ICA Gruppen

Some minor amendments to standards have been endorsed for application from 2025, but no amendment is expected to materially impact ICA Gruppen's financial statements. The same applies for the interpretations issued by IFRS IC.

New standards from IASB not yet endorsed by the EU with relevance for ICA Gruppen

IFRS 18 Presentation and Disclosure in Financial Statements was published in 2024. IFRS 18 replaces IAS 1 Presentation of Financial Statements. IFRS 18 applies from the start of 2027. The key changes in IFRS 18 compared with IAS 1 pertain to a change in the structure of the income statement, required disclosures in the financial statements for certain profit or loss performance measures that are reported outside the Company's financial statements, and enhanced principles on aggregation and disaggregation of items in the primary financial statements and notes. IAS 7 Statement of Cash Flows has also been slightly amended by IFRS 18. IFRS 18 has yet to be endorsed by the EU.

No other changes of relevance for ICA Gruppen have been issued by the IASB.

Accounting principles applied

Basis of accounting

The consolidated financial statements are based on historical cost, with the exception of financial derivatives and available-for-sale financial assets, which are recognised at fair value. The Parent Company's functional currency is Swedish kronor (SEK) and this is also the presentation currency for the Parent Company and the Group. All amounts in the financial statements are stated

in million Swedish kronor (SEK m) unless indicated otherwise. Rounding differences may occur.

Consolidated financial statements

The consolidated financial statements cover the Parent Company, ICA Gruppen AB, and its subsidiaries. A subsidiary is a company in which ICA Gruppen has a controlling interest. A controlling interest can be exercised either through ownership or an agreement.

The majority of ICA stores are owned and operated by independent retailers. These retailers make independent decisions on activities relevant to their store operations, such as sourcing, pricing, investments and HR matters. ICA Gruppen thus has no controlling influence over these operations and they are not consolidated into ICA Gruppen.

ICA Bank's profit before tax is consolidated into the Group within operating profit.

Holdings in joint arrangements

A determination is made as to whether the joint arrangement constitutes a joint operation or a joint venture. If the joint arrangement is a joint venture, it is reported according to the equity method. If the other party's share of a joint venture is acquired and a controlling interest is thereby obtained, no remeasurement of assets and liabilities takes place in connection with the acquisition.

Interests in associates

Interests in associates are reported according to the equity method. Acquisition-related expenses are included in cost.

Foreign currency

Exchange differences are recognised in profit or loss for the period in which they arise. In the case of transactions that meet the criteria for hedge accounting of cash flows, gains and losses are recognised in other comprehensive income.

In the consolidated financial statements all Group companies are translated to SEK. The translation differences that arise are recognised in other comprehensive income.

Revenue

ICA Gruppen's two main sources of revenue are sales of goods to independent ICA retailers (wholesale sales) and sales of goods directly to consumers (retail sales). In the case of wholesale sales, revenue and a trade receivable are rec-

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Cont. Note 1 Accounting principles and general information

ognised upon delivery of the goods. The trade receivable is paid in accordance with the standard terms in the industry. In the case of retail sales, revenue is recognised when the customer has paid for the goods at the store. In the case of online sales, revenue is recognised when the goods have been delivered to the customer. Standard warranties are given for retail sales, and other terms – such as the right to return goods – are the usual terms found in the sector. Returns do not add up to any material amount.

In cases where a sale is made with a commitment that the customer will receive a future bonus, or where some other commitment remains for ICA Gruppen, the revenue for the bonus portion or other commitment is not recognised until the bonus or commitment is delivered to the customer.

There are wholesale agreements in which goods are delivered directly from the supplier to the store. One of the aims is for goods with a limited shelf life to be delivered more quickly to the store than if they were to be dispatched via ICA Gruppen's warehouse. ICA Gruppen negotiates the most efficient solution possible with the supplier, which in such cases may involve direct deliveries. ICA Gruppen pays the supplier and invoices the store for the goods. Should a serious problem arise between the supplier and the store, it is ICA Gruppen that deals with the issue with the supplier. ICA Gruppen acts as principal in these agreements. In other agreements where ICA Gruppen acts as agent, only the commission or equivalent payment received is reported as revenue.

Revenue from consulting services provided to ICA retailers, as well as franchise fees, royalties and profit shares from ICA retailers, are recognised as they are earned.

Rental income is recognised as it is earned.

Commission from banking operations is recognised as it is earned, i.e., when the services are provided. Premiums from insurance operations are recognised as they are earned, i.e., when the insurance is provided.

Dividends are recognised in profit or loss when the right to receive them has been established.

Gains or losses on real estate sales

Gains or losses on real estate sales are recognised when the buyer has taken control of the property, which is usually on the occupancy date. Where ICA Gruppen sells a property that is subsequently leased back, a determination is made as to whether the property has been sold according to IFRS 15. If the property is sold according to IFRS 15, which is the normal procedure, the gain or loss from the sale is recognised when the buyer has taken control of the property. If real estate is sold to a company partly owned by ICA Gruppen, an internal gain equivalent to the share of the company that ICA Gruppen owns is eliminated. If the property is also leased back, an additional share of the gain from

the sale is eliminated. The additional gain eliminated comprises the relative share of the value of the property that is not leased back by the Group. The internal gain attributable to the partial ownership in the purchasing company is released in the purchasing company over the depreciation period for the property, and the eliminated gain attributable to the leaseback of the property is released over the lease term. These transactions sometimes involve variable rents, but in such a case this normally accounts for only an immaterial portion of the total rent.

Government grants

ICA Gruppen reports government grants when there is a reasonable degree of certainty that they will be received and when it is reasonable to assume that the terms for the grants will be fulfilled. Amounts are recognised in the income statement and accruals are recognised when the costs for which the grants are intended to compensate arise.

Leases

To constitute a lease according to IFRS 16 a contract must transfer a right to use an identifiable asset for a certain period in exchange for payments being made. ICA Gruppen does not apply IFRS 16 for intangible assets. A lease liability and a right-of-use asset are recognised in the balance sheet for all the lessee's leases with the exception of leases with a term of 12 months or less and leases of low value. IFRS 16 is not applied in the segments, see Note 2.

ICA Gruppen as lessee

According to IFRS 16 Leases, the lease liability constitutes the present value of the lease payments, usually discounted by the incremental borrowing rate. Variable lease payments based on, for example, sales are not included in the discounted liability, but are recognised as a continuing expense in profit or loss. The asset is depreciated over its useful life, which in most cases corresponds to the lease term. Lease payments are broken down into interest and amortisation of the liability.

No cash flow arises when a lease goes into effect and, accordingly, no changes arise in the statement of cash flows, either under investing activities or under financing activities. The lease payments made are recognised in financing activities as a cash flow item in the form of interest paid and amortisation of the lease liability.

ICA Gruppen as lessor

Lease payments for operating leases are treated as revenue and distributed over the life of the lease on a straight-line basis.

Income tax

Income taxes are recognised in profit or loss. If the underlying transaction is recognised in other comprehensive income or in equity, the associated tax is recognised in the same way.

Deferred tax assets are recognised for all deductible temporary differences and unutilised tax loss carryforwards to the extent it is likely that future taxable gains will be available.

In the countries where tax on operating profit is zero while dividends are taxed, deferred tax is recognised based on the dividend amount that is expected to be distributed in the foreseeable future.

Intangible assets and goodwill

Intangible assets are recognised at cost. Amortisation takes place over the useful life in cases where this can be determined. In cases where the useful life is indefinite, no amortisation takes place and an impairment test is performed at least once a year. Goodwill is not amortised.

Investments in IT systems are reported as an asset when ICA Gruppen has control over the asset. Control can be obtained through an agreement. Amortisation is recognised over the asset's useful life, but no longer than for the duration of the agreement.

Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and impairment.

Investment properties

Investment properties are properties that are leased to third parties, unlike operating properties which are used within the Group or leased to non-consolidated ICA retailers. Investment properties are recognised according to the same principles as other property, plant and equipment.

Assets and liabilities held for sale

This applies to assets and liabilities that are held for sale if they are available for immediate sale, a decision on their sale has been taken and it is extremely likely that they will be sold within 12 months. No depreciation is recognised from the date the asset is classified as held for sale.

Impairment

Goodwill, assets with an indefinite useful life and intangible assets that are not yet in use are tested for impairment at least once a year. Other non-current assets are tested for impairment if there is an indication of a reduction in value.

FINANCIAL INFORMATION | THE GROUP

*Cont. Note 1 Accounting principles and general information***Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost consists of all purchase costs after deducting supplier bonuses received relating to products in inventories.

Financial instruments

Financial assets are classified in three categories: financial assets measured at amortised cost; financial assets measured at fair value through profit or loss; and financial assets measured through other comprehensive income. As a general rule, financial liabilities are measured at amortised cost. Derivatives are recognised at fair value.

The fair values of financial assets and liabilities have been determined in accordance with the descriptions in Note 13 in the case of ICA Bank and Note 19 for the rest of ICA Gruppen.

Liabilities to credit institutions and other borrowings

All borrowings are recognised at amortised cost according to the effective interest method.

Derivatives

All derivatives are recognised at fair value in the balance sheet and changes in value are recognised in profit or loss. The exception is derivative instruments that meet the criteria for cash flow hedging, where the effective portion of the value change is recognised in other comprehensive income until the hedged item is recognised in profit or loss. The ineffective portion of the change in value is recognised in profit or loss.

ICA Bank's financial assets and liabilities

ICA Bank has two business models according to IFRS 9: one for lending and one for the liquidity portfolio. Based on the business models, ICA Bank's lending is recognised at amortised cost taking into account expected credit losses. ICA Bank's liquidity portfolio and investments are recognised at fair value with changes in value recognised in profit or loss. ICA Bank's deposits are recognised at amortised cost. See also Note 13 ICA Bank.

Interest

Interest income is recognised as it is earned according to the effective interest method. The interest expense for assets that take at least a year to complete is capitalised as part of the cost of the asset.

Cash and cash equivalents

Cash and cash equivalents consist of cash, bank balances and short-term investments with an original maturity of no more than three months.

Bonus programmes

The bonus programmes for senior executives are cash-based. Amounts are recognised in the income statement and the liability is remeasured at fair value on an ongoing basis until the liability is settled.

Pensions and other post-employment benefit obligations

The Group has both defined contribution and defined benefit pension plans. Defined benefit pension plans are recognised at their present value. The discount rate is the interest rate for housing bonds which, according to ICA Gruppen, are corporate bonds in accordance with IAS 19 Employee Benefits. Remeasurement of pension liabilities based on actuarial gains and losses is recognised in other comprehensive income.

Important assumptions and estimates

The preparation of the financial statements in accordance with IFRS requires management to make assessments, estimates and assumptions that affect the application of the accounting principles and the carrying amounts in the income statement and balance sheet. Estimates and assumptions are based on historical experience and a number of factors that are considered reasonable based on the circumstances. The results of estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that are not clearly apparent from other sources. Actual results may differ from these estimates and assessments. The assumptions and estimates that management considers the most important are the following:

Leases

ICA Gruppen has a large number of leases amounting to significant sums. ICA Gruppen acts both as a lessee and as a lessor, and a large number of properties are leased and then subleased. ICA Gruppen is of the opinion that recognition of items in the financial statements according to IFRS 16 provides a true and fair presentation of the substance of the leases.

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Note 2 Segment reporting

Segments are defined based on how ICA Gruppen's management monitors and oversees operations. ICA Gruppen conducts wholesale and retail operations in Sweden within the ICA Sweden segment. The wholesale operations consist of selling goods to non-consolidated ICA retailers, while the retail business is operated in the stores that are consolidated in the ICA Gruppen Group and also includes the sale of non-food items in Maxi ICA Stormarknad stores. Pharmacy operations are conducted in Sweden within the Apotek Hjärtat segment. Retail operations in the Baltic countries take place within the Rimi Baltic segment. The

ICA Real Estate segment is a real estate business focusing on properties located in Sweden. Properties located in the Baltic countries are accounted for together with the retail operations in these countries and are included in the Rimi Baltic segment. Banking operations, including insurance operations, are reported in the segment ICA Bank. Other consists of items that are not included in identified segments and mainly comprises Group-wide functions.

Management monitors the segments' operating profit excluding items affecting comparability. All internal transactions are executed using market prices. The

same accounting principles apply to the segments as to the Group, except for those relating to leases. For the segments, all lease payments are recognised as an ongoing cost within operating profit. No lease liabilities or right-of-use assets are included in the segments' assets and liabilities. In the IFRS 16 Leases column, amounts are recognised according to IFRS 16 as totals for all of the Group's segments.

SEK m	ICA Sweden		Rimi Baltic		Apotek Hjärtat		ICA Real Estate		ICA Bank		Total reported segments		Other		Eliminations		Total per segment		IFRS 16 Leases		Total		
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	
External net sales	109,505	103,155	21,874	21,039	21,089	18,963	1,816	1,712	2,909	2,764	157,193	147,633	24	11			157,216	147,645			157,216	147,645	
Internal net sales	736	337	–	–	9	1	1,499	1,468	41	33	2,285	1,839	39	1,322	–2,325	–3,161							
Profit from joint ventures and associates	–	–	–	–	–7	–19	101	92	–34	–35	60	38	–	–			60	38			60	38	
Operating profit excluding items affecting comparability	3,990	3,731	849	810	880	689	549	554	405	458	6,673	6,241	–528	–400			6,145	5,841	739	522	6,884	6,363	
Items affecting comparability																					137	344	
Net financial items																						–1,759	–2,014
Profit after financial items																						5,262	4,693
Other segment information																							
Assets	45,618	44,045	7,130	6,943	9,040	8,703	14,175	13,967	29,327	29,300	105,291	102,959	82,933	82,150	–89,289	–88,864	98,935	96,245	20,800	20,878	119,735	117,123	
Liabilities	24,071	23,302	4,365	4,352	3,776	3,425	9,140	8,498	25,523	25,676	66,874	65,254	46,402	50,930	–39,363	–38,862	73,914	77,322	22,456	22,373	96,370	99,695	

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Cont. Note 2 Segment reporting

Items affecting comparability

SEK m	2024	2023
Capital gains/losses from sale of subsidiaries and non-current assets		
ICA Real Estate	640	1,192
Rimi Baltic	10	66
Internal gains on sale and leaseback according to IFRS 16 Leases	-59	-744
Total	591	514
Impairment and impairment reversed		
ICA Real Estate	-42	-131
Apotek Hjärtat	-19	-
Rimi Baltic	-20	-40
Online	-295	-
Total	-375	-170
Other items affecting comparability		
Online	-78	-
Total items affecting comparability	137	344

External net sales by revenue source

SEK m	2024	2023
Wholesale sales	91,526	86,314
Retail sales ¹	52,208	48,591
Rental income and lease-related services	4,092	3,858
Net interest income, commissions and insurance premiums, ICA Bank	2,909	2,764
Other services for ICA retailers	6,481	6,118
Net sales	157,216	147,645
1) Of which online sales	3,467	2,856

Geographical information

SEK m	Net sales		Property, plant and equipment and intangible assets, including right-of-use assets	
	2024	2023	2024	2023
Country				
Sweden	135,317	126,582	62,432	61,969
Baltic countries	21,874	21,039	9,126	8,587
Other countries	26	24	4	4
Total	157,216	147,645	71,561	70,559

Net sales are broken down by country based on where customers are located.

Note 3 Expenses by type of expense

SEK m	2024	2023
Cost of materials	120,755	112,755
Personnel expenses	13,268	12,697
Administrative expenses	2,536	2,334
Cost of premises	2,147	2,079
Depreciation, amortisation and impairment	7,086	6,466
Other expenses	5,581	5,672
Total expenses	151,373	142,004

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Note 4 Average number of employees, salaries and other remuneration

Average number of employees

The average number of employees has been calculated on the basis of the number of hours worked relative to normal working hours in each country.

	2024			2023		
	Women	Men	Total	Women	Men	Total
Sweden	6,600	6,249	12,849	6,555	6,149	12,704
Baltic countries	9,029	1,939	10,968	9,251	1,868	11,118
Asia	38	36	74	38	39	77
Total	15,667	8,224	23,891	15,844	8,056	23,900

Salaries, other remuneration and social security contributions

SEK m	2024	2023
Group		
Salaries and other remuneration	8,707	8,306
Social security contributions	2,824	2,693
Pension costs	615	567
Total	12,146	11,565
Board of Directors and CEOs		
– Salaries and other remuneration	103	101
– of which variable component	16	10
– Pension costs	14	14
Other employees	9,205	8,758
Total	9,321	8,873

Of the board members and CEOs within the Group, 357 were men (272) and 181 were women (300). The data refers to all board assignments within ICA Gruppen and an individual may sit on more than one board. The amounts exclude social security contributions.

Remuneration to the Board of Directors

The Chair of the Board and board members receive fees based on decisions made at the Annual General Meeting (AGM) held in April 2024. The amounts stated refer to remuneration approved for the full normal term of office from the 2024 AGM until the 2025 AGM. Remuneration to board members is reported in thousand kronor (SEK 000s).

Fees to members of the Board of ICA Gruppen AB:	2024			2023		
	Board fees	Commit-tee work	Total fees	Board fees	Commit-tee work	Total fees
Magnus Moberg	1,250	180	1,430	595	50	645
Claes Göran Sylvén	–	–	–	1,230	150	1,380
Jan Amethier	610	65	675	595	50	645
Göran Blomberg	–	–	–	–	–	–
Tomas Emanuelz	–	–	–	595	50	645
Bengt Kjell	610	125	735	595	100	695
Mikael Norling	610	65	675	–	–	–
Fredrik Persson	610	130	740	595	50	645
Katarina Romberg	–	–	–	–	–	–
Per Strömberg	610	130	740	479	81	560
Charlotte Svensson	610	130	740	595	100	695
Anette Wiotti	610	215	825	595	175	770
Total	5,520	1,040	6,560	5,874	806	6,680

Remuneration to the CEO of ICA Gruppen AB and other senior executives

Remuneration to senior executives consists of fixed salary, pension benefits, variable remuneration in the form of a cash bonus, other remuneration and benefits. Other senior executives are individuals who, together with the CEO of ICA Gruppen AB, make up the ICA Management Team (IMT). The number of senior executives in 2024, excluding the CEO of ICA Gruppen AB, totalled 11 (11), of which four (four) were women.

ICA Management Team

2024, SEK 000s	Salaries	Variable remuneration	Benefits	Pension costs	Total
CEO ICA Gruppen AB	9,104	8,391	102	3,176	20,773
Other senior executives	40,494	15,091	1,514	8,124	65,223
Total	49,598	23,482	1,616	11,300	85,996

2023, SEK 000s	Salaries	Variable remuneration	Benefits	Pension costs	Total
CEO ICA Gruppen AB	8,433	6,851	94	3,150	18,528
Other senior executives ¹	41,949	11,237	1,722	10,194	65,102
Total	50,382	18,088	1,816	13,344	83,630

¹ The amounts presented in the table also include remuneration for which a provision was made in 2023 but that was paid out in 2024. This remuneration includes salary, benefits, pension costs and severance pay for individuals who are other senior executives in the Group with whom agreements were signed in 2023 regarding ending their employment.

Comments on the table

The amounts given are the amounts expensed during the respective years and exclude social security contributions. Reported pension costs do not include the special employer's contribution or the foreign equivalents.

Variable remuneration programmes for the CEO and other senior executives

The CEO of ICA Gruppen AB and other senior executives are covered by two variable remuneration programmes taking the form of a cash bonus, one of which runs for one year and the other for three years. The combined annual bonus per person is maximised at an amount equivalent to 50% (50) of fixed annual salary for other senior executives and 100% (100) for the CEO of ICA Gruppen AB. The bonus is included in the basis for calculation of pensionable income for senior executives covered by ITP 1 or traditional ITP 2. The ceiling for pensionable income in these cases is 30 income base amounts per year. For senior executives covered by a pension solution other than ITP 1 or traditional ITP 2, any bonus is not included in the basis for calculation of pension provisions. The CEO of ICA Banken AB is not included in any bonus programme.

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*Cont. Note 4 Average number of employees, salaries and other remuneration***Annual Bonus Programme**

A cash-based bonus programme maximised at 25% (25) of fixed annual salary for other senior executives and 50% (50) for the CEO of ICA Gruppen AB. The performance criteria for the bonus programme are to be pre-determined and quantifiable, and mainly consist of financial performance targets, although performance may also be measured against non-financial targets linked to ICA Gruppen's strategic themes and business targets. The financial targets for the bonus programme are to be determined by the Board of Directors ahead of each financial year and individual bonus agreements are to be signed with each participant. The terms of these bonus agreements depend on the participant's position when the agreement was entered into. If the executive retires during the vesting period, the bonus is paid out pro rata and on condition that at least 2/3 of the programme has been earned. The Board of Directors has the right to adjust the bonus system in the case of, for example, extraordinary increases or decreases in the Group's earnings.

Long-term bonus programme

A cash-based bonus programme maximised at 25% (25) of fixed annual salary for other senior executives and 50% (50) for the CEO of ICA Gruppen AB. The targets in the bonus programme, which must be pre-determined and quantifiable, are to be determined by the Board and must be linked both to absolute and to relative performance criteria. In the long-term bonus programme, fulfilment of the absolute performance criteria accounts for 60% of the maximum outcome and relates to (i) operating margin excluding items affecting comparability, (ii) return on capital employed (ROCE) for the Group excluding ICA Bank, (iii) market share growth or net sales increase in programmes launched before 2023 and (iv) decrease in greenhouse gases excluding carbon offset. The relative performance criteria account for the remaining 40% of the maximum outcome and relate to the Company's position in a comparison group consisting of ten other companies running similar operations. The outcome depends on where the Company ranks within this comparison group in terms of (i) net sales increase and (ii) operating margin. If the executive retires during the vesting

period, the bonus is paid out pro rata and on condition that at least 2/3 of the programme has been earned. The Board of Directors has the right to adjust the bonus system in the case of, for example, extraordinary increases or decreases in the Group's earnings.

Notice periods and severance pay for other senior executives

A mutual notice period of six months applies to other senior executives. If termination of employment is initiated by the Company, the senior executives are entitled to severance pay of up to 12 months' fixed basic salary. Severance pay is deductible.

If a senior executive resigns, the Company may in certain cases choose to apply a non-competition clause. During the period in which the non-competition clause applies, compensation equivalent to a maximum of 60% of the fixed salary is paid. Severance pay and compensation during the non-competition period is not pensionable income.

Pension benefits for other senior executives

For other senior executives one of the following pension solutions can be applied: ITP 1, ITP 1 supplemented by an extra pension solution to reach a total premium of around 30% of the pensionable salary, or ITP 2 designed to reach a total premium of around 30% of the pensionable salary or traditional ITP 2.

Employment terms for the CEO of ICA Gruppen AB

The CEO of ICA Gruppen AB had an agreed basic annual salary of SEK 9.0 million in 2024. An agreed mutual period of notice of six months applies to the CEO of ICA Gruppen AB. If notice of termination is given by the Company, severance pay of 12 months' basic salary is payable. The retirement age is 65. The Company covers its pension obligations through annual payments of pension premiums to insurance companies corresponding to 35% of basic salary.

Note 5 Audit expenses

SEK m	2024	2023
KPMG:		
Audit assignments	18	21
Other auditing activities	0	1
Other services	1	-
Total	20	22

Note 6 Other operating income

Other operating income refers entirely to the profit shares and share dividends from ICA retailers.

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Note 7 Leases

ICA Gruppen leases a large number of properties and premises for its own stores and to sublease to independent ICA retailers. In addition to properties and premises, ICA Gruppen's other main leased items are lorries, forklifts, cars and automation.

The lengths of leases for properties vary depending on the country and the country's lease legislation. The average remaining lease terms are around five years. The leases originally have an agreed term which is normally 5–15 years. Thereafter the leases generally continue for a term of between 12 and 36 months if neither the lessor nor ICA Gruppen terminates the lease. Otherwise there is a contractual extension option that is normally three to five years. It is not unusual at the end of a lease term for notice of renegotiation of the lease to be given by ICA Gruppen, the property owner or both parties. Due to renegotiation the rent for the next period is unknown until the negotiation is concluded, if the lease is extended as a result of the negotiation. It is therefore most common for the lease term to correspond to the contractual lease term without extension. Rents are often variable but have a minimum level, which in practice means a fixed rent with a smaller variable component if sales exceed certain levels.

For a specification of the right-of-use assets, see Note 11 Property, plant and equipment. For interest expense, see Note 8 Net financial items.

Lease liability maturity structure	31 Dec 2024
2025	4,975
2026	4,137
2027	3,549
2028	3,022
2029	2,441
After 2029 and no later than 2034	6,982
After 2034	2,259
Total payments	27,366
Discounting effect	-4,405
Total liability according to the balance sheet	22,961
of which current liability	4,135
of which non-current liability	18,826

Lease payments	2024	2023
Payments of leases entered as liabilities	5,238	4,772
Variable lease payments not included in lease liability	111	128
Short-term leases and leases of low value that are not included in lease liability	53	89
Total lease payments	5,403	4,989

Leases of SEK 1,468 million (1,806) have been entered into, where possession has not yet been taken.

Maturity structure of payments to receive as lessor	31 Dec 2024
2025	4,240
2026	2,704
2027	2,416
2028	2,013
2029	1,613
After 2029 and no later than 2034	4,691
After 2034	911
Total payments	18,588

Lease revenue	2024	2023
Total rental income amounts to:	3,810	3,569
of which variable rental income	811	758
Income from subleasing of properties amounts to:	2,395	2,199

Note 8 Net financial items

SEK m	2024	2023
Financial income		
Interest income	53	100
Change in fair value of financial instruments	30	-
Other financial income	0	2
Exchange differences	-	4
Financial income	83	107
Financial expense		
Interest expense	-971	-1,446
Lease interest expense	-869	-675
Exchange differences	-1	-
Other financial expense	-1	-
Financial expense	-1,843	-2,120

ICA Bank's interest income and interest expense are recognised in consolidated net sales.

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Note 9 Taxes

Current tax	2024	2023
Current tax on profit for the year	-1,000	-786
Deferred tax on temporary differences	93	343
Reported tax expense	-906	-443
Reconciliation of effective tax expense		
	2024	2023
Profit before tax	5,262	4,693
Tax as per the current tax rate in Sweden, 20.6% (20.6%)	-1,084	-967
Capital gains/losses	91	380
Share of profit and share dividends	108	106
Non-deductible expenses/non-taxable income	-74	-60
Profit share according to the equity method	13	8
Effect of other tax rates for foreign subsidiaries	150	48
Other	-110	42
Reported tax expense	-906	-443
Effective tax rate, Group	172%	94%

Taxes by country	Nominal tax rate	Tax paid	
		2024	2023
Sweden	20.6%	-623	-741
Estonia	0%	-24	-11
Latvia	0%	-106	-85
Lithuania	15%	-6	-7
Other countries		-1	-1
IFRS 16 Leases			
Total		-760	-845

In Estonia and Latvia the corporate income tax rate is 0%, while companies are taxed on any dividends distributed.

ICA Gruppen's tax policy, which is established annually by the Board, provides guidelines for how tax issues are handled within the Group. ICA Gruppen complies with current tax legislation in each country where it operates. All decisions concerning operations are taken on a commercial basis and tax effects are a consequence of these decisions.

See the accounting principles for information on BEPS 2.0 (global minimum tax rules).

SEK m	31 Dec 2024	31 Dec 2023
Reported deferred tax assets and tax liabilities		
Non-current assets	-2,213	-2,406
Inventories	11	12
Provisions	151	261
Tax loss carryforwards	20	23
Untaxed reserves	-1,580	-1,582
Financial derivatives	-23	41
Total deferred tax assets (+)/ deferred tax liabilities (-), net	-3,634	-3,651
As reported in balance sheet:		
Deferred tax assets	59	60
Deferred tax liabilities	-3,694	-3,711

The Group has no unrecognised deferred tax assets relating to tax loss carryforwards. The possibility of utilising the tax loss carryforwards to offset taxable surpluses is evaluated continuously. Tax loss carryforwards do not have a maturity date.

Change in deferred tax on temporary differences and tax loss carryforwards

SEK m	Balance as of 1 Jan 2024	Recognised in profit or loss	Recognised in other comprehensive income	Divestment and acquisition of assets	Balance as of 31 Dec 2024
Inventories	12	-1			11
Provisions	261	-43	-68		151
Tax loss carryforwards	23	-3			20
Untaxed reserves	-1,582	2			-1,580
Financial derivatives	41	-73	10		-23
Total	-3,651	93	-58	-18	-3,634

Tax assets are denoted by (+) and tax liabilities by (-) in the table above.

SEK m	Balance as of 1 Jan 2023	Recognised in profit or loss	Recognised in other comprehensive income	Divestment and acquisition of assets	Balance as of 31 Dec 2023
Non-current assets	-2,777	375		-4	-2,406
Inventories	12	-1			12
Provisions	99	29	133		261
Tax loss carryforwards	28	-5			23
Untaxed reserves	-1,588	6			-1,582
Financial derivatives	-30	-61	131		41
Total	-4,255	343	265	-4	-3,651

Tax assets are denoted by (+) and tax liabilities by (-) in the table above.

Tax in other comprehensive income

SEK m	2024		
	Before tax	Tax	After tax
Remeasurement of defined benefit pensions	328	-68	260
Translation differences in foreign operations	76		76
Cash flow hedges:			
– change in value for the year	-87	18	-69
Items reclassified to profit or loss	41	-8	32
Share of other comprehensive income of joint ventures	-18		-18
Other comprehensive income	339	-58	281
2023			
SEK m	Before tax	Tax	After tax
Remeasurement of defined benefit pensions	-646	133	-513
Translation differences in foreign operations	-34		-34
Cash flow hedges:			
– change in value for the year	-570	117	-453
Items reclassified to profit or loss	-68	14	-54
Share of other comprehensive income of joint ventures	-68		-68
Other comprehensive income	-1,386	265	-1,121

Note **10** Intangible non-current assets

SEK m	Goodwill		Trademarks		IT systems		Other		Total intangible non-current assets	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Accumulated cost	16,301	16,301	13,015	12,980	6,606	6,300	84	77	36,006	35,658
Accumulated amortisation			-2	-2	-4,091	-3,923	-62	-54	-4,155	-3,979
Accumulated impairment			-	-	-20	-1	-1	-1	-20	-1
Carrying amount	16,301	16,301	13,013	12,978	2,495	2,376	22	23	31,831	31,678
Opening balance	16,301	16,301	12,978	12,985	2,376	2,261	23	8	31,678	31,554
Investments	-	-	-	-	954	832	10	21	964	853
Divestments and disposals	-	-	-	-	-	-	-	-	-	-
Amortisation for the year	-	-	-	-	-819	-716	-10	-3	-829	-720
Impairment for the year	-	-	-	-	-19	0	-	-	-19	0
Translation difference for the year	-	-	35	-6	2	0	0	-3	37	-9
Carrying amount	16,301	16,301	13,013	12,978	2,495	2,376	22	23	31,831	31,678

Amortisation of intangible non-current assets is included in the following income statement items:

SEK m	2024	2023
Selling expenses	-10	-3
Administrative expenses	-819	-716
Total	-829	-720

SEK m	31 Dec 2024	31 Dec 2023
Goodwill		
ICA Sweden	11,545	11,545
Apotek Hjärtat	4,756	4,756
Total goodwill	16,301	16,301

ICA's operations in relation to the Swedish ICA retailers are regulated through various agreements; partly through a negotiated business model which addresses supply chains, customer relationships and ICA's central costs, and partly through agreements which regulate royalties and profit shares as well as leases. The business model that regulates the relationship between the individual ICA retailer and ICA is based on the experience, skills and relationships that have been developed for more than 100 years. All of the agreements and relationships in the business model are interdependent, which makes it impossi-

ble to separate one or more agreements or parts from the whole. This whole – in the form of ICA's business model – is recognised as goodwill. Goodwill is attributable to the lowest level that generates largely independent cash inflows, which means the ICA Sweden segment. Goodwill relating to Apotek Hjärtat is attributable to non-identifiable intangible assets and to synergy effects. Goodwill is attributable to the lowest level that generates largely independent cash inflows, which means the Apotek Hjärtat segment. No part of recognised goodwill is income tax deductible.

The trademark in the segment ICA Sweden are assignable to ICA, the Swedish store operations and the ICA stores. The trademark in the segment Rimi Baltic relate to Rimi and are assignable to the store operations in the Baltic countries. The trademark in the segment Apotek Hjärtat is assignable to Apotek Hjärtat and its pharmacies. The trademarks are assignable to the following segments:

SEK m	31 Dec 2024	31 Dec 2023
ICA Sweden	11,500	11,500
Apotek Hjärtat	550	550
Rimi Baltic	962	928
Total trademarks	13,013	12,978

All trademarks have an indefinite useful life as it is not possible to establish how long they can be expected to generate income.

IT systems refers to capitalised development expenditures for IT systems. The useful life is determined for each system and ranges from three to five years. Amortisation is recognised on a straight-line basis over the useful life of the assets. The remaining amortisation schedule for IT systems is around three years.

Other intangible assets consist of intangible surplus values in connection with the acquisition of store operations and assets under construction. Amortisation is recognised over the estimated useful life.

Impairment testing of goodwill and trademarks

Trademarks and goodwill impairment tests are conducted annually or more often when there is an indication of impairment. The recoverable amount is established based on calculations of the asset's value in use unless it is classified as held for sale, in which case the recoverable amount is fair value less selling expenses. For all cash-generating units the calculations are based on the Management Team's business plans and forecasts for the next five years. Cash flows beyond this period are extrapolated.

ICA Sweden's trademark and goodwill are tested for impairment by estimating the value in use for the cash-generating unit ICA Sweden segment. Apotek Hjärtat's trademark and goodwill are tested for impairment by estimating the value in use for the cash-generating unit Apotek Hjärtat segment. Rimi Baltic's trademark is tested for impairment by estimating the value in use of the cash-generating unit Rimi Baltic segment.

When calculating value in use, lease payments are treated as cash flow from operations. Consequently, lease liabilities have not affected the discount rate, as in previous years. The lease liability is deducted from an entity's carrying amount because the value in use is reduced by future lease payments. The right-of-use assets are included in the carrying amount in impairment testing.

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Cont. Note 10 Intangible non-current assets

Impairment testing of other intangible assets

For intangible assets other than goodwill and trademarks a recoverable amount is determined when there is an indication of impairment of the asset.

During the year, no incidents occurred that indicate impairment.

Key variables	Method of estimating value						
EBITDA	Earnings before net financial items, tax and depreciation/amortisation are estimated based on business plans and forecasts for a period of five years. The EBITDA margin in business plans and forecasts is based on previous experience and external estimates. After the end of the forecast period, the long-term EBITDA margin is estimated at 4.5% (5.3) for ICA Sweden, 4.9% (4.4) for Apotek Hjärtat and 5.6% (6.7) for Rimi Baltic. In no case does this indicate an increasing EBITDA margin compared with the five-year forecast period.						
Sales growth	Sales growth is assessed based on business plans and forecasts over a period of five years. Growth in business plans and forecasts is based on previous experience and external estimates. After the end of the forecast period, the long-term annual sales growth is estimated at 1.5% (1.5) for ICA Sweden, 1.5% (1.5) for Apotek Hjärtat and 1.5% (1.5) for Rimi Baltic. In no case does this indicate an increasing growth rate compared with the five-year forecast period.						
Investments	An assessment is made of the level of maintenance investments needed to keep the assets in their present condition.						
Working capital	It has been determined that the need for working capital is at the same level as at the end of the forecast period.						
Discount rate	The discount rate is set taking into account current interest rate levels and specific risk factors for each unit. The discount rate corresponds to the unit's average cost of capital and is stated before tax. <table border="1"> <tbody> <tr> <td>ICA Sweden</td> <td>7.7% (8.8)</td> </tr> <tr> <td>Apotek Hjärtat</td> <td>7.3% (8.6)</td> </tr> <tr> <td>Rimi Baltic</td> <td>11.2% (11.7)</td> </tr> </tbody> </table>	ICA Sweden	7.7% (8.8)	Apotek Hjärtat	7.3% (8.6)	Rimi Baltic	11.2% (11.7)
ICA Sweden	7.7% (8.8)						
Apotek Hjärtat	7.3% (8.6)						
Rimi Baltic	11.2% (11.7)						

Sensitivity analysis

No potential changes that could reasonably take place would lead to impairment.

Note 11 Property, plant and equipment

SEK m	Buildings and land		Investment properties		Leasehold improvements		Equipment		Assets under construction		Total before right-of-use assets	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Accumulated cost	15,856	15,110	1,289	1,511	1,525	1,454	9,000	8,486	2,344	1,934	30,015	28,495
Accumulated depreciation	-4,357	-4,022	-115	-112	-1,164	-1,046	-5,552	-5,379	-	-	-11,188	-10,559
Accumulated impairment	-122	-114	-163	-136	-17	-16	-175	-154	-1	9	-478	-410
Carrying amount	11,377	10,974	1,012	1,263	344	392	3,272	2,953	2,343	1,943	18,348	17,526
Opening balance	10,974	11,312	1,263	1,226	392	404	2,953	2,987	1,943	1,110	17,525	17,038
Investments	1,370	1,110	184	170	94	120	1,088	821	397	733	3,132	2,954
Divestments, transferred to assets held for sale and disposals	-326	-916	-354	-1	-10	-1	-49	-53	-5	51	-743	-920
Reclassifications	48	-22	-48	-27	0	13	-1	-16	1	51	0	0
Depreciation for the year	-470	-468	-14	-12	-134	-141	-737	-742	-1	-	-1,355	-1,364
Impairment for the year	-300	-28	-20	-93	-2	-3	-18	-37	-	-	-340	-160
Impairment reversed during the year	-	-	-	-	-	-	-	-	-	-	0	0
Translation difference for the year	80	-15	1	0	4	0	36	-7	8	-1	129	-23
Carrying amount	11,377	10,974	1,012	1,263	344	392	3,272	2,953	2,343	1,943	18,348	17,526

Right-of-use assets according to IFRS 16 Leases

	Buildings and land		Other		Total right-of-use assets		Total property, plant and equipment	
	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	19,888	15,453	1,468	1,589	21,356	17,042	38,881	34,080
Amended and new leases/investments	4,115	8,321	287	237	4,401	8,557	7,533	11,512
Divestments, transferred to assets held for sale and disposals	-	-	-	-	-	-	-743	-920
Depreciation for the year	-4,140	-3,854	-384	-358	-4,524	-4,212	-5,879	-5,576
Impairment for the year	-	-	-	-	-	-	-340	-160
Impairment reversed during the year	-	-	-	-	-	-	-	-
Translation difference for the year	148	-31	1	0	149	-31	278	-54
Carrying amount	20,010	19,888	1,372	1,468	21,382	21,356	39,730	38,881

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Cont. Note 11 Property, plant and equipment

Depreciation periods (years):

Buildings	20–50
Investment properties	20–40
Leasehold improvements	6–20
Store equipment and vehicles	7–10
Other equipment	3–10

Investment properties

A valuation has been carried out of the fair value of all investment properties. Many properties have been valued by an external party and in other cases an internal valuation has been made. The valuation is based on the existing rents and the market conditions and real yield requirements in the various markets. It shows that the fair value exceeds the carrying amount by SEK 188 million (630). According to IFRS 13 these properties are measured at level 3.

The following amounts have been recognised in operating profit from investment properties:

SEK m	2024	2023
Rental income	26	34
Direct costs	26	22

Assets under construction

There was no significant capitalised interest expense during the year.

Note 12 Interests in joint ventures and associates

ICA Gruppen has three significant joint ventures for properties: Ancore Fastigheter AB, Trecore Fastigheter AB and Delcore Fastigheter AB. In addition, ICA Bank has one associate (Borgo) and Apotek Hjärtat has one associate company (MD International AB, Min Doktor).

Joint ventures

Ancore Fastigheter AB is a joint arrangement between pension company Alecta and ICA Real Estate. The parties each own 50% of the company. All significant decisions concerning Ancore's operations must be made by mutual agreement between the two owners. Ancore Fastigheter AB owns and manages properties at 33 marketplaces in Sweden. These contain ICA stores operated by non-consolidated ICA retailers. Based on all relevant facts relating to the joint arrangement, Ancore Fastigheter AB is a joint venture. It is consolidated according to the equity method.

Trecore Fastigheter AB is a joint arrangement between Bonnier Fastigheter and ICA Real Estate. The parties each own 50% of the company. All significant decisions about the operations of Trecore Fastigheter AB must be taken by mutual agreement between the two owners. Trecore Fastigheter AB owns and manages properties at 45 marketplaces in Sweden. These contain ICA stores operated by non-consolidated ICA retailers. Based on all relevant facts relating to the joint arrangement, Trecore Fastigheter AB is classified as a joint venture. It is consolidated according to the equity method.

Delcore Fastigheter AB is a joint arrangement between AMF and ICA Real Estate. The parties each own 50% of the company. All significant decisions about the operations of Delcore Fastigheter AB must be taken by mutual agreement between the two owners. On 1 December, Delcore acquired four properties from ICA Gruppen with a net cash flow effect of SEK 397 million. Delcore Fastigheter AB owns and manages properties at 34 marketplaces in Sweden. These contain ICA stores operated by non-consolidated ICA retailers. Based on all relevant facts relating to the joint arrangement, Delcore Fastigheter AB is classified as a joint venture. It is consolidated according to the equity method.

Associates

MD International AB (Min Doktor) is a joint arrangement between ICA Gruppen and a number of other parties, including EQT Ventures Fund. Through Apotek Hjärtat, ICA Gruppen owns 49.50% of the company. All significant decisions concerning Min Doktor's operations must be made by agreement between the owners. Min Doktor is one of Sweden's largest providers of digital primary care services and runs a number of drop-in clinics, primarily adjacent to large ICA stores. Based on all relevant facts relating to the joint arrangement, Min Doktor is classified as an associate. It is consolidated according to the equity method.

Borgo AB is a joint arrangement between ICA Bank, Ikano Bank, Söderberg & Partners, Ålandsbanken and others. The jointly owned company is an associate within ICA Gruppen and is reported according to the equity method.

Joint ventures and associates

SEK m	2024	2023
Carrying amount, joint ventures and associates		
Carrying amount, opening balance	1,305	1,162
New investments	126	258
Dividends	-75	-75
Impairment	-17	-10
Share of profits	60	38
Items in other comprehensive income	-18	-68
Carrying amount, closing balance	1,382	1,305

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Cont. Note 12 Interests in joint ventures and associates

Ancore Fastigheter AB paid dividends totalling SEK 150 million, of which SEK 75 million was paid to ICA Gruppen (in 2023 dividends were paid in the amount of SEK 150 million, of which SEK 75 million was paid to ICA Gruppen). SEK 123 million (236) was invested in Borgo in 2024. In Delcore, net SEK 3 million was invested in conjunction with the acquisition of properties from ICA in December 2024 (in 2023, an investment of SEK 23 million was made when Delcore was formed). In 2024, no investments were made in Min Doktor (SEK 0 million) nor in Fastighetsaktiebolaget Postgården AB (SEK 0 million). Properties in Ancore were written down by SEK 0 million (4), in Trecore by SEK 17 million (2) and in Delcore by SEK 0 million (4). These impairment losses are recognised as items affecting comparability in the income statement.

Table summarising the most significant holdings of interests in joint ventures and associates

SEK m	Share, % ¹		Carrying amount		Share of profits	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	2024	2023
Ancore Fastigheter AB, 556817-8858, Stockholm	50	50	713	727	76	79
Trecore Fastigheter AB, 559352-4159, Stockholm	50	50	31	34	21	15
Delcore Fastigheter AB, 559934-9828, Stockholm	50	50	12	3	4	-1
Fastighetsaktiebolaget Postgården AB, 559016-8885, Stockholm	50	50	11	11	0	0
MD International AB (Min Doktor), 556934-0580, Malmö	49.5	49.5	74	81	-7	-19
Borgo AB, 559153-2303, Stockholm	199	199	541	450	-34	-35
Total			1,382	1,305	60	38

¹ Ownership percentages are consistent with share of capital.

Summary of joint ventures and associates

SEK m	Joint ventures						Associates			
	Ancore Fastigheter AB		Trecore Fastigheter AB		Delcore Fastigheter AB		MD International AB (Min Doktor)		Borgo AB	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Reconciliation of reported share of profits										
Profit for the year	154	158	9	-74	-15	-43	-14	-38	-171	-176
Share of profits	77	79	5	-37	-8	-22	-7	-19	-34	-35
Elimination of intra-Group profits and depreciation of surplus value	-1	0	16	51	12	21	0	0	0	0
Reported share of profits	76	79	21	15	4	-1	-7	-19	-34	-35

SEK m	Ancore Fastigheter AB		Trecore Fastigheter AB		Delcore Fastigheter AB		MD International AB (Min Doktor)		Borgo AB	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Reconciliation of carrying amount									
Share of equity	687	701	496	498	996	914	117	123	520	429
Surplus values	76	79	149	151	-	-	59	59	20	21
Intra-Group profit	-50	-52	-613	-616	-984	-912	-101	-101	-	-
Carrying amount	713	727	31	34	12	3	74	81	541	450

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Cont. Note 12 Interests in joint ventures and associates

Condensed income statement and balance sheet

SEK m	Ancore Fastigheter AB		Trecore Fastigheter AB		Delcore Fastigheter AB	
	2024	2023	2024	2023	2024	2023
Rental income	602	560	302	284	358	250
Depreciation/amortisation	-136	-140	-78	-145	-100	-97
Costs	-127	-121	-74	-73	-88	-67
Operating profit	339	299	150	66	170	86
Financial income	7	5	2	1	6	0
Financial expense	-144	-99	-131	-131	-168	-124
Profit before tax	203	205	22	-63	8	-38
Tax	-48	-48	-12	-10	-23	-5
Profit for the year	154	158	9	-74	-15	-43
Other comprehensive income	-31	-84	-14	-18	5	-31
Comprehensive income for the year	124	74	-5	-92	-10	-74
Non-current assets	5,414	5,471	3,914	3,944	5,358	4,911
Current assets	39	31	21	7	30	24
Cash and cash equivalents	220	190	52	37	140	90
Total assets	5,673	5,693	3,988	3,988	5,529	5,025
Equity	1,375	1,401	991	996	1,992	1,829
Deferred tax liabilities	170	178	127	130	165	139
Non-current liabilities to credit institutions	2,963	2,905	1,857	2,087	3,257	2,940
Current liabilities	1,166	1,208	1,012	775	115	117
Total equity and liabilities	5,673	5,693	3,988	3,988	5,529	5,025

Condensed income statement and balance sheet

SEK m	Borgo AB	
	2024	2023
Net interest income and net commission income	7	-78
Other income	-1	6
Other expenses	-211	-147
Credit losses, net	-11	-2
Operating profit	-215	-221
Tax	44	45
Profit for the year	-171	-176
Other comprehensive income	9	-6
Comprehensive income for the year	-162	-182
Lending to the public	33,359	30,147
Other assets	8,566	7,970
Total assets	43,924	38,117
Equity	2,615	2,154
Medium-term notes issued	28,598	25,559
Deposits from the public	11,675	9,176
Other liabilities	1,036	1,228
Total equity and liabilities	43,924	38,117

Condensed income statement and balance sheet

SEK m	MD International AB (Min Doktor)	
	2024	2023
Sales	332	308
Costs	-345	-346
Operating profit	-13	-37
Net financial items	0	0
Profit before tax	-13	-37
Tax	-1	-1
Profit for the year	-14	-38
Non-current assets	254	263
Current assets	35	41
Cash and cash equivalents	9	14
Total assets	299	318
Equity	236	249
Non-current liabilities	1	1
Current liabilities	63	67
Total equity and liabilities	299	318

Fastighetsaktiebolaget Postgården AB is a joint arrangement with Nordr for the construction of residential units above the commercial development that ICA Real Estate is going to build in Årsta. Construction is provisionally planned to start in 2028 at the earliest. The company did not conduct any significant operations in 2024. It is consolidated according to the equity method.

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Note 13 ICA Bank

ICA Bank offers a complete range of financial services that make life easier and help people keep track of their finances. The bank operates within two business areas, Personal and Corporate, as well as through its subsidiary ICA Insurance. Personal banking offers a full range of financial services in the areas of borrowing, saving, payments and insurance. The services emphasise simplicity combined with competitive pricing and a high level of service. The Corporate business area offers banking services to ICA retailers as well as payment cards and gift cards for the public sector, private individuals and other external customers.

Variable interest rates apply both to deposits and to lending, with the exception of a small share of lending to businesses where the interest rate is fixed for three months. If deposits plus equity exceed lending plus assets in, e.g., shares in subsidiaries and associates, the liquidity arising in ICA Bank is invested in low-risk instruments. The ICA Bank bond portfolio consists of Swedish municipal bonds and bonds from highly creditworthy Nordic banks and mortgage companies, which means those with a rating of AA+ or above (S&P or Moody's). ICA Bank also invests in short-term commercial papers issued by Riksbanken (Sweden's central bank). Investments are mainly focused on safe assets with high credit ratings. The combination of deposits, lending and investments keeps the total interest rate risk low. ICA Insurance applies a conservative investment approach, which is assessed as entailing low risk, in its asset management. The ICA Bank has very small amounts in foreign currencies and therefore currency risk is low. The majority of loans are unsecured.

The Bank's mortgage offering in partnership with the co-owned mortgage company Borgo was fully completed during the year and loyal ICA customers are now offered the possibility of higher discounts on mortgages based on their consumption patterns at ICA.

ICA Bank's lending to the public has the following remaining maturities:

SEK m	31 Dec 2024	31 Dec 2023
No longer than 3 months	3,217	2,464
Longer than 3 months but not more than 1 year	1,807	1,877
Longer than 1 year but not more than 5 years	7,970	8,370
Longer than 5 years	5,375	6,823
Total lending	18,369	19,533
Of which lending to companies	2,372	2,376

Impairment

Impairment testing according to IFRS 9 is based on expected credit losses. In addition, all relevant macroeconomic factors must be taken into account. For all loan receivables an initial loss allowance is applied that corresponds to expected credit losses within a period of 12 months (stage 1). If the credit risk has increased significantly since initial recognition but the asset is not yet considered credit-impaired, the asset is moved to stage 2. In stage 2, expected credit losses are recognised based on losses expected to occur over the full anticipated life of the asset. Stage 3 is default, where the receivable is considered to be a bad debt. Bad debts within personal banking are sold to an external party once the receivable has remained unsettled for around 120 days. Reserves are also made for loans approved but not yet disbursed, unutilised card credit and overdrafts, and guarantees given. ICA Bank's loan portfolios for personal and business customers consist of unsecured and secured loans as well as card credit and overdrafts. These are allocated to stages according to set criteria which differ between ICA Bank's business areas.

Breakdown of loans by stage and allowances, according to IFRS 9**Lending to the public**

SEK m	31 Dec 2024	31 Dec 2023
Carrying amount gross, stage 1	16,209	17,397
Carrying amount gross, stage 2	2,452	2,367
Carrying amount gross, stage 3	201	255
Total carrying amount gross	18,862	20,019
Allowances, stage 1	-107	-105
Allowances, stage 2	-282	-253
Allowances, stage 3	-104	-128
Total allowances	-493	-486
Total carrying amount	18,369	19,533

Note 14 Inventories

SEK m	31 Dec 2024	31 Dec 2023
Inventories of goods for resale	5,892	5,355
Deduction for obsolescence in inventories	-180	-173
Total inventories	5,713	5,182

Note 15 Related party transactions

Other than the transactions presented in the consolidated financial statements, ICA Gruppen's transactions with related parties mainly consist of rental transactions relating to the properties owned by: Ancore Fastigheter AB, the joint venture with Alecta; Trecore Fastigheter AB, the joint venture with Bonnier Fastigheter; and Delcore Fastigheter AB, the joint venture with AMF. See also Note 12 Interests in joint ventures and associates, for transactions that have taken place during the year with related parties.

2024, SEK m	Sales to related parties	Purchases from related parties	Receivables from related parties	Liabilities to related parties
Joint ventures	51	1,168	195	19

2023, SEK m	Sales to related parties	Purchases from related parties	Receivables from related parties	Liabilities to related parties
Joint ventures	46	1,014	162	5

ICA Gruppen has had daily transactions with the board members who are ICA retailers. The transactions are a natural part of their role as ICA retailers and take place on the same terms as for other ICA retailers.

For remuneration to senior executives, see Note 4.

Note 16 Assets and liabilities held for sale

Refers to properties in the Baltic countries.

Impairment of SEK 0 million (0) was recognised in connection with classification as assets held for sale.

Note 17 Equity

Share data (number)	31 Dec 2024	31 Dec 2023
Number of Class A shares (owner: ICA-handlarnas Förbund)	128,205,128	128,205,128
Number of Class E shares (owner: AMF)	18,728,223	18,728,223
Number of Class F shares (owner: ICA-handlarnas Förbund and members thereof)	3,458,973	–
Total number of shares	150,392,324	146,933,351

In December 2024, new class F shares were issued for a total of SEK 1,832 million net of issue expenses, of which SEK 233 million was registered and paid up in January 2025.

The quota value is SEK 3.42 (3.42) per share.

After the issue of Class F shares, the ownership and voting shares are:

ICA-handlarnas Förbund 85.4%/87.1%, AMF 12.5%/12.7% and members of ICA-handlarnas Förbund 2.1%/0.2%.

See also Note 12 Equity and appropriation of earnings in the notes to the Parent Company's financial statements.

Specification of the equity item reserves

SEK m	31 Dec 2024	31 Dec 2023
Translation reserve:		
Translation reserve, opening balance	760	794
Reclassified to profit or loss	–	–
Translation difference for the year	76	–34
Translation reserve, closing balance	836	760
Hedging reserve:		
Hedging reserve, opening balance	241	816
Reclassified to profit or loss	41	–68
Change in value during the year	–95	–507
Hedging reserve, closing balance	186	241
Total reserves:		
Reserves, opening balance	1,001	1,609
Change in reserves during the year:		
Translation reserve	76	–34
Hedging reserve	–55	–575
Reserves attributable to the parent, closing balance	1,022	1,001

Translation reserve

The translation reserve includes all exchange differences that arise in translating financial reports of foreign operations prepared in a currency other than the Group's presentation currency for financial reports.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of a cash flow hedging instrument attributable to hedging transactions that have not yet occurred.

Other capital contributed

Other capital contributed essentially consists of the contributions, over and above share capital, that are provided by the owners.

Non-controlling interests

Refers to store subsidiaries in the ICA Sweden segment and to ICA Impact Invest 1 AB.

Asset management

ICA Gruppen's managed assets consist of the Group's recognised equity. The Group's asset management goal is to ensure long-term value creation for the shareholders and to reflect the Group's focus on stable grocery retail sales.

The Board of Directors has adopted the following long-term financial targets for ICA Gruppen:

- Grow faster than the market.
- Operating margin excluding items affecting comparability and IFRS 16 Leases of 4%.
- Return on capital employed excluding IFRS 16 Leases of 10%.
- Net debt excluding ICA Bank and IFRS 16 Leases/EBITDA excluding IFRS 16 Leases <2%.

For information on performance in relation to these targets, refer to the Board of Directors' Report.

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Cont. Note 17 Equity

ICA Gruppen has financial covenants to fulfil. As of the closing day these were fulfilled.

Paid and proposed dividends	SEK m
Dividends paid during the year	
Dividend for 2023	540
Dividend proposal to the 2025 Annual General Meeting	
A dividend of SEK 0.90 per share is proposed for Class A shares and SEK 22.96 per share for Class E shares.	545

The Board of Directors of ICA Gruppen AB has decided to propose to the Annual General Meeting on 20 May 2025 a dividend of SEK 115 million for Class A shares and SEK 430 million for Class E shares totalling SEK 545 million. No dividend is proposed for Class F shares. The Board proposes 21 May 2025 as the record date to receive a dividend. If the AGM votes in favour of the proposal, the dividend is expected to be paid out on 23 May.

ICA Bank has capital adequacy requirements under the rules that apply to banks and insurance companies. The capital adequacy requirements guarantee that ICA Bank is able to meet its obligations to its customers. The requirements stipulate that ICA Bank must maintain a specific amount of equity in relation to its lending and revenues. Compliance with capital adequacy requirements is monitored by Finansinspektionen (FI, Sweden's financial supervisory authority). These requirements were fully met during the year. Under the legal requirements for banks, ICA Bank's cash and cash equivalents are not available to the Group.

Note 18 Pensions

Employees in Sweden receive pension benefits in accordance with collective agreements. Salaried employees therefore receive either defined contribution (ITP 1) or defined benefit (ITP 2) pensions according to the ITP plan. Employees with a defined benefit pension plan receive pension based on their final salary. The defined benefit pensions are reported as a provision in the balance sheet. The defined contribution pension premiums are paid to Alecta/Collectum on an ongoing basis. A small portion of the defined benefit pension is paid to Alecta in the form of risk insurance. To guarantee the provision in the balance sheet, credit insurance has been taken out with PRI Pensionsgaranti. PRI Pensionsgaranti performs continuous credit checks on ICA Gruppen to ensure the Group's ability to meet its pension promises. If PRI Pensionsgaranti should deem ICA Gruppen's credit rating to be too low, PRI has the authority to require either additional guarantees for the Group's commitments, or that all or parts of the pension obligation are redeemed with Alecta through the purchase of credit insurance. A cost may then arise for ICA Gruppen, depending on Alecta's assumptions and requirements with respect to redemption at that point. Unionised employees receive defined contribution pension plans according to the SAF/LO Collective Pension Insurance.

In the Baltic countries collective pension insurance exists only in exceptional cases and in these cases they are defined contribution plans.

There are no significant healthcare benefits in the Group's plans.

For Swedish companies, if a difference arises between the pension liability established according to Swedish rules and the pension liability established according to IFRS, a provision or receivable is recognised for the special employer's contribution based on this difference. The amount is included in pension provisions.

Cost of defined benefit pension plans

SEK m	2024	2023
Cost of vested benefits during the period	87	51
Interest expense	114	115
Pension cost for defined benefit pension plans in profit for the year	201	166
Pension cost for defined contribution pension plans	501	470
Pension cost in profit for the year	702	636
Remeasurements recognised in other comprehensive income, gains (-)/losses (+)	-328	646
Pension cost in comprehensive income for the year	374	1,282

The following disclosures relate only to the defined benefit plans.

Change in obligations

SEK m	2024	2023
Opening balance	3,539	2,800
Cost of vested benefits during the period	87	51
Interest expense	114	115
Remeasurements, gains (-)/losses (+)	-328	646
Pension disbursements	-75	-73
Closing balance	3,337	3,539

Important actuarial assumptions

	31 Dec 2024	31 Dec 2023
Discount rate	3.75%	3.25%
Inflation	2.00%	2.00%
Rate of salary increase	3.00%	3.00%
Mortality rate	DUS 23	DUS 23

ICA Gruppen reviews the assumptions on a regular basis and compares them with actual outcomes. This process is an important aspect of assessing which assumptions to apply going forward. The ITP 2 plan has been closed for many years and this affects the assessment of, for example, the rate of salary increase, since experience shows that older employees have a lower rate of salary increase than their younger counterparts. New employees born in 1979 or later receive a defined contribution pension under the ITP agreement.

Remeasurements refers mainly to financial assumptions and also reflects an increase in the discount rate of 0.50 percentage points during the year. Other than the effect of a increased discount rate, the differences between forecasts and outcomes are small.

The duration of the pension liability is 20 years (21 years).

Sensitivity analysis

An increase in the discount rate of one half of a percentage point would reduce the obligation by SEK 344 million (37%). A decrease in the discount rate of one half of a percentage point would increase the obligation by SEK 422 million (468).

Expected disbursements

Over the next five years the expected disbursements from the defined benefit plans amount to a total of SEK 416 million, broken down as SEK 76 million in 2025 and SEK 78–94 million for each of the next four years. The disbursements over the subsequent five years will amount to a total of SEK 623 million, which means the average payment per year is SEK 125 million.

Note 19 Financial risks, financial risk management and financial instruments

ICA Gruppen has a central treasury function for financial management whose primary task is to ensure that the Group has secured financing through loans and lines of credit, to handle cash management and to actively manage and control financial exposure in line with the Group's Financial Policy.

Financial Policy and financial targets

The Financial Policy applies to all companies in the Group. The Financial Policy of ICA Gruppen determines which financial risks the Group is prepared to take and defines risk management targets and guidelines. It also describes the division of responsibilities as well as reporting and internal control procedures for financial risk management.

The policy is revised annually, or more often if needed, by ICA Gruppen's Audit Committee and is approved by ICA Gruppen's Board of Directors.

According to the long-term financial targets for the business, ICA Gruppen is to aim for net debt (excluding ICA Bank and IFRS 16 Leases)/EBITDA (excluding IFRS 16 Leases) that is <2.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will affect ICA Gruppen's earnings and cash flow or the fair value of financial assets and liabilities.

The Financial Policy states that interest rate risk is to be limited by having an average interest rate tenor for all interest-bearing liabilities (including derivatives) of 12–36 months. At year end, the interest rate tenor was 21 (16) months. The interest exposure is managed through fixed interest rates in actual borrowing and through interest rate swaps. A one percentage point increase in the interest rate as of 31 December 2024, would increase the annual interest expense for the entire debt by SEK 39 million (55). Interest rate derivatives match existing loans and cash flow hedging is used for these in accordance with IFRS 9. As of the balance sheet date, 31 December 2024, a positive market value of SEK 112 million (414) had been hedged.

Refinancing and liquidity risk

Refinancing risk is the risk of ICA Gruppen being unable to finance or refinance its capital requirement. The Group aims to diversify financing to multiple sources and to have a balanced maturity profile for loans and credit facilities.

During the year, an additional SEK 4.5 billion was issued under the MTN programme, of which SEK 2 billion comprised green bonds. The syndicated bank facilities were also paid down and now amount to SEK 2,250 million, consisting of one drawdown and an unutilised bank facility of SEK 6 billion. ICA Gruppen has financial covenants in its loan agreements. All of the covenants had been met as of the closing day.

During the year the interest-bearing liabilities (excluding lease liabilities and ICA Bank) changed as follows:

Liabilities on 1 January	23,241
Amortisation of syndicated loan	-8,314
Bond issue	4,500
Maturing bonds	-964
Other	-32
Liabilities on 31 December	18,432

The Group's liquidity is managed centrally by the treasury function and is primarily in the form of cash pools. Liquidity risk is the risk that ICA Gruppen will not meet its short-term payment obligations. ICA Gruppen's Financial Policy states that the liquidity reserve is to be sufficient to handle the fluctuations that may be expected over a 12-month period, including maturing loans. In addition to a reserve for expected negative fluctuations in cash flow, there must always be a liquidity reserve equal to 3–5% of the Group's net sales. Positive expected cash flows are not included in the liquidity reserve. ICA Bank's surplus liquidity is not available to the Group because of banking laws.

Unutilised confirmed facilities ¹	31 Dec 2024	31 Dec 2023
Bilateral bank facilities	3,140	2,135
Syndicated bank loan	6,000	5,000
Total unutilised facilities	9,140	7,135

¹ Refers to ICA Gruppen AB.

Maturity structure of long-term bonds and non-current interest-bearing liabilities SEK m

2025	2,695
2026	5,009
2027	3,250
2028	4,250
2029	3,250
Total	18,455

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Cont. Note 19 Financial risks, financial risk management and financial instruments

ICA Gruppen's interest-bearing liabilities and investments, plus credit facilities Specification	Carrying amount 31 Dec 2024	Carrying amount 31 Dec 2023	Interest rate on 31 Dec 2024 incl. derivatives (where applicable)	Type of interest excl. deriva- tives	Type of interest incl. deriva- tives	ICA Gruppen's interest-bearing liabilities and investments, plus credit facilities Specification	Carrying amount 31 Dec 2024	Carrying amount 31 Dec 2023	Interest rate on 31 Dec 2024 incl. derivatives (where applicable)	Type of interest excl. deriva- tives	Type of interest incl. deriva- tives
Non-current liabilities						Current liabilities					
<i>Bonds¹</i>						<i>Bonds¹</i>					
Bond MTN Sweden 2023–2025	–	1,100				Bond MTN Sweden 2021–2024	–	964			
Bond MTN Sweden 2023–2025	–	400				Bond MTN Sweden 2023–2025	1,100		4.01%	floating	
Bond MTN Sweden 2020–2025	–	500				Bond MTN Sweden 2023–2025	400		4.90%	fixed	
Bond MTN Sweden 2023–2026	500	500	4.61%	floating	–	Bond MTN Sweden 2020–2025	500		0.91%	floating	fixed
Bond MTN Sweden 2023–2026 Green	400	400	4.60%	fixed	–	Total short-term bonds	2,000	964			
Bond MTN Sweden 2023–2026 Green	850	850	4.01%	floating	–	Pre-paid loan fees ¹	–6	–7			
Bond MTN Sweden 2023–2026	900	900	4.23%	floating	–	Total short-term bonds as per the balance sheet	1,994	957			
Bond MTN Sweden 2023–2026	600	600	5.08%	fixed	–	<i>Other interest-bearing liabilities¹</i>					
Bond MTN Sweden 2023–2027	1,400	1,400	4.36%	floating	–	Syndicated loan A1 2022–2026	500	500	3.00%	floating	fixed
Bond MTN Sweden 2023–2027	600	600	4.91%	fixed	–	Syndicated loan A2 2022–2025	–	500			
Bond MTN Sweden 2024–2027	750		3.80%	floating	–	Total current interest-bearing liabilities as per balance sheet	500	1,000			
Bond MTN Sweden 2024–2027 Green	500		3.69%	floating	–	Pre-paid loan fees ¹	–2	–32			
Bond MTN Sweden 2023–2028	500	500	4.91%	floating	–	Store deposits ¹	195	263			
Bond MTN Sweden 2023–2028 Green	1,250	1,250	4.73%	fixed	–	Total other interest-bearing current liabilities as per balance sheet	692	1,231			
Bond MTN Sweden 2023–2028 Green	1,000	1,000	4.41%	floating	–	Total short-term bonds and current interest-bearing liabilities	2,686	2,188			
Bond MTN Sweden 2023–2028	1,000	1,000	3.84%	floating	fixed	Total bonds and interest-bearing liabilities					
Bond MTN Sweden 2023–2028	500	500	4.53%	floating	–		18,432	23,241			
Bond MTN Sweden 2024–2029	1,250		4.22%	floating	fixed	Cash excluding ICA Bank					
Bond MTN Sweden 2024–2029	500		4.14%	fixed	–		–3,827	–2,582			
Bond MTN Sweden 2024–2029 Green	700		4.21%	fixed	–	Total net debt excluding ICA Bank and IFRS 16 Leases					
Bond MTN Sweden 2024–2029 Green	800		3.60%	floating	fixed		14,605	20,659			
Total bonds	14,000	11,500				<i>Non-current lease liabilities</i>					
Pre-paid loan fees ¹	–10	–12					18,824	18,329			
Total bonds as per the balance sheet	13,990	11,488				<i>Current lease liabilities</i>					
<i>Other interest-bearing liabilities¹</i>							4,134	4,436			
Syndicated loan A1 2022–2026	1,750	7,250	3.00%	floating	fixed	<i>Total lease liabilities excl. ICA Bank</i>					
Syndicated loan A2 2022–2025	–	2,314					22,959	22,765			
Total non-current interest-bearing liabilities	1,750	9,564				Total net debt excluding ICA Bank					
Pre-paid loan fees ¹	–3	–5					37,564	43,424			
Other loans in subsidiaries	9	7				<i>1 Refers to ICA Gruppen AB.</i>					
Total other interest-bearing non-current liabilities as per balance sheet	1,756	9,566									
Total long-term bonds and non-current interest-bearing liabilities	15,746	21,053									

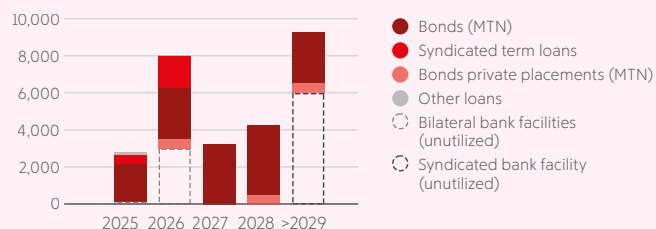
1 Refers to ICA Gruppen AB.

FINANCIAL INFORMATION | THE GROUP

Cont. Note 19 Financial risks, financial risk management and financial instruments

The syndicated short-term loans totalling SEK 500 million will mature in December 2025. The short-term bonds of SEK 2,000 million will mature in February 2025. Current liabilities are otherwise in the form of trade payables of SEK 18,746 million (17,227) and deposits with ICA Bank of SEK 24,145 million (24,336), as well as deposits from ICA stores totalling SEK 195 million (263) which mature in January 2025. The current portion of lease liabilities amounts to SEK 4,135 million (4,436). ICA Bank deposits are payable upon demand and trade payables generally have a maturity of no more than three months. For the lease liabilities maturity profile, see Note 7.

With the current financing costs and debt portfolio, the annual net amount is SEK 918 million (1,346) for ICA Gruppen excluding ICA Bank and excluding lease liabilities.

Maturity profile for interest-bearing liabilities (excluding lease liabilities) and long-term confirmed credit facilities (excluding interest payments)**Credit risk**

Credit risk is the risk that a counterparty in a transaction will not fulfil its contractual obligations and that any security provided will not cover the Company's claim. The banks and credit institutions the Group works with must have a high credit rating and the Financial Policy stipulates the maximum credit exposure for each counterparty. For commercial counterparties with which the Group has a high exposure, individual credit assessments are made. The credit risk arising from ICA Bank's lending to the public is managed by performing credit checks for all loan applications before they are granted.

ICA Gruppen has netting agreements – so-called ISDA master agreements – with counterparties for derivatives. This means that receivables from and liabilities to an individual counterparty can be offset in the event, for example, of insolvency.

Flows between ICA Gruppen and individual ICA retailers are offset on a daily basis through the Group's own netting system, ICA Konto.

Other than those within ICA Bank, the receivables mainly consist of account credit granted to non-consolidated ICA retailers. The receivables are continually assessed for expected losses. The provision for expected losses is based on an assessment over the entire lifetime of each receivable. The reserve for loss allowances on trade receivables does not amount to a material sum. Collateral for the credit is mainly provided through floating charges. See also Note 13 ICA Bank.

Currency risk

Transaction exposure is the risk that changes in exchange rates will affect the income statement and cash flow. For ICA Gruppen this foreign currency exposure is mainly related to imports of goods paid for in foreign currencies (commercial currency risk). It also includes lending and deposits within the Group to subsidiaries in the Baltic countries (financial currency risk). Most of the Group's purchasing takes place in Swedish kronor. According to the Financial Policy, the effect on earnings of a 5% change in exchange rates must not exceed SEK 10 million.

Translation exposure is the risk that changes in exchange rates will affect the translation to Swedish kronor of the Group's income statements and balance sheets for the operations that report in a currency other than Swedish kronor. There is no currency hedging for this translation risk.

Hedging policy

ICA Gruppen's commercial currency exposure varies between the different units, in so far as the units may change the prices customers pay with different periodicity based on the exchange rate. According to the Financial Policy, 80–100% of the forecast cash flows are hedged during the period the customer price is fixed, and 80–100% of the actual cash flows are hedged.

ICA Gruppen's financial currency exposure in the form of lending and deposits within the Group to subsidiaries in the Baltic countries is hedged by obtaining a corresponding liability or asset in EUR, mainly through currency swaps.

Commercial currency derivatives (SEK m)

Currency ¹	1–3 months	3–6 months	6–12 months	12–24 months	>24 months	31 Dec 2024	31 Dec 2024
						Nominal amount	Fair value
CNY/HKD	–8	–5	0	0	0	–13	0
DKK/SEK	–4	–2	–11	0	0	–17	0
EUR/SEK	–2,246	–1,110	–246	–128	–15	–3,746	1
GBP/SEK	–38	–38	–76	–153	–764	–1,069	69
HKD/SEK	–11	–8	–15	0	0	–35	2
NOK/SEK	–94	0	0	0	0	–94	–1
USD/SEK	–308	–168	–420	–4	0	–899	34
As of 31 Dec 2024	–2,709	–1,332	–769	–285	–779	–5,873	104
As of 31 Dec 2023	–2,884	–1,174	–685	–271	–959	–5,973	–187

Financial currency derivatives (SEK m)

Currency ¹	1–3 months	3–6 months	Nominal amount	Fair value
As of 31 Dec 2024	–1,306	–	–1,306	–7
As of 31 Dec 2023	–1,192	–	–1,192	–30

¹ Example: EUR/SEK pertains to purchases in EUR hedged against SEK.

Financial currency derivatives are all entered into by ICA Gruppen AB.

Hedge accounting

ICA Gruppen uses cash flow hedges according to IFRS 9 for the portion of the currency exposure that is based on forecasts, except in the case of the Baltic countries and some purchasing of fruit and vegetables. Of the total fair value amounting to SEK 104 million (–187), a gain of SEK 99 million (122) was hedged as of the balance sheet date.

Sensitivity analysis

If ICA Gruppen did not hedge the commercial transaction exposure during the period when no price adjustment can be made for customers, the total effect on earnings in the case of an unfavourable 5% exchange rate change for ICA Gruppen in the respective currency pair, would be SEK –82 million (–69).

FINANCIAL INFORMATION | THE GROUP

Cont. Note 19 Financial risks, financial risk management and financial instruments

Under the Financial Policy the effect on earnings may not exceed SEK –10 million in total. For this reason ICA Gruppen hedges its currency risk and the currency risk amounted to SEK –1 million (–1) at the year end. In the event of a 5% unfavourable change in exchange rates, the currency hedging ICA Gruppen conducts according to policy would result in an adverse impact on equity of SEK –212 million (–230).

Commodity price risk

Of the commodity price risks identified by ICA Gruppen, energy price risk relating to fuel (diesel and HVO/biofuel) is risk that is considered material and is therefore hedged. Electricity price risk can also have a relatively large impact on ICA Gruppen's earnings and, to the extent possible, ICA uses fixed price energy contracts.

Hedging policy

ICA Gruppen hedges energy price risk relating to fuel. In accordance with ICA Gruppen's Financial Policy, this price risk is hedged for a period of up to 36 months. This is performed using financial future contracts.

During the year ICA Gruppen purchased 16,200 (20,400) metric tonnes of diesel, which also covers the HVO (biofuel) price risk.

Fuel hedging	Maturity analysis			Nominal amount, SEK m 31 Dec 2024	Fair value, SEK m 31 Dec 2024
	2025	2026	2027		
	Total metric tonnes	15,000	10,800		
Total litres (000s)	18,534	13,350	4,502		
Forecast litres (000s)	19,678	20,100	16,494		
Hedge ratio as of 31 Dec 2024	94.19%	66.42%	27.29%	217	222
As of 31 Dec 2023	51.81%	22.83%	–	324	316

Hedge accounting

ICA Gruppen uses hedges according to IFRS 9 for forecast fuel consumption (HVO or diesel) and the associated currency flows (USD). Of the total fair value amounting to SEK 6 million (–8), a gain of SEK 6 million (–8) was hedged as of the balance sheet date.

Sensitivity analysis

If ICA Gruppen did not hedge against fuel price exposure, the total effect on annual earnings, based on the 2025 forecast, in the case of a 20% negative price change would amount to around SEK –23 million (–27). Taking into account the existing hedging shown in the table, the effect would instead be SEK –1 million (–2).

Financial assets and liabilities

SEK m	31 Dec 2024	31 Dec 2023
Financial assets		
<i>Financial assets measured at fair value through profit or loss</i>		
Investments	5,368	4,239
Other financial assets	274	501
Total	5,642	4,741
<i>Financial assets measured at amortised cost</i>		
ICA Bank's lending	18,369	19,533
Receivables	8,331	8,657
Cash and cash equivalents	8,023	6,884
Total	34,724	35,075
Total financial assets	40,366	39,815
Financial liabilities		
<i>Financial liabilities measured at fair value through profit or loss</i>		
Other financial liabilities	40	245
Total	40	245
<i>Financial liabilities measured at amortised cost</i>		
Bonds	15,983	12,444
Other interest-bearing liabilities	2,449	10,797
Deposits ICA Bank	24,145	24,336
Lease liability	22,961	22,766
Other financial liabilities	23,179	21,371
Total	88,717	91,713
Total financial liabilities	88,757	91,959

The carrying amount is a reasonable approximation of the fair value for all financial assets and liabilities except bonds, where the fair value is lower than the carrying amount by SEK 172 million (lower than the carrying amount by 158 million).

Fair value measurement of financial instruments is based on the most reliable data available. Depending on the inputs used for measurement, fair value is classified at three levels: level 1 refers to the most objective prices for inputs, while level 3 is based on the Company's own data and assessments.

Investments and other financial assets measured at fair value amount to SEK 5,642 million (4,741). In the fair value hierarchy the full amount is classified at level 1. Financial liabilities measured at fair value are all classified at level 2. Instruments for which a fair value is provided for information are classified at level 2. Level 2 assets and liabilities have been calculated according to generally accepted price models, which are based on discounted cash flows. The input data used consists of the most reliable market prices available.

Net profit attributable to financial instruments

The table below indicates how the net profit/loss and interest income/interest expense pertaining to financial instruments have affected ICA Gruppen's earnings for the different categories of financial instruments.

SEK m	2024	2023
Financial assets and liabilities measured at fair value through profit or loss	30	0
Financial assets and liabilities measured at amortised cost	–422	–460
Interest from financial liabilities and assets measured at amortised cost:		
Interest income from financial assets	1,916	1,925
Interest expense from financial liabilities	–2,321	–2,548
Profit/loss	–797	–1,083

ICA Bank's interest income and interest expense are included in consolidated operating profit. In interest income and interest expense in the table above they are included as disclosures concerning profit from financial items.

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Note 20 Pledged assets and contingent liabilities

SEK m	31 Dec 2024	31 Dec 2023
Pledged assets		
Property mortgages	–	–
Registered assets of ICA Försäkring AB	532	463
Total	532	463
Contingent liabilities		
Loan commitments for unsecured loans, ICA Bank	445	453
Guarantees and contingent liabilities ¹	640	496
Total	1,085	949

¹ Guarantee for MasterCard amounting to SEK 330 million (299). The rest of this item is divided between numerous counterparties.

Note 21 Statement of cash flows and cash and cash equivalents

SEK m	2024	2023
Adjustments for non-cash items		
Depreciation/amortisation	6,710	6,296
Impairment and impairment reversed	375	170
Share of profits from joint ventures and associates	–60	–38
Capital gains/losses	–591	–514
Provisions	–237	263
Total non-cash items	6,197	6,177

SEK m	2024	2023
ICA Bank: cash flow net deposits, lending and investments		
Deposits with ICA Bank (increase +/decrease –)	–191	–1,492
Short-term lending (increase –/decrease +)	–682	–630
Long-term lending (increase –/decrease +)	1,846	1,758
Investments (increase –/decrease +)	–1,127	–216
Total	–154	–580

SEK m	31 Dec 2024	31 Dec 2023
Composition of cash and cash equivalents		
Cash and bank balances ¹	5,527	6,884
Short-term investments ¹	2,496	–
Total cash and cash equivalents	8,023	6,884
¹ Of which ICA Bank		
Cash and bank balances	2,698	4,302
Short-term investments	1,498	–
Total cash and cash equivalents ICA Bank	4,196	4,302
Total cash and cash equivalents excluding ICA Bank	3,827	2,582

According to banking laws, ICA Bank's cash and cash equivalents are not available to the Group.

There are no other significant changes in financial liabilities recognised under financing activities in the Statement of cash flows other than items relating to payments for taking out and repaying loans within financing activities and new issue of shares.

SEK m	Group 2024	ICA Bank 2024	Group excl. ICA Bank 2024
Cash flow from operating activities before change in working capital	12,533	404	12,129
Change in working capital			
Inventories	–513	–	–513
Current receivables	190	57	133
Current liabilities	1,609	102	1,507
ICA Bank's net of deposits, lending and investments	–154	–154	–
Cash flow from operating activities	13,666	409	13,257
Cash flow from investing activities	–2,775	–167	–2,609
Cash flow from financing activities	–9,763	–349	–9,414
Cash flow for the period	1,128	–106	1,234
Cash and cash equivalents at beginning of period	6,884	4,302	2,582
Exchange differences in cash and cash equivalents	11	–	11
Cash and cash equivalents at end of period	8,023	4,196	3,827

SEK m	Group 2023	ICA Bank 2023	Group excl. ICA Bank 2023
Cash flow from operating activities before change in working capital	12,114	535	11,579
Change in working capital			
Inventories	284	–	284
Current receivables	11	–132	143
Current liabilities	961	228	732
ICA Bank's net of deposits, lending and investments	–580	–580	–
Cash flow from operating activities	12,789	51	12,738
Cash flow from investing activities	2,468	–331	2,798
Cash flow from financing activities	–18,520	–82	–18,437
Cash flow for the period	–3,262	–361	–2,901
Cash and cash equivalents at beginning of period	10,143	4,663	5,480
Exchange differences in cash and cash equivalents	3	–	3
Cash and cash equivalents at end of period	6,884	4,302	2,582

FINANCIAL INFORMATION | PARENT COMPANY

Income statement, Parent Company

SEK m	Note	2024	2023
Net sales	2	36	1,333
Cost of services sold		0	-1,254
Gross profit		35	79
Administrative expenses	2, 3, 4, 5	-562	-547
Operating profit		-527	-468
Profit from financial items	6		
Profit from interests in Group companies		2,750	5,600
Interest income and change in fair value of financial instruments		815	965
Interest expense and similar profit or loss items		-1,152	-1,729
Total profit from financial items		2,413	4,836
Profit after financial items		1,887	4,368
Appropriations			
Provision for accrual fund		-181	-412
Group contribution received		1,619	2,845
Total appropriations		1,438	2,433
Profit before tax		3,325	6,801
Tax on profit for the year	7	-119	-248
PROFIT FOR THE YEAR		3,206	6,553

Other comprehensive income, Parent Company

SEK m	Note	2024	2023
Profit for the year		3,206	6,553
Other comprehensive income		4	-5
COMPREHENSIVE INCOME FOR THE YEAR		3,210	6,548

Balance sheet, Parent Company

Assets

SEK m	Note	31 Dec 2024	31 Dec 2023
Non-current assets			
<i>Intangible non-current assets</i>			
IT systems	8	2	197
<i>Property, plant and equipment</i>			
Equipment	9	0	131
<i>Financial non-current assets</i>			
Interests in Group companies	10	30,947	30,841
Deferred tax assets	7	33	41
Non-current receivables from Group companies		1,003	835
Non-current receivables		156	415
Total non-current assets		32,141	32,460
Current assets			
<i>Current receivables</i>			
Trade receivables	15	0	0
Receivables from Group companies		17,890	18,748
Other receivables		604	285
Prepaid expenses and accrued income	11	40	240
Receivable pertaining to ongoing rights issue			
Total current receivables		18,534	19,273
<i>Cash and bank balances</i>		3,374	2,142
Total current assets		21,908	21,415
TOTAL ASSETS		54,049	53,876

Equity and liabilities

SEK m	Note	31 Dec 2024	31 Dec 2023
Equity			
<i>Restricted equity</i>			
Share capital		515	503
Statutory reserve		2,773	2,773
Reserve for development expenditures		1	109
<i>Non-restricted equity</i>			
Share premium reserve		6,736	4,916
Retained earnings		11,113	4,997
Profit for the year		3,210	6,548
Total equity		24,349	19,846
Untaxed reserves			
Accrual fund		593	412
Provisions			
Provisions for pensions	13	728	676
Other provisions		5	27
Total provisions		733	704
Non-current liabilities			
Bonds	14, 15	13,990	11,488
Liabilities to credit institutions	14, 15	1,747	9,559
Other non-current liabilities		16	17
Total non-current liabilities		15,753	21,063
Current liabilities			
Bonds	15	1,994	957
Liabilities to credit institutions	15	692	1,231
Trade payables		59	138
Liabilities to Group companies		9,603	9,043
Other liabilities		25	231
Accrued expenses and deferred income	11	247	251
Total current liabilities		12,621	11,850
TOTAL EQUITY, PROVISIONS AND LIABILITIES		54,049	53,876

Changes in equity, Parent Company

SEK m	Restricted equity			Non-restricted equity			Total equity
	Share capital (Note 12)	Statutory reserve	Reserve for development expenditures	Share premium reserve	Retained earnings	Profit for the year	
Opening equity, 1 Jan 2023	503	2,773	93	4,916	-1,534	7,127	13,878
Profit for previous year					7,127	-7,127	0
Dividend					-559		-559
Development expenditures			16		-16		0
Expenses relating to buyout from Nasdaq					-21		-21
Comprehensive income for the year						6,548	6,548
Closing equity, 31 Dec 2023	503	2,773	109	4,916	4,997	6,548	19,846
Opening equity, 1 Jan 2024	503	2,773	109	4,916	4,997	6,548	19,846
Profit for previous year					6,548	-6,548	0
Dividend					-540		-540
Development expenditures			-108		108		0
Relating to buyout from Nasdaq					0		0
New issue, Note 12	10			1,589			1,599
Ongoing new issue, Note 12	1			232			233
Comprehensive income for the year						3,210	3,210
Closing equity, 31 Dec 2024	515	2,773	1	6,736	11,113	3,210	24,349

Statement of cash flows, Parent Company

SEK m	Note	2024	2023
Operating activities			
Operating profit		-527	-468
Dividend received		2,750	5,600
Adjustments for non-cash items	16	30	224
Income tax paid		-76	-167
Cash flow from operating activities before change in working capital		2,178	5,189
Change in working capital			
Current receivables (increase -/decrease +)		316	-11
Current liabilities (increase +/decrease -)		-139	-64
Cash flow from operating activities		2,354	5,114
Investing activities			
Purchase of property, plant and equipment and intangible assets		312	-118
Investments in subsidiaries		-106	-220
Change in short term investments		2	-
Loans provided/repaid, Group companies		-208	614
Interest received		48	95
Interest received, Group companies		766	866
Cash flow from investing activities		813	1,238
Financing activities			
Borrowings		4,185	11,136
Repayment of borrowings		-9,278	-22,661
New issue	12	1,608	-
Relating to buyout from Nasdaq Stockholm		0	-21
Change in intra-Group loans		2,861	4,111
Dividend paid		-540	-559
Interest paid		-771	-1,286
Cash flow from financing activities		-1,935	-9,279
Cash flow for the year		1,231	-2,928
Cash and cash equivalents at beginning of year		2,142	5,070
Cash and cash equivalents at end of year		3,374	2,142

Notes

Note 1 Accounting principles and supplementary disclosures

ACCOUNTING PRINCIPLES

Accounting policies applied

The Parent Company has prepared its annual accounts in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. According to RFR 2, in preparing the annual accounts for the legal entity, parent companies are to apply all EU-adopted IFRS/IAS – including interpretations – as far as possible within the framework of the Annual Accounts Act and taking into account the connection between reporting and taxation. RFR 2 specifies the exemptions from and supplements to the standards that are to be made according to IFRS. Altogether this results in differences between the Group's and the Parent Company's accounting principles in the areas detailed below.

New issue

The net of the issue proceeds received and expenses is recognised as an increase in equity and payment received in the cash flow.

Subsidiaries

Interests in subsidiaries are recognised according to the cost method.

Classification and measurement of financial instruments

The Parent Company applies IFRS 9 except in the case of financial guarantees, where the exception according to RFR 2 applies.

Taxes

Untaxed reserves are recognised including deferred tax liabilities. In the consolidated accounts, on the other hand, untaxed reserves are divided between deferred tax liabilities and equity.

Leases

The IFRS 16 Leases standard is not applied by ICA Gruppen AB according to the exception permitted under RFR 2. Leases in which the Parent Company is the lessee are recognised as a cost over the lease term on a straight-line basis. No right-of-use assets or lease liabilities have been recognised.

Defined benefit pension plans

The Parent Company uses different bases to calculate defined benefit pension plans than those in IAS 19 and that apply to the calculations for the ICA Gruppen Group. The calculations by the Parent Company comply with the Pension Obligations Vesting Act and the regulations issued by Finansinspektionen (FI – Sweden's financial supervisory authority), as this is required for tax deductibility. The main differences compared with IAS 19 are the way in which the discount rate is determined and that the calculation is based on current salary levels rather than on expected future salary.

Group contributions

Group contributions (received and provided) are recognised as appropriations.

Capitalised development expenditures

Development expenditures capitalised during the year for development within ICA Gruppen of intangible assets are transferred from non-restricted equity to a reserve for development expenditures pertaining to restricted equity.

Note 2 Intra-Group purchases and sales

The Parent Company's net sales amounted to SEK 36 million (1,333), of which 100% (99) consisted of sales to Group companies. Purchases from Group companies amounted to SEK 153 million (115).

Note 3 Average number of employees, salaries and other remuneration

Average number of employees

The average number of employees has been calculated as hours worked as a percentage of normal annual working hours.

	2024	2023
Women	82	210
Men	44	229
Total	126	439

Salaries, other remuneration and social security contributions

SEK m	2024	2023
Salaries and remuneration		
<i>Board of Directors and CEO</i>		
Salaries and other remuneration	24	22
– of which variable component	8	7
Other senior executives	20	24
Other employees	124	323
Total	168	370
Social security contributions		
Social security contributions	74	152
Pension costs, see Note 13	67	114
– of which pension costs for the Board of Directors and CEO	3	3
Total	141	266
Total salaries, other remuneration, social security contributions and pension costs	309	636

FINANCIAL INFORMATION | PARENT COMPANY

Cont. Note 3 Average number of employees, salaries and other remuneration

Gender distribution on the Board and among senior executives

	31 Dec 2024	31 Dec 2023
Board of Directors		
Women	3	3
Men	7	8
Total	10	11
CEO and other senior executives		
Women	2	2
Men	3	4
Total	5	6

Gender distribution on the Board refers to the AGM-elected members and not the employee representatives.

ICA Management Team

2024, SEK 000s	Variable remuneration			Pension costs	Total
	Salaries	Benefits			
CEO	9,104	8,391	102	3,176	20,773
Other senior executives	13,871	6,081	322	2,487	22,761
Total	22,975	14,472	424	5,663	43,534

2023, SEK 000s	Variable remuneration			Pension costs	Total
	Salaries	Benefits			
CEO	8,433	6,851	94	3,150	18,528
Other senior executives ¹	18,385	5,191	690	4,292	28,558
Total	26,818	12,042	784	7,442	47,086

¹ The amounts presented in the table also include remuneration for which a provision was made in 2023 but that was paid out in 2024. This remuneration includes salary, benefits, pension costs and severance pay for individuals with whom agreements were signed in 2023 regarding ending their employment.

Comments on the table

The amounts given are the amounts expensed during the respective years and exclude social security contributions. Reported pension costs do not include the special employer's contribution.

Remuneration to the Board of Directors and CEO of ICA Gruppen AB

Remuneration to ICA Gruppen AB's board members at the individual level and remuneration and terms for the CEO of ICA Gruppen AB are described in Group notes, Note 4.

Remuneration to other senior executives

Remuneration to other senior executives consists of fixed salary, pension benefits, variable remuneration in the form of a cash bonus, other remuneration and benefits. Other senior executives refers to the individuals who, together with the CEO, make up ICA Management Team (IMT) and are employed by ICA Gruppen AB.

Variable remuneration programmes

See Group notes, Note 4.

Notice periods and severance pay for other senior executives

A mutual notice period of six months applies for senior executives. If termination of employment is initiated by the Company, the senior executives are entitled to severance pay of up to 12 months' fixed basic salary. Severance pay is deductible.

If a senior executive resigns, the Company may in certain cases choose to apply a non-competition clause. During the period in which the non-competition clause applies, compensation equivalent to a maximum of 60% of the fixed salary is paid. Severance pay and compensation during the non-competition period is not pensionable income.

Pension benefits for other senior executives

For other senior executives one of the following pension solutions can be applied: ITP 1, ITP 1 supplemented by an extra pension solution to reach a total premium of around 30% of the pensionable salary, or ITP 2 designed to reach a total premium of around 30% of the pensionable salary or traditional ITP 2.

Note 4 Audit expenses

SEK m	2024	2023
KPMG:		
Audit assignments	3	3
Total	3	3

Note 5 Leases – lessee

SEK m	2024	2023
Lease expense for the year	8	43
Future contractual lease payments:		
Maturity date within 1 year	10	12
Maturity date between 1–5 years	26	25
Maturity date later than 5 years	6	11
Total	42	48

FINANCIAL INFORMATION | PARENT COMPANY

Note 6 Profit from financial items

SEK m	2024	2023
Profit from interests in Group companies		
Dividends:		
ICA AB	2,000	3,600
ICA Fastigheter Holding AB	750	2,000
Total	2,750	5,600
Other interest income and change in fair value of financial instruments		
Interest income, Group companies	767	867
Exchange differences	-1	3
Other interest income and similar items	49	95
Total	815	965
Other interest expense and similar items		
Interest expense, Group companies	-1	0
Change in fair value of financial instruments	-272	-380
Other interest expense and similar items	-879	-1,349
Total	-1,152	-1,729
Total profit from financial items	2,413	4,836

Note 7 Taxes

SEK m	2024	2023
Current tax		
Current tax on profit for the year	-112	-255
Deferred tax on temporary differences	-7	7
Reported tax	-119	-248
Reconciliation of effective tax expense		
Profit before tax	3,325	6,801
Tax as per the current tax rate in Sweden, 20.6%	-685	-1,401
Dividend	567	1,154
Non-deductible expenses/non-taxable income	-1	-1
Reported tax	-119	-248
Effective tax rate	3.6%	3.6%
SEK m	2024	2023
As reported in balance sheet:		
Deferred tax assets	33	41

Change in deferred tax on temporary differences and tax loss carryforwards

SEK m	Balance as of 1 Jan 2024	Recognised in other compre- hensive income	Balance as of 31 Dec 2024
Other	41	-8	33
Total	41	-8	33

SEK m	Balance as of 1 Jan 2023	Recognised in other compre- hensive income	Balance as of 31 Dec 2023
Other	32	9	41
Total	32	9	41

Tax assets are denoted by (+) and tax liabilities by (-) in the table above.

Note 8 Intangible non-current assets

SEK m	2024	2023
IT systems		
Accumulated cost	2	477
Accumulated amortisation	0	-279
Carrying amount	2	197
Opening balance	197	178
Investments	1	77
Divestments	-196	-
Amortisation for the year	0	-58
Carrying amount	2	197

Amortisation of intangible non-current assets is included in the line "Administrative expenses" in the income statement.

Note 9 Property, plant and equipment

SEK m	2024	2023
Equipment		
Accumulated cost	0	501
Accumulated depreciation	0	-370
Carrying amount	0	131
Opening balance	131	180
Investments	0	46
Divestments	-131	-
Depreciation for the year	0	-96
Carrying amount	0	131

Depreciation of property, plant and equipment is included in the line "Administrative expenses" in the income statement.

FINANCIAL INFORMATION | PARENT COMPANY

Note 10 Interests in Group companies

SEK m	2024	2023
Interests in subsidiaries		
Cost, opening balance	30,841	30,621
Acquisitions ¹	6	-
Shareholder contributions ²	100	220
Accumulated cost, closing balance	30,947	30,841
Impairment, opening balance	0	0
Accumulated impairment, closing balance	0	0
Residual value according to plan, closing balance	30,947	30,841

1 ICA Impact Invest 1 AB formed.

2 Shareholder contributions were provided to ICA Banken AB in the amount of SEK 100 million (220).

Interests in subsidiaries

Specification of ICA Gruppen AB's direct holdings of shares in subsidiaries

	Corporate Reg. No.	Registered office	No. of shares	Capital and votes, %	Quota value	Book value 31 Dec 2024, SEK m	Book value 31 Dec 2023, SEK m
ICA AB	556582-1559	Stockholm	5,000,000	100	SEK 100	23,035	23,035
ICA Banken AB	516401-0190	Stockholm	1,000,000	100	SEK 100	3,094	2,994
ICA Fastigheter Holding AB	556604-5471	Stockholm	1,000	100	SEK 100	4,812	4,812
ICA Impact Invest 1 AB	559448-6036	Stockholm	424	40 ¹	SEK 100	6	-
Total						30,947	30,841

1 Voting share is 71%

Specification of significant indirect holdings as of 31 December 2024

	Corporate Reg. No.	Registered office	Capital and votes, %
Subsidiaries of ICA AB			
Rimi Baltic AB	556042-7410	Stockholm	100
Hakonlita UAB	125 018 861	Lithuania	100
Kinnisaravalduse AS	10 434 202	Estonia	100
Plesko Real Estate SIA	40 003 516 351	Latvia	100
Rimi Eesti Food AS	10 263 574	Estonia	100
Rimi Latvia SIA	40 003 053 029	Latvia	100
Rimi Lietuva UAB	123 715 317	Lithuania	100
Apotek Hjärtat AB	556791-1010	Stockholm	100
ICA Global Sourcing Ltd	1 155 948	Hong Kong	100
ICA Sverige AB	556021-0261	Stockholm	100
Subsidiaries of ICA Banken AB			
ICA Försäkring AB	556966-2975	Stockholm	100
Subsidiaries of ICA Fastigheter Holding AB			
ICA Fastigheter AB	556033-8518	Västerås	100
Långeberga Logistik AB	556928-2840	Stockholm	100

Note 11 Accruals

SEK m	31 Dec 2024	31 Dec 2023
Prepaid expenses and accrued income		
Other prepaid expenses	40	240
Total	40	240
SEK m	31 Dec 2024	31 Dec 2023
Accrued expenses and deferred income		
Accrued salaries, holiday pay and social security contributions	67	112
Accrued interest expense	150	87
Other accrued expenses	31	52
Total	247	251

Note 12 Equity and appropriation of earnings

As of 31 Dec 2024, the share capital consists of 128,205,128 (128,205,128) ordinary Class A shares and 18,728,223 (18,728,223) ordinary Class E shares as well as 3,458,973 newly issued ordinary Class F shares in 2024 of which 436,439 were registered at the beginning of January 2025. The quota value per share is SEK 3.42 (SEK 3.42 per share). Voting rights for class A and E shares are one vote per share, while Class F shares have 1/10 vote per share. There are no holdings of treasury shares.

Ordinary Class F shares were issued in December 2024 with the aim of creating additional incentives for the continued development of ICA Gruppen and to thereby ensure a continued broad customer offering and presence across the country. The issue will also contribute to reducing ICA Gruppen's debt.

Shares were issued for a total of SEK 1,832 million net of issue expenses, of which SEK 233 million was registered and paid up in January 2025.

Ordinary Class E shares have preferential rights over ordinary Class F shares and ordinary Class A shares to an annual dividend of SEK 22.96 per share, and ordinary Class F shares have preferential rights over ordinary Class A shares to an annual dividend of SEK 22.96 per share. Provided that the full dividend has been paid both to holders of ordinary Class E shares and to holders of ordinary Class F shares, the ordinary Class A shares entitle the holder to a dividend of up to SEK 3.12 per share. The annual dividend for the Company's shares is to be set as of 31 December each year. If no annual dividend is paid on ordinary Class E shares, ordinary Class F shares and/or ordinary Class A shares, or in the event that the annual dividend is less than SEK 22.96 per ordinary Class E share, SEK 22.96 per ordinary Class F share and/or SEK 3.12 per ordinary Class A share, the ordinary Class E shares, ordinary Class F shares and ordinary Class A shares respectively will entitle the holders to the respective Class E, Class F and Class A balance, which in such cases amounts to the difference between the amount of dividend distributed and the amount that would have been distributed.

Over and above the fixed dividend of SEK 22.96 on ordinary Class E shares and ordinary Class F shares, ordinary Class F shares entitle the holder to an additional variable annual dividend based on ICA Sverige AB's sales growth, and ordinary Class E shares entitle the holder to the same total amount of variable annual dividend as ordinary Class F shares. In the event that ICA Sverige AB posts positive sales growth but no variable annual dividend is distributed

on ordinary Class E and Class F shares, or the variable annual dividend is less than the amount ordinary Class E and Class F shares entitle to, the right to receive the amount is deferred to future years. Ordinary Class E shares may entitle the holder to an additional dividend that is based on ICA Sverige AB's sales growth.

Furthermore, pursuant to the Articles of Association, ordinary Class E and Class F shares are subject to a redemption clause and a pre-emption clause. The full terms and conditions of the Company's shares are set out in the Company's Articles of Association.

Proposed appropriation of earnings

The Board of Directors of ICA Gruppen AB proposes an ordinary dividend of SEK 0.90 per share for Class A shares and SEK 22.96 per share for Class E shares.

The Board of Directors proposes that the earnings be distributed as follows:

SEK	
To the shareholders, a dividend of	545,000,000
To the share premium reserve	6,736,285,706
Carried forward	13,778,110,152
Total	21,059,395,858

Note 13 Provisions for pensions

All employees receive pension benefits according to collective agreements. Salaried employees therefore receive either defined contribution (ITP 1) or defined benefit (ITP 2) pensions according to the ITP plan. Employees with a defined benefit pension plan receive pension based on their final salary. The defined benefit pensions are reported as a provision in the balance sheet. The defined contribution pension premiums are paid to Alecta/Collectum on an ongoing basis. To guarantee the provision in the balance sheet, a credit insurance policy has been taken out with PRI Pensionsgaranti. The full amount is covered by the Pension Obligations Vesting Act.

SEK m	31 Dec 2024	31 Dec 2023
Reconciliation of carrying amount for self-managed pensions		
Opening balance, capital value of pension obligations	676	596
Costs charged against profit	46	76
Interest expense	21	19
Pension disbursements	-15	-15
Closing balance, capital value of pension obligations	728	676

FINANCIAL INFORMATION | PARENT COMPANY

Note **14** Long-term bonds and non-current liabilities to credit institutions

SEK m	31 Dec 2024	31 Dec 2023
Bonds	13,990	11,488
Liabilities to credit institutions	1,747	9,559
Total¹	15,737	21,046

¹ Including prepaid credit charges of SEK 13 million (18).

No liabilities have a maturity date later than five years after the balance sheet date.

For more information see Group notes, Note 19.

Note **15** Financial risk management and financial instruments

ICA Gruppen's financial risks are handled at the Group level. For more information see Group notes, Note 19 Financial risk, financial risk management and financial instruments. The Parent Company ICA Gruppen AB has no significant net positions in commercial currency or fuel derivatives. For information on the Parent Company's financial currency derivatives see Group notes, Note 19. Receivables from Group companies are monitored individually to identify expected credit losses. Expected credit losses are insignificant.

Financial assets and liabilities by category

SEK m	31 Dec 2024	31 Dec 2023
Financial assets		
<i>Financial assets measured at fair value through profit or loss</i>		
Other financial assets	294	727
<i>Financial assets measured at amortised cost</i>		
Trade receivables	0	0
Current receivables from Group companies	18,868	19,350
Cash and cash equivalents and other receivables	3,576	2,578
Total financial assets	22,738	22,655
Financial liabilities		
<i>Financial liabilities measured at fair value through profit or loss</i>		
Other financial liabilities	174	286
<i>Financial liabilities measured at amortised cost</i>		
Bonds	15,983	12,444
Liabilities to credit institutions	2,440	10,789
Trade payables	59	138
Current liabilities to Group companies	9,603	9,043
Other current liabilities	248	253
Total financial liabilities	28,508	32,953

The carrying amount is equivalent to the fair value for all financial assets and liabilities except for bonds, where the fair value is lower than the carrying amount by SEK 172 million (lower than the carrying amount by SEK 158 million).

Note **16** Statement of cash flows

Adjustments for non-cash items

SEK m	2024	2023
Depreciation/amortisation	0	154
Capital gains/losses	0	0
Provisions for pensions	31	61
Other provisions	-1	8
Total	30	224

There are no items within financing activities other than payments for taking out and repaying loans.

Note **17** Pledged assets and contingent liabilities

SEK m	31 Dec 2024	31 Dec 2023
Guarantees and contingent liabilities		
Guarantees for subsidiaries	433	399
Total	433	399

This item is mainly for a guarantee pledge to Mastercard for the subsidiary ICA Banken AB.

Statement by the Board of Directors concerning the dividend

This statement has been drawn up pursuant to Chapter 18, Section 4 of the Swedish Companies Act (2005:551).

The Board of Directors of ICA Gruppen AB proposes an ordinary dividend of SEK 0.90 per share for Class A shares and SEK 22.96 per share for Class E shares. The dividend amounts to SEK 115 million for Class A shares and SEK 430 million for Class E shares, making a total of SEK 545 million (540), which is 17.0% (8.2%) of the Parent Company's profits. Class F shares issued prior to 1 January 2025 are entitled to dividends for the first time for the full-year 2025 after the dividend for Class F shares has been determined as of 31 December 2025. Accordingly, no dividend is proposed for Class F shares.

The proposed dividend will reduce the Parent Company's equity/assets ratio from 45.0% to 44.0%, and the Group's equity/assets ratio from 19.5% to 19.1%. The equity/assets ratio is adequate for both the long and the short term. The dividend amount corresponds to 12.5% of the Group's profit for the year. The Company's equity would have been SEK -95 million – or 0.4% – lower had assets and liabilities not been measured at fair value in accordance with Chapter 4, Section 14a of the Annual Accounts Act.

It is the Board's assessment that the proposed dividend is justifiable according to Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act considering the requirements that the nature and scope of the business, as well as the risks associated with it, place on the level of equity and on the Company's and the Group's consolidation requirements, liquidity and position in general.

Proposed appropriation of earnings

The following funds are at the disposal of the general meeting (SEK):

Share premium reserve	6,736,285,706
Retained earnings	11,113,543,912
Profit for the year	3,209,566,240
Total	21,059,395,858

The undersigned hereby provide an assurance that the annual accounts and consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and according to sound accounting practices, and provide a true and fair presentation of the Group's and the Parent Company's financial position and results, and that the Board of Directors' Report provides a true and fair overview of

The Board of Directors proposes that the earnings be distributed as follows:

To the shareholders, a dividend of	545,000,000
To the share premium reserve	6,736,285,706
Carried forward	13,778,110,152
Total	21,059,395,858

the development of the Group's and the Parent Company's operations, financial position and results, and describes material risks and uncertainties faced by the companies in the Group. The statutory Sustainability Report, constituting the parts of the ICA Gruppen AB (publ) Annual Report stated as such on page 5, has been approved for publication by the Board of Directors.

Stockholm, 19 February 2025

Magnus Moberg
Chair

Jan Amethier

Göran Blomberg

Bengt Kjell

Mikael Norling

Fredrik Persson

Katarina Romberg

Per Strömberg

Charlotte Svensson

Anette Wiotti

Jonathon Clarke

Magnus Rehn

Nina Jönsson
Chief Executive Officer

Our audit report was submitted on 19 February 2025
KPMG AB

Helena Arvidsson Älgne
Authorised Public Accountant

Auditor's Report

To the general meeting of the shareholders of ICA Gruppen AB (publ),
corp. id 556048-2837

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of ICA Gruppen AB (publ) for the year 2024, except for the corporate governance statement on pages 172–184 and the sustainability report on pages 77–170. The annual accounts and consolidated accounts of the company are included on pages 21–71 and 74–75 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 172–184 and sustainability report on pages 77–170. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the statement of comprehensive income and statement of financial position for the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue and cost of goods sold

See disclosure 1 and accounting principles on page 39 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter	Response in the audit
The company's revenue and cost of goods sold amounts to significant amounts. The company's operations are transaction-intensive and thus relying on well-functioning IT-systems and IT-controls in order to run its operations. If these are not operating effectively, there is a risk that errors may occur which could impact the financial reporting. Critical IT-systems for the accounting of revenues and cost of goods sold and related controls are therefore considered a key audit matter for the purposes of our audit.	We have, with support of our IT-audit specialists, evaluated and tested the operating effectiveness of the IT-systems and the IT-controls that are considered relevant for the financial reporting. Our audit has included evaluation of processes and testing of control related to program changes, access management and IT-operations. We have also reviewed the organisational structure, segregation of duties and governance of the IT-organisation, and assessed the company's incident management and monitoring processes as well as testing any compensating controls where applicable.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–20, 76–170 and 185–191. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of ICA Gruppen AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on

such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 172–184 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement 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. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of ICA Gruppen AB (publ) by the general meeting of the shareholders on the 26 April 2024. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2017.

Stockholm, 19 February 2025

KPMG AB

Helena Arvidsson Älgne
Authorized Public Accountant

Five-year financial summary

SEK m	Actual 2024	Actual 2023	Actual 2022 ¹	Actual 2021	Actual 2020
Income statement					
Net sales	157,216	147,645	136,288	127,957	126,283
Operating profit before depreciation/amortisation/impairment (EBITDA)	14,107	13,173	12,526	11,408	11,141
Operating profit excluding items affecting comparability	6,884	6,363	5,905	5,826	5,831
Operating profit	7,022	6,707	6,475	5,876	5,774
Profit before tax	5,262	4,693	5,103	5,478	5,308
Profit for the year	4,356	4,250	4,518	4,554	4,173
Balance sheet					
Non-current assets	91,943	91,822	88,823	91,298	83,744
Cash and cash equivalents and short-term investments	8,023	6,884	10,143	6,391	4,584
Other current assets	19,769	18,417	22,245	16,946	16,059
Total assets	119,735	117,123	121,212	114,635	104,388
Equity	23,366	17,428	14,878	37,686	35,226
Non-current liabilities	41,706	46,750	37,881	24,826	24,500
Current liabilities	54,664	52,945	68,453	52,123	44,661
Total equity and liabilities	119,735	117,123	121,212	114,635	104,388
Cash flow					
From operating activities	13,666	12,789	10,163	10,942	11,641
From investing activities	-2,775	2,468	-1,001	-2,563	-5,309
From financing activities	-9,763	-18,520	-6,692	-6,585	-4,911
Cash flow for the year	1,128	-3,262	-2,470	1,795	1,422

SEK m	Actual 2024	Actual 2023	Actual 2022 ¹	Actual 2021	Actual 2020
Key performance indicators					
Cash flow from operating activities excluding ICA Bank	13,257	12,738	10,327	9,654	10,444
Operating profit excluding IFRS 16 Leases	6,341	6,930	6,605	5,687	5,599
Operating profit excluding items affecting comparability and IFRS 16 Leases	6,145	5,841	5,611	5,632	5,657
Operating margin excluding items affecting comparability, %	4.4	4.3	4.3	4.6	4.6
Operating margin excluding items affecting comparability and IFRS 16 Leases, %	3.9	4.0	4.1	4.4	4.5
Operating margin, %	4.5	4.5	4.8	4.6	4.6
Net margin, %	2.8	2.9	3.3	3.6	3.3
Return on capital employed, excluding ICA Bank and IFRS 16 Leases, %	13.1	13.3	12.4	11.8	11.9
Return on equity, excluding ICA Bank, %	21.9	25.5	12.2	12.7	11.7
Equity/assets ratio, %	19.5	14.9	12.3	32.9	33.7
Average capital employed, excl. ICA Bank	67,191	69,250	67,403	61,735	61,355
EBITDA excluding IFRS 16 Leases	8,902	9,184	8,991	7,816	7,546
Net debt, excluding ICA Bank and IFRS 16 Leases	-14,605	-20,659	-29,520	-4,680	-4,904
Net debt, excluding ICA Bank	-37,564	-43,424	-47,084	-20,915	-19,901
Net debt excluding ICA Bank and IFRS 16 Leases/EBITDA excluding IFRS 16 Leases, multiple	1.6	2.2	3.3	0.6	0.6
Net debt excluding ICA Bank/EBITDA, multiple	2.7	3.3	3.8	1.8	1.8

¹ IFRS 17 Insurance Contracts is applied from the start of 2023. The year 2022 has been recalculated for IFRS 17. The years prior to this are presented in accordance with the principles in IFRS 4, which applied until IFRS 17 became applicable.

Definitions on page 33.

Alternative performance measures

Operating profit excluding items affecting comparability and IFRS 16 Leases

SEK m	2024	2023
Operating profit	7,022	6,707
Less: items affecting comparability	-137	-344
Operating profit excluding items affecting comparability	6,884	6,363
Less: IFRS 16 Leases	-739	-522
Operating profit excluding items affecting comparability and IFRS 16 Leases	6,145	5,841

Reconciliation EBITDA excluding IFRS 16 Leases

SEK m	2024	2023
Operating profit	7,022	6,707
Depreciation/amortisation	6,710	6,296
Impairment and impairment reversed	375	170
Operating profit before depreciation/amortisation/impairment (EBITDA)	14,107	13,173
Less: EBITDA IFRS 16 Leases	-5,205	-3,989
Operating profit before depreciation/amortisation/impairment (EBITDA) excluding IFRS 16 Leases	8,902	9,184

Net debt reconciliation, excluding ICA Bank and IFRS 16 Leases

SEK m	2024	2023
Long-term bonds and non-current interest-bearing liabilities	-15,746	-21,053
Short-term bonds and current interest-bearing liabilities	-2,686	-2,188
Non-current lease liabilities	-18,824	-18,329
Current lease liabilities	-4,134	-4,436
Cash and cash equivalents	3,827	2,582
Net debt, excluding ICA Bank	-37,564	-43,424
Less: Current and non-current lease liabilities	22,959	22,765
Net debt, excluding ICA Bank and IFRS 16 Leases	-14,605	-20,659

Reconciliation of results for the calculation of return on capital employed excluding IFRS 16 Leases, rolling 12 months

SEK m	2024	2023
Operating profit excluding ICA Bank	6,617	6,249
Less: IFRS 16 Leases	-681	223
Add: Financial interest income	60	101
Result of calculation of return on capital employed, excluding ICA Bank and IFRS 16 Leases, rolling 12 months	5,996	6,573

Reconciliation Capital employed, excluding ICA Bank and IFRS 16 Leases

SEK m	2024	2023
Equity	23,366	17,428
Provisions for pensions	3,333	3,534
Other provisions	58	63
Long-term bonds and non-current interest-bearing liabilities	15,746	21,053
Short-term bonds and current interest-bearing liabilities	2,686	2,188
Other non-current liabilities	42	53
Non-current lease liabilities	18,824	18,329
Current lease liabilities	4,134	4,436
Capital employed	68,190	67,084
Less: IFRS 16 Leases	-21,204	-21,270
Capital employed, excluding ICA Bank and IFRS 16 Leases	46,986	45,814
Average capital employed, excluding ICA Bank	67,191	69,250
Average capital employed, excluding ICA Bank and IFRS 16 Leases	45,707	49,529

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.

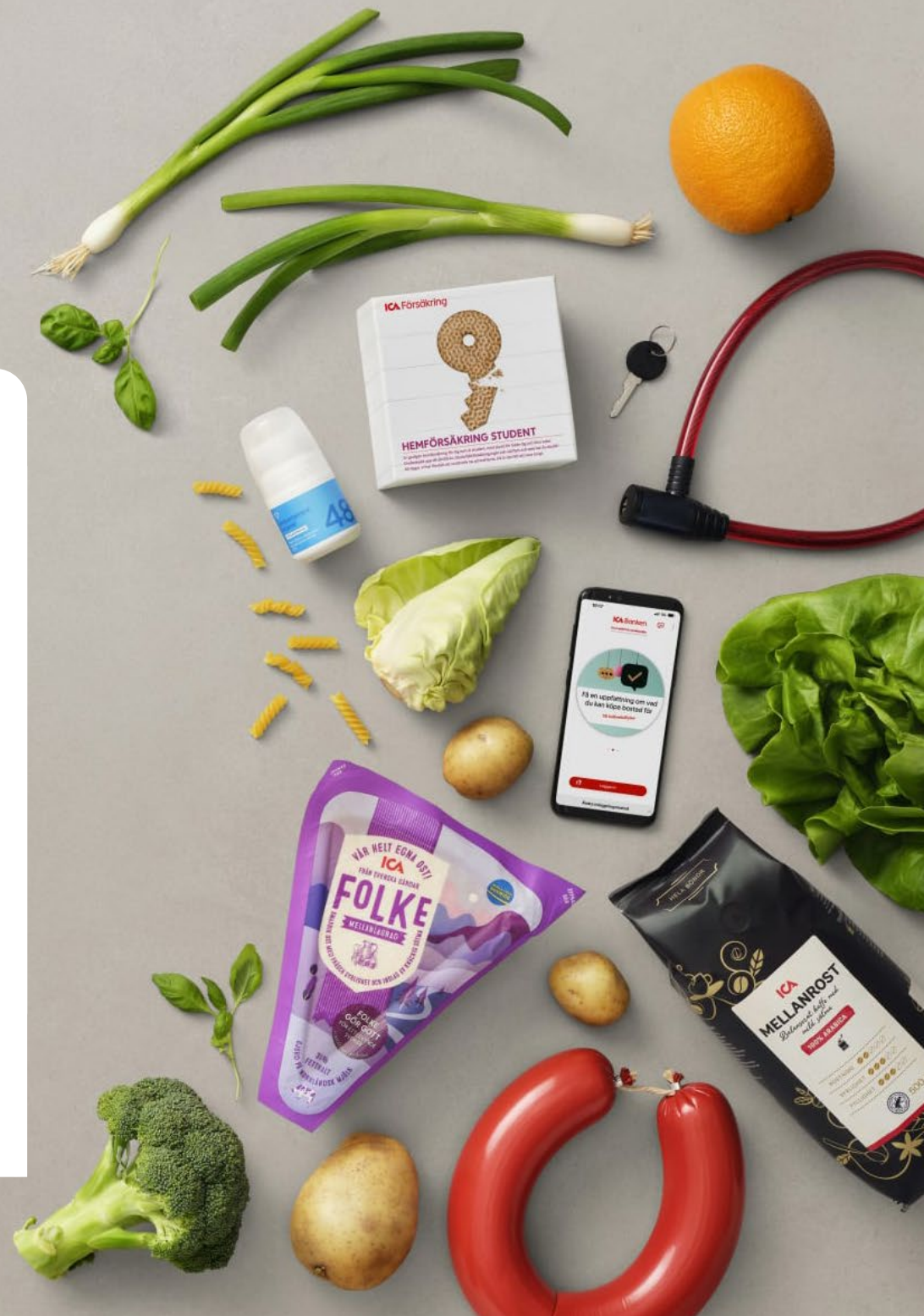


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Sustainability reporting with inspiration from the CSRD/ESRS

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.

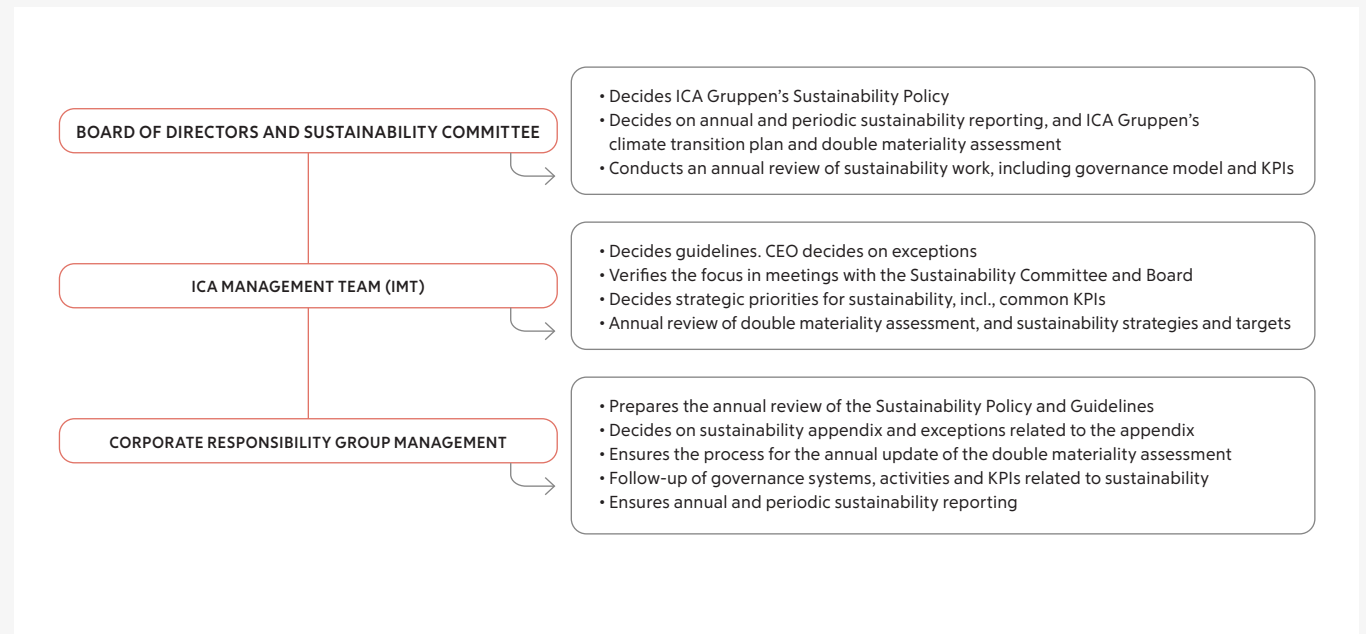
In preparing this report, ICA Gruppen has accounted for the expectations of main stakeholders, to ensure coverage of the themes that are most material for them. No relevant information has been excluded for reasons related to confidentiality, sensitive data or intellectual property rights.

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>
Governance of Steering Documents Policy	
Code of Conduct	
Authority and Approval Policy	Contract Management Guideline
	Business Ethics Guideline
	Whistleblowing Guideline
Communication Policy	Communication Guideline
	Sponsorship Guideline
Information Security Policy	Information Security Guideline
Data protection policy	Data Protection Guideline
Finance Policy	Finance Reporting Guideline
Risk Management Policy	Risk Management Guideline
People Policy	
Insider Policy	
Sustainability Policy	Sustainability Guideline
Tax Policy	Fraud Governance Guideline
	IT Guideline
	Sponsorship Guideline

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

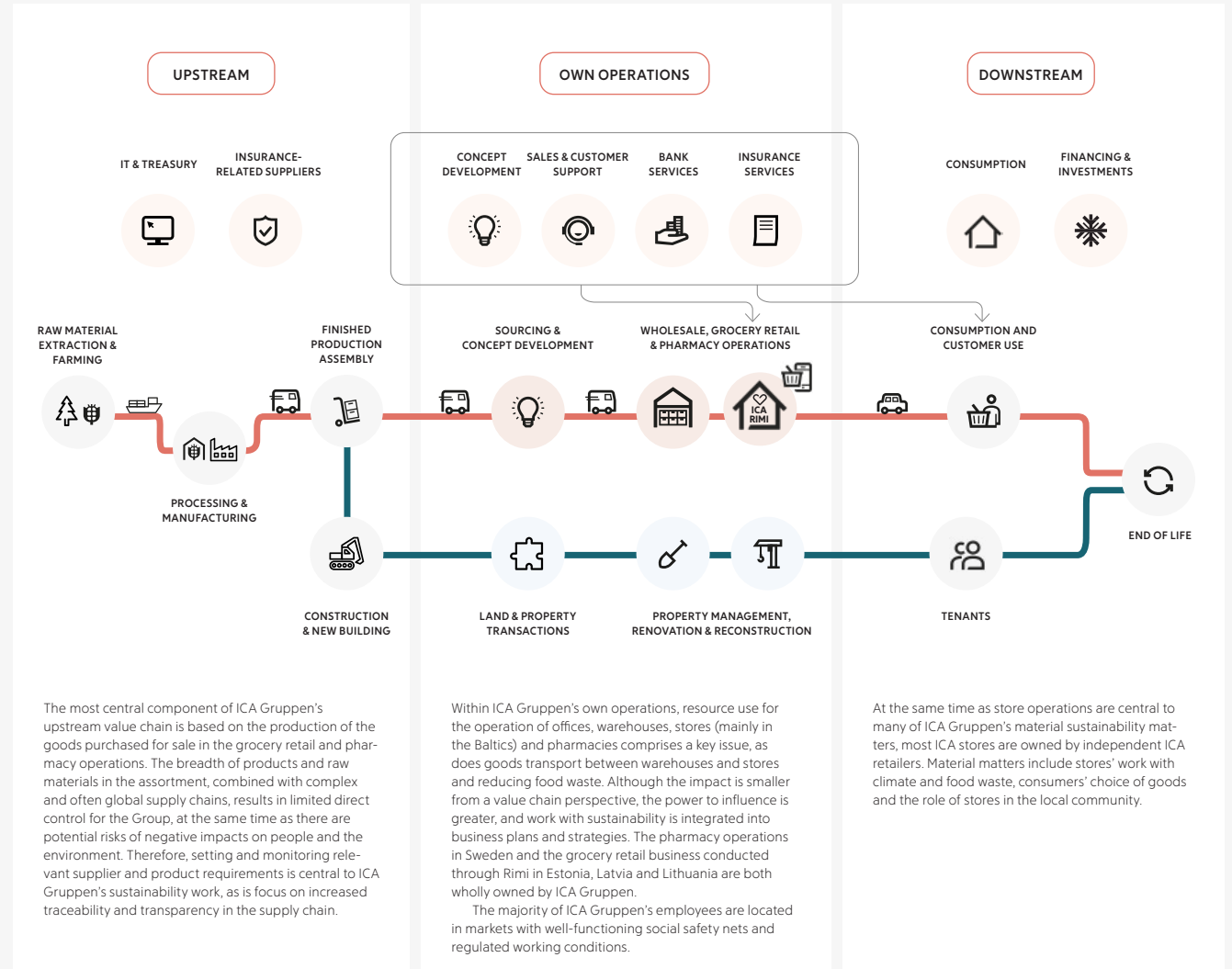
ICA Gruppen's Group strategy builds on the companies' shared strengths and sets the direction for all operations within the Group (see pages 12–20). The Group strategy through 2030 sets the ambition to make every day a little easier for the Group's customers to:

- 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
E1	Climate change		
	Climate change adaptation	Neg.	Neg.
	Climate change mitigation (CCM)	Neg.	Pos./Neg.
E2	Pollution		
	Energy	Neg.	Neg.
	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	
E3	Water and marine resources			
	Water consumption	Neg.	-	
	Water withdrawals	Neg.	-	
	Water discharges	Neg.	-	
	Water discharges in the oceans	Neg.	-	
E4	Biodiversity and ecosystems			
	Extraction and use of marine resources	Neg.	Neg.	
	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.	
E5	Circular economy			
	Resources inflows, including resource use	Neg.	Neg.	
	Resource outflows related to products and services	Neg.	-	
S1	Working conditions			
	Waste	Neg.	Pos.	
	Secure employment	-	Neg.	
	Work-life balance	Neg.	-	
	Health and safety	Neg.	-	
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Neg.	Neg.
		Training and skills development	-	Neg.
		Measures against violence and harassment in the workplace	Neg.	Neg.
		Diversity	Neg.	Pos./Neg.
		Working time	Neg.	-
S2	Working conditions			
	Adequate wages	Neg.	-	
	Social dialogue & freedom of association	Neg.	-	
	Collective bargaining	Neg.	-	
	Work-life balance	Neg.	-	
	Health and safety	Neg.	-	
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Neg.	-
		Measures against violence and harassment in the workplace	Neg.	-
		Diversity	Neg.	-
		Other work-related rights		
Child labour		Neg.	-	
Forced labour	Neg.	-		
Water and sanitation	Neg.	-		

Topic	Sub-topic and sub-sub-topic	Impact materiality	Financial materiality
S3	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.	-
Communities' civil and political rights	Impacts on human rights defenders	Neg.	-
	Rights of indigenous peoples	Neg.	-
S4	Information-related impacts for consumers and/or end-users		
	Privacy	Neg.	-
	Access to (quality) information	Neg.	Neg.
Personal safety of consumers and/or end-users	Health and safety	Pos./Neg.	Neg.
	Protection of children	Pos./Neg.	Neg.
	Social inclusion of consumers and/or end-users		
Access to products and services	Neg.	Pos.	
G1	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.

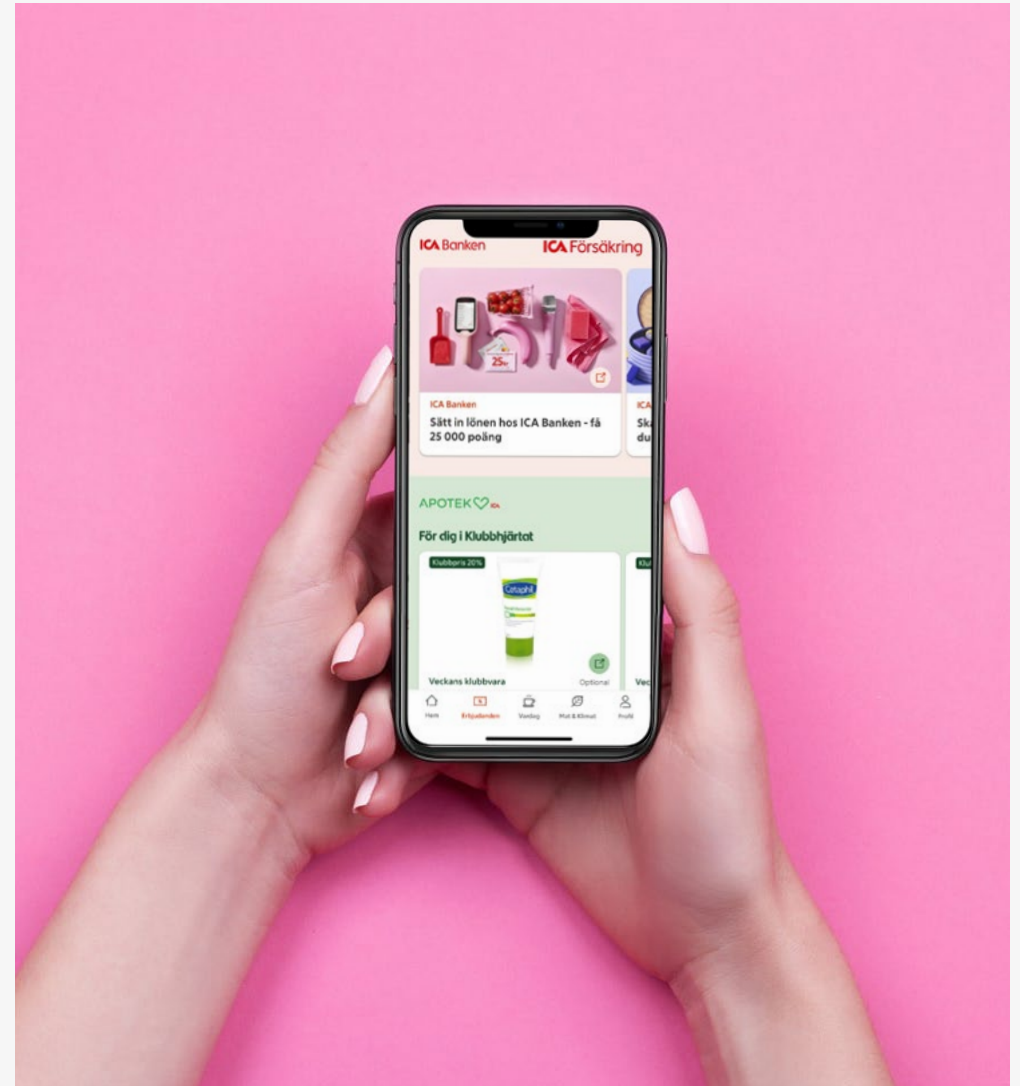
GENERAL DISCLOSURES

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

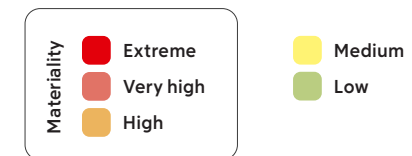
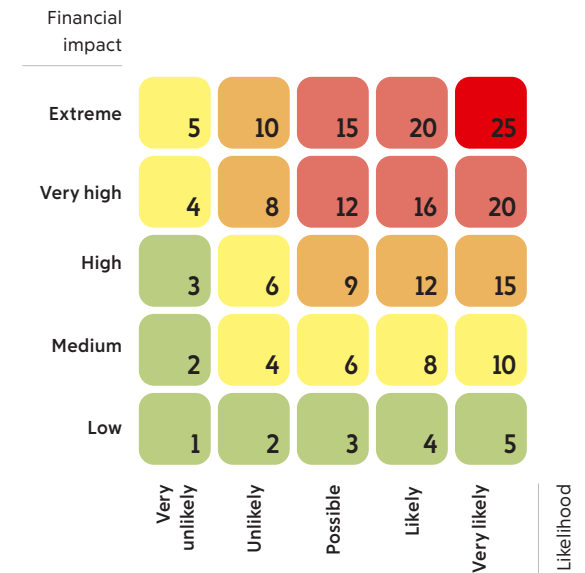
Actual negative impacts are assessed as material if the severity is 21 or higher. Potential negative impacts are considered material if the severity is 21 or higher and the likelihood is high (7–9). For human rights, potential negative impacts are considered material if the severity is 21 or higher,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



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.

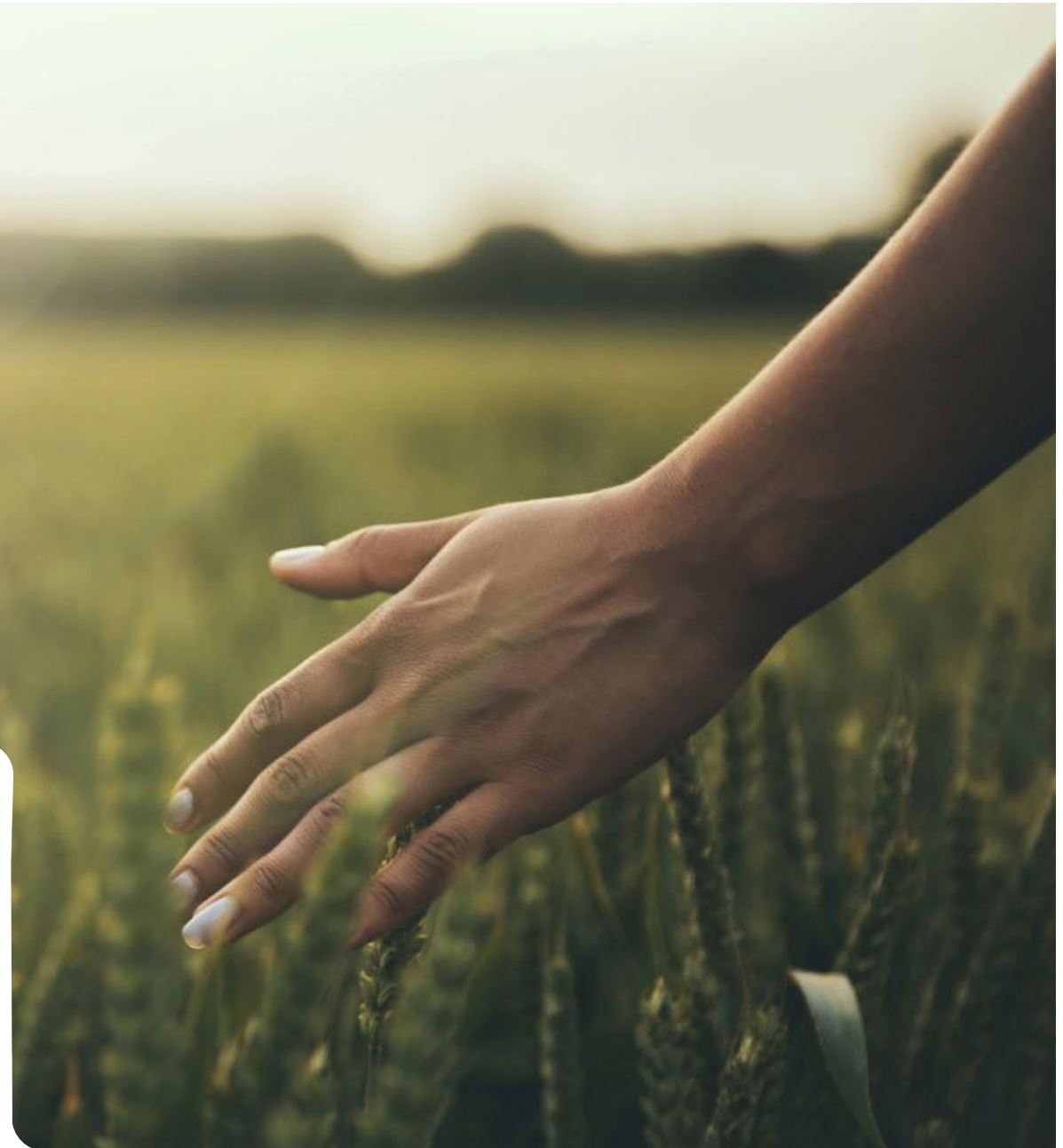




Environment

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.



→ E1

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

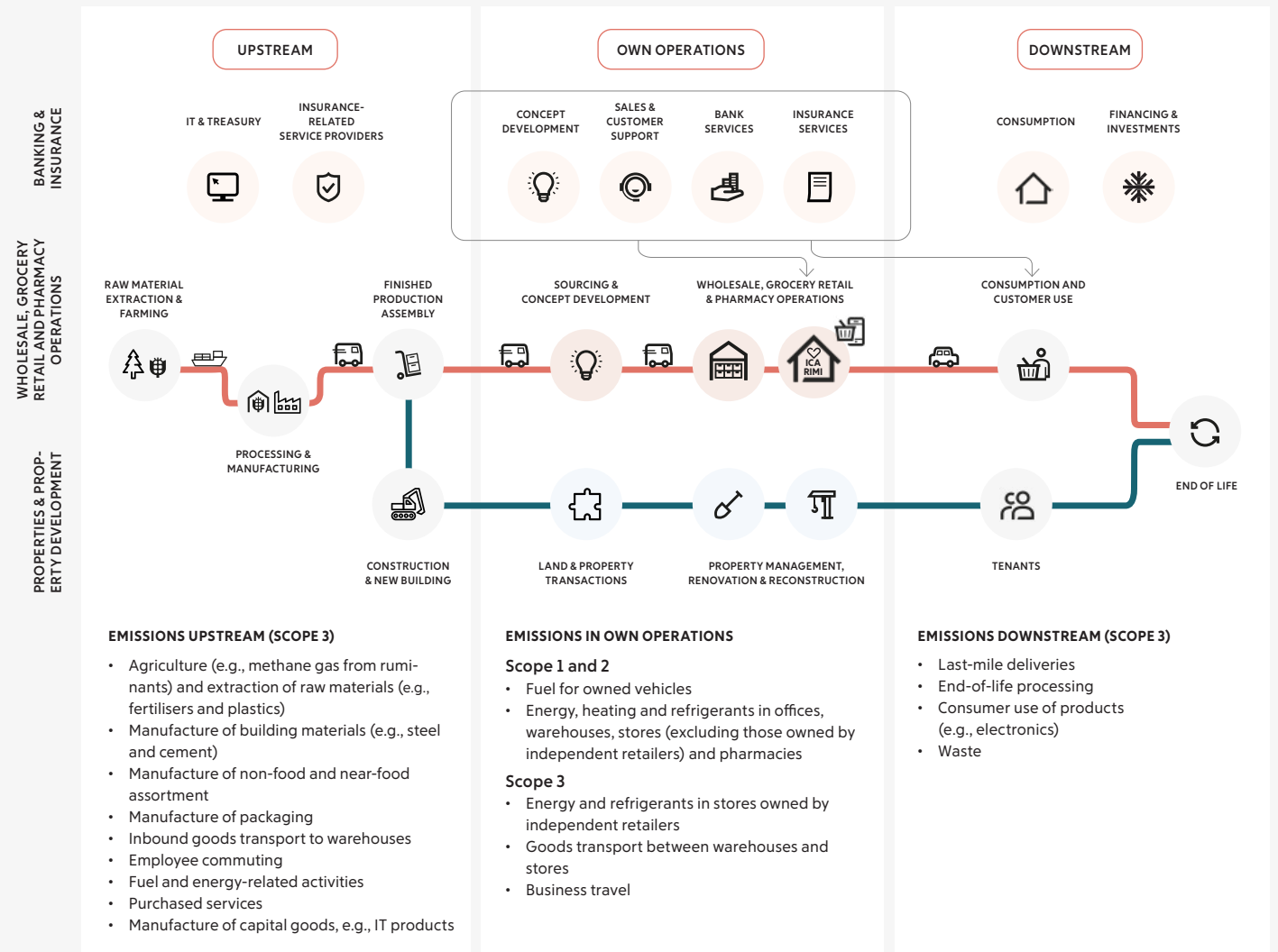
ICA Gruppen's climate impacts mainly relate to upstream emissions from agriculture and forestry, livestock farming and, to a lesser extent, also the production of building materials and the extraction of non-renewable materials for goods in the near-food, non-food and pharmacy assortments as well as 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 CO₂e 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.

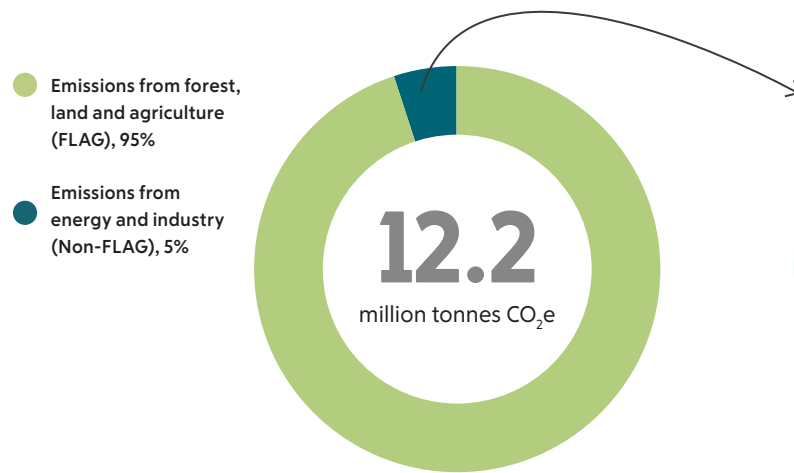
Emissions from Forest, Land and Agriculture (FLAG)

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.

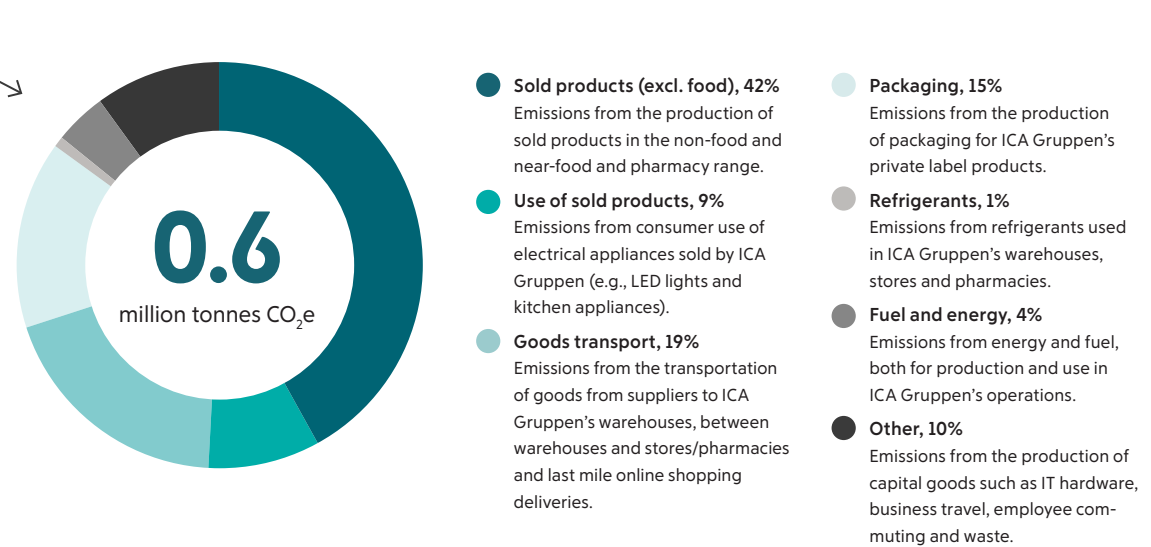
Emissions from energy and industry (Non-FLAG)

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)



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

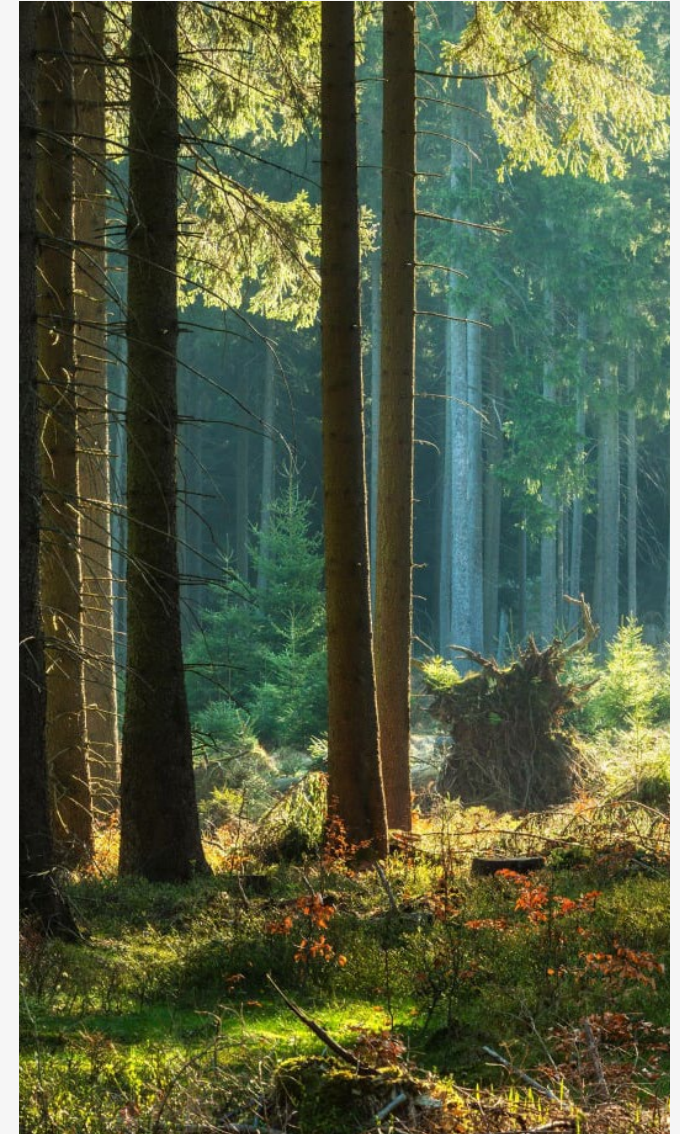
As part of the EU Green Deal, a number of new regulations and taxes are being introduced to reduce climate impacts, both from fossil fuels and from land use. These include the extension of the EU Emissions Trading Scheme (EU ETS) to the transport sector, and the Deforestation Regulation, which requires 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.

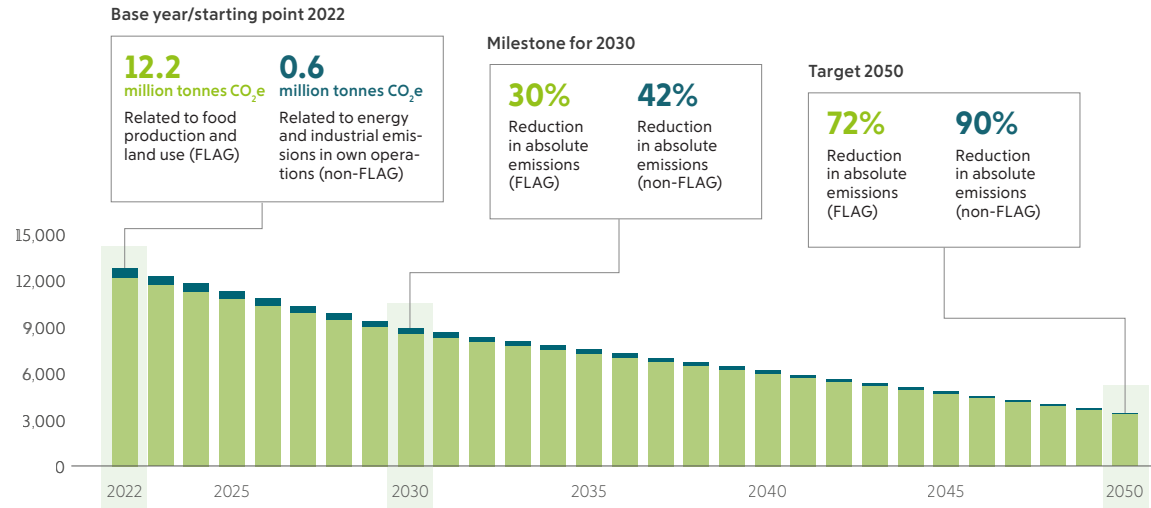
Many of the conclusions regarding climate-related risks at ICA Sweden are also seen in grocery retail in the Baltics and at Apotek Hjärtat, although the conditions for mitigating the risks differ to some extent.

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.

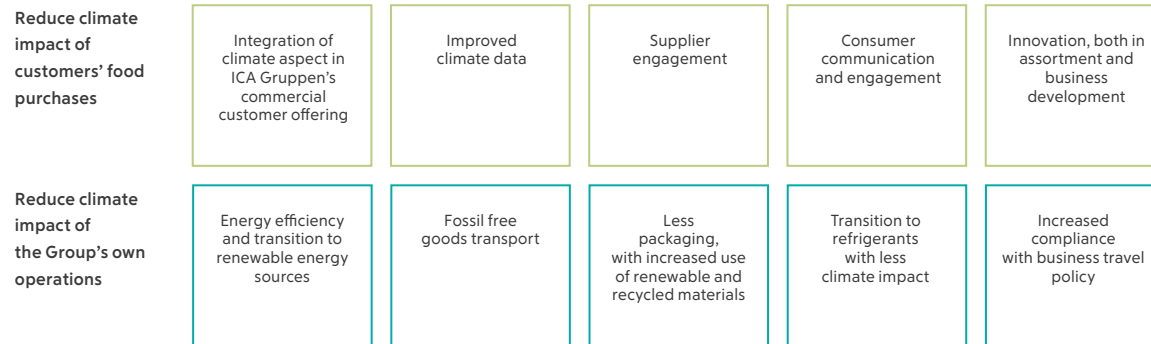


E1 | CLIMATE CHANGE

Roadmap 2050



Focus areas 2024–2030



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

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:

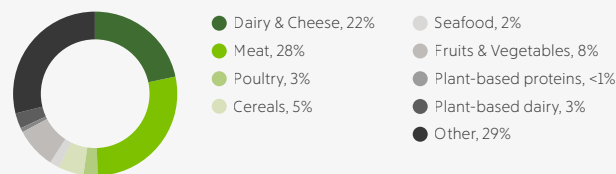
- Business travel, through travel guidelines that clearly state that the most climate-friendly mode of transport should be chosen.
- Packaging, through ICA Gruppen's plastic targets and ICA Sweden's packaging strategy (see pages 120–121).
- Construction and operation of ICA Real Estate's buildings, including 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



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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.

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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 CO₂e 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.



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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

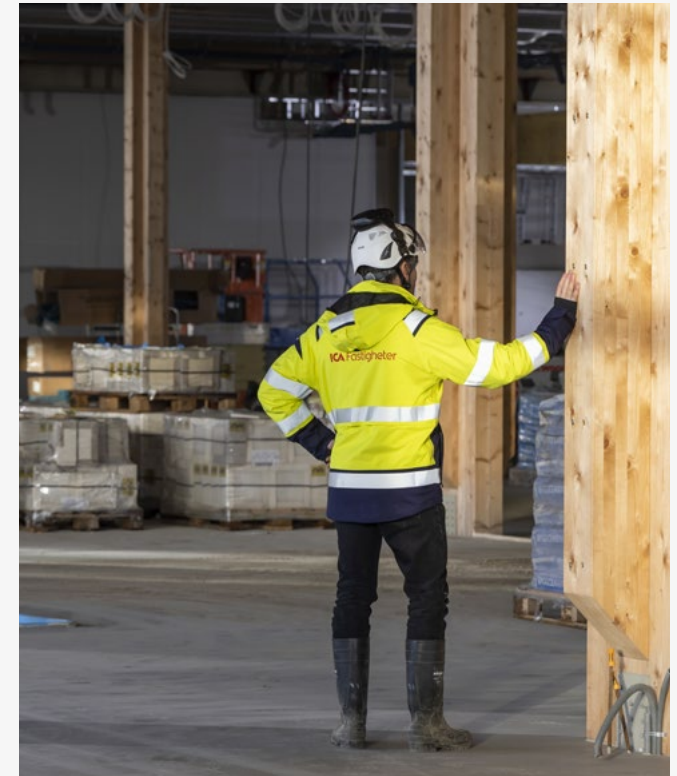
ICA Sweden signed an agreement with A.P. Möller – Maersk during the year for using Maersk's ECO Delivery Ocean maritime transportation solution. The agreement covers transportation of food as well as other goods that ICA purchases from Asia, South and North America, and Africa. The new agreement is expected to lower ICA's emissions from maritime transportation at least 80%, the equivalent of 3,500 tonnes CO₂e annually.

Real estate**ICA Real Estate's first store provisionally certified according to NollCO₂ inaugurated**

In the autumn of 2024, ICA Real Estate opened its first store preliminarily certified according to the Sweden Green Building Council's NollCO₂ 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 NollCO₂ 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.

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 year¹. ICA Gruppen also commits to no deforestation across its primary deforestation-linked commodities², 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 year¹.

¹ Target includes FLAG emissions and removals.
² 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.



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Climate impact from assortment

	2024	2023	2022
Climate impact from food sold in ICA stores (tonnes of CO ₂ 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 CO₂ e/kg sold food, an increase of two percent compared to the base year 2022, when the climate impact was 1.83 kg CO₂ 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 ₂ e)	82,441	97,983	101,399
Emissions from own operations (tonnes CO ₂ e / MSEK turnover)	0,52	0,66	0,74
Emissions reduction from own operations compared to 2020 (CO ₂ e per m ² , % 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 CO₂e 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 ₂ 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 ¹	132	132	132	0
Gas heating in tonnes ¹	3,101	3,101	3,101	0
Goods transport owned vehicles	734	760	694	6
Scope 2 GHG emissions (tonnes CO ₂ e)				
District heating ¹	5,824	5,902	6,036	-4
Electricity ¹	266	2,436	1,672	-84
Total Scope 1 and 2 GHG emissions (tonnes CO₂e)	14,921	21,180	25,479	-41
Scope 3 GHG emissions (tonnes CO ₂ 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 ¹	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
Total Scope 3 GHG emissions (tonnes CO₂e)	12,196,612	11,992,469	1,552,545	-3
Total GHG emissions (tonnes CO₂e)	12,211,533	12,013,649	12,578,024	-3

¹ 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.

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Goods transport

Goods transport between warehouses and stores/pharmacies as well as central e-commerce	2024	2023	2022
Carbon emissions, tonnes CO₂e	57,136	63,814	58,380
of which			
Sweden	44,238	49,670	45,770
Baltics	12,752	14,144	12,610
Fuel consumption, thousands of litres	39,312	38,328	37,960
of which			
Sweden	34,456	33,638	33,152
Baltics	4,856	4,690	4,808
Andel fossilfria godstransporter, procent			
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
Carbon emissions, tonnes CO₂e	3,356	4,092	2,820
of which			
Sweden	2,524	2,709	1,961
Baltics	832	1,383	859
Business travel by air, 000 km	5,374	5,841	4,839
of which			
Sweden	5,064	5,452	4,556
Baltics	310	389	284
Business travel by road, 000 km	14,791	15,664	14,897
of which			
Sweden	8,190	8,630	8,019
Baltics	6,601	7,034	6,878
Business travel by rail, 000 km	3,619	2,958	2,797
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
Carbon emissions, tonnes CO₂e	10,485	14,394	22,138
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.

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Energy

Energy consumption in stores and pharmacies	2024	2023	2022
Carbon emissions, tonnes CO₂e	9,241	13,308	15,617
of which			
Sweden	2,131	4,469	7,676
Baltics ¹	7,109	8,838	7,942

Energy consumption in stores and pharmacies, MWh	2024	2023	2022
921,693	914,863	999,690	
of which			
Sweden	730,551	729,736	802,632
Baltics ¹	191,142	185,127	197,058

Average energy consumption in stores and pharmacies, kWh/m ²	2024	2023	2022
Sweden	294	294	327
Baltics ¹	326	311	327

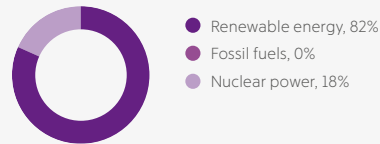
Energy consumption in warehouses and offices	2024	2023	2022
Carbon emissions, tonnes CO₂e	1,999	2,338	2,415
of which			
Sweden	461	637	796
Baltics ¹	1,538	1,702	1,619

Energy consumption in warehouses and offices, MWh	2024	2023	2022
111,064	108,575	104,682	
of which			
Sweden	88,627	84,686	82,099
Baltics ¹	22,437	23,888	22,583

Average energy consumption in warehouses and offices, kWh/m ²	2024	2023	2022
Sweden	165	165	168
Baltics ¹	166	177	168

¹ 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 ₂ 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	
Total	7,721	3,500	16,9971

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 CO₂e 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 (CO₂e). ICA Gruppen's climate target is validated and approved according to the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard.

ICA has a policy of recalculation against the base year whereby, in the event of significant changes that could involve an increase or decrease in emissions, a retroactive recalculation against the base year is carried out. The significance threshold has been adjusted to 5% in line with SBTi.

Activities that could trigger a recalculation:

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

ICA Gruppen's emissions in own operations until 2030

ICA Gruppen's climate target for its own operations covers GHG emissions from refrigerants and energy consumption in stores, pharmacies, warehouses and offices, as well as from goods transport between warehouses and stores/pharmacies and deliveries from central e-commerce warehouses, and from business travel (Scope 1, Scope 2 and parts of Scope 3).

ICA's climate target encompasses the entire Group, that is, operations in Sweden, the Baltics and Asia. This includes ICA Sweden as well as ICA Global Sourcing, ICA Real Estate, ICA Bank, Apotek Hjärtat and Rimi Baltic. Outcomes relative to the climate target are reported in tonnes of carbon dioxide equivalents. See the respective area for more detailed information on emissions factors and calculation method.

Emissions according to the GHG Protocol include the following in each scope:

Scope 1: Emissions from refrigerants in warehouses and in ICA Gruppen-owned stores, emissions from business travel using leased company cars and cars provided as a fringe benefit, and emissions from goods transport using ICA's own vehicles as well as heating from gas and diesel in the Baltics and Rimi Baltic's own vehicles for e-commerce.

Scope 2: Emissions from energy in warehouses and in ICA Gruppen-owned stores, pharmacies and offices.

Scope 3: Emissions classified according to the 15 categories of the GHG Protocol:

Category 1 – Purchased goods and services

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

Category 2 – Capital goods

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

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

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

Category 4 – Upstream transportation and distribution

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

Category 5 Waste generated in operations

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

Category 6 Business travel

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

Category 7 Employee commuting

- Employee commuting to work by car and public transport.

Category 9 Downstream transportation and distribution

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

Category 11 Use of sold products

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

Category 12 Waste management of sold products

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

Category 14 Franchises

- Independent retailers' energy
- Independent retailers' refrigerants

Calculation methods and emissions factors

Climate impact from purchased goods and services

Climate impact from customers' food purchases

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

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

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

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

Central assortment, near-food, ICA Sweden

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

Central assortment, non-food, ICA Sweden

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

Central assortment, food, Rimi Baltic

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

Central assortment, near-food, Rimi Baltic

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

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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 CO₂e/SEK or CO₂e/kg (Source: Mistra Sustainable Consumption Report 2019, ecoinvent or LCA report for the respective product group).

Assortment, Apotek Hjärtat

Emissions calculations for medicines and goods for resale are based on the cost of goods sold.

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

Product packaging

Emissions arising from the packaging materials for the products that we retail are based both on estimated and on actual data reported by ICA Sweden and Apotek Hjärtat to NPA for our imported private label products. Rimi Baltic's packaging is estimated based on ICA Sweden's packaging data and turnover. Reported figures in kg are multiplied by a recycling rate per waste type (Source: NPA) and an emission factor for production (Source: Avfall Sverige).

Purchase of office services, including IT services

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

Climate impact of capital goods**Construction of buildings**

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

Purchase of vehicles

The calculation is based on emissions factors from ecoinvent.

Purchase of IT equipment

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

Climate impact from energy

Encompasses stores, pharmacies, warehouses and offices. To calculate electricity consumption (kWh) in Swedish stores a sampling of stores from each format is used. The same calculation principle is used for the pharmacies. The actual consumption is then 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 CO₂e from energy have been calculated on the following basis:

- The Nordic residual mix is used to calculate carbon emissions from the use of non-renewable energy in Sweden: 0.00007600 tonnes of CO₂e/kWh (Source: Grexel/Swedish Energy Markets Inspectorate, 2022). When calculating carbon emissions for renewable energy in Sweden the emission factor of 0 tonnes of CO₂e/kWh is used (Source: Bixia, 2023). When calculating carbon emissions from electricity from renewable sources and nuclear in the Baltic countries, is the emission factor 0 ton CO₂e/kWh used.
- The energy mix in the share of non-renewable electricity within Sweden is based on the Swedish Energy Markets Inspectorate's residual mix (<https://www.ei.se/bransch/ursprungsmarkning-av-el/residualmix>). The mix is broken down into energy from nuclear power, renewable and fossil sources. Within the Baltics the exact amount of electricity per type of energy is reported.
- When calculating carbon emissions from district heating at ICA Sweden, the previous year's emission factor for the district heating supplier is used. For Apotek Hjärtat, a calculated Swedish average of 0.056 kg CO₂e/kWh is used. (Source: Swedish National Board of Housing, Building and Planning) When calculating CO₂e from heating in the Baltics, a calculation based on the 2023 JRC report is used, emissions factors district heating Lithuania 0.0002097 tonnes CO₂e/kWh, Latvia 0.0001988 tonnes CO₂e/kWh and Estonia 0.00026 tonnes /kWh. For gas heating, the emission factor of 0.00024 tonnes CO₂e/kWh is used for the Baltics as a whole. (Source: EU Joint Research Centre, 2023) For heating generated by diesel, an emission factor of 0.000306 tonnes CO₂e/kWh is used.

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

- As of 1 January 2024, diesel and HVO that are less than 98% fossil-free are considered as diesel subject to the reduction obligation with an emissions factor of 3.16 kg CO₂e/litre, regardless of which emissions factors are reported by the haulage companies. The emissions factor for diesel subject to the reduction obligation is calculated based on the Swedish Energy Agency's emissions factor for reference diesel (according to 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 CO₂e from goods transport within Apotek Hjärtat have been calculated on the following basis:

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

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

- All transportation of goods in and to the Baltic countries is outsourced. The countries use an average value for fuel consumption for certain routes, values are seasonal (summer – less, winter – higher). Mileage is proportionally divided by average 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 CO₂e/kg fuel is used for diesel (Euro 6 lorries) (Source: European Environment Agency).
- Renewable fuels from the Swedish Transport Administration (2022).

ICA Sweden and Apotek Hjärtat check and register emissions factors annually against reference emission factors from NTM (Network for Transport Measures), which were produced in 2023 for all types of fuel. The emissions factors are based on WtW (Well-to-Wheel).

- For LC emissions from purchased fuel, own vehicles WTT, an emissions factors from NTM (2023) where used.
- International and national inbound transport
– Calculated on the basis of a survey of transport providers on CO₂e data.

Climate impact from refrigerants

Comprises refrigerant refilling in all warehouses and stores. Data for ICA Sweden is based on official refrigerant reports. Reported for warehouses for the current year and for ICA Sweden stores for consumption in the previous year. Data on Rimi Baltic's consumption of refrigerants, in warehouses and stores, refers to the current year's consumption. For ICA Gruppen's interim reports standard quarterly data is used for refrigerants based on the latest reported data. At the end of the year data comes in for ICA Sweden's warehouses and for Rimi Baltic's stores and warehouses, and this annual data for that year is used as a basis to establish standard data for 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 CO₂e from refrigerants have been calculated on the following basis:

- In accordance with current legislation GWP (Global Warming Potential) values are used based on the greenhouse gas impact refrigerants have had during a 100-year period. Tables with GWP values are available in Appendix I and II to EU 517/2014, these are based on the fourth report of the IPCC.
- Refrigerants in transport are calculated based on a standard value for ICA Sweden. The standard value is based on one refrigeration unit per lorry containing the refrigerant R452a with a GWP of 2,140 kg CO₂e/kg, with an estimated 5% leakage of 615 kg CO₂e per year. This is then multiplied by an estimate of the number of lorries including trailers.

Climate impact from business travel

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

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

Climate impact from commuting

Commuting is based on the number of employees from the 2024 annual report. Of all employees, 18 % are assumed to commute by public transport, 54 % by car and the remaining 26% by walking or cycling. The estimate comes from the Swedish 2030-Secretariat and the Swedish Association of Green Motorists. Emissions from cycling and walking are assumed to be zero. The average commute is assumed to be 25 km for 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 fromecoinvent
 - Landfill emission factor fromecoinvent

Estimate for ICA Sweden's subsidiary stores, tonnes per store: Almost 16 tonnes CO₂e/year; Supermarket 20 tonnes CO₂e/year; Kvantum 25 tonnes CO₂e/year and Maxi 174 tonnes CO₂e/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 CO₂e per kWh is assumed. No reliable source has been identified to estimate the upstream emissions for lamps. The same assumptions are made for ICA in Sweden as for Rimi Baltic. Emission factor 2.1kg CO₂e/article.

Home electronics

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

Lighting

- Downstream emissions for the product category lighting have been estimated using the same assumptions as for the product category lamps. Upstream emissions have the same 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 CO₂e/AA-battery used in calculations was taken from a life-cycle analysis (Source: Science Direct).

Electrical appliances

- Upstream emissions for electrical appliances are taken from a life-cycle assessment where all phases up to the use phase are included in the emission factor. It has been assumed that the products are used 3 hours per week with a power of 1000 W to obtain

the emissions during the use phase. The lifetime is estimated to be 10 years and the average emissions intensity of electricity during this period is estimated at 20 g CO₂e per kWh. The same assumptions are made for ICA in Sweden as for Rimi.

Climate impact from the EoL product phase

Emissions arising from the packaging materials for the products that we retail are based on actual data reported by ICA Sweden and Apotek Hjärtat to NPA for our private label products. Rimi's packaging data in kg is estimated based on ICA Sweden's packaging data. Reported figures in kg are multiplied by a recycling rate per waste type (Source: NPA) and an emission factor for waste management (Source: Avfall Sverige).

The emissions of the packaging materials used by Rimi in its central kitchen have been multiplied by an emission factor to calculate the emissions. The emissions factors have been calculated for ICA Sweden in a project by AFRY.

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

Climate target for ICA Gruppen's suppliers

Supplier data including sales data are updated every year. For 2024 the data from 2024 is used. The climate impact from suppliers has been calculated based on ICA Gruppen's in-store sales of the central assortment in 2024 and emissions factors from Mistra Sustainable Consumption 2019 with emissions factors from 2016 (kgCO₂e/SEK). 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.

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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 seafood, 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

Targets and outcomes

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 antibiotic use, ICA also participates in Antibiotikdialogen (the Antibiotic Dialogue), which meets several times a year.

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.

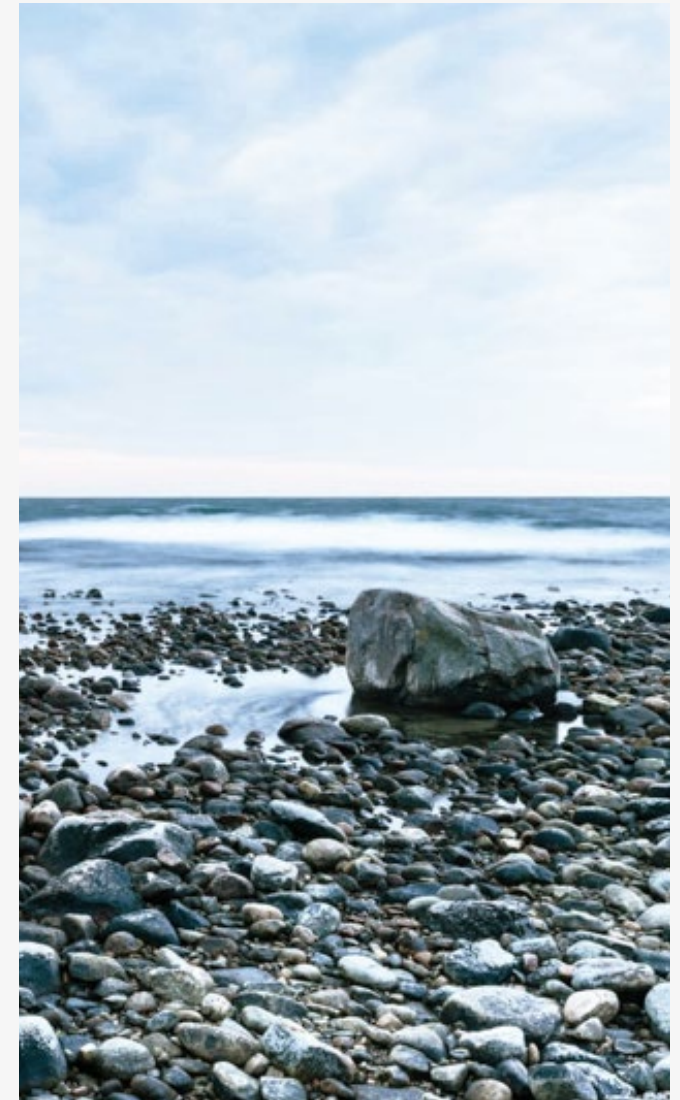
Much of the fishing conducted is also performed using destructive methods, such as bottom trawling, which not only destroys large parts of the seabed, but also results in large amounts of unwanted bycatch.

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"¹ 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"¹ (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"¹ by the same year.

Water consumption

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

¹ "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

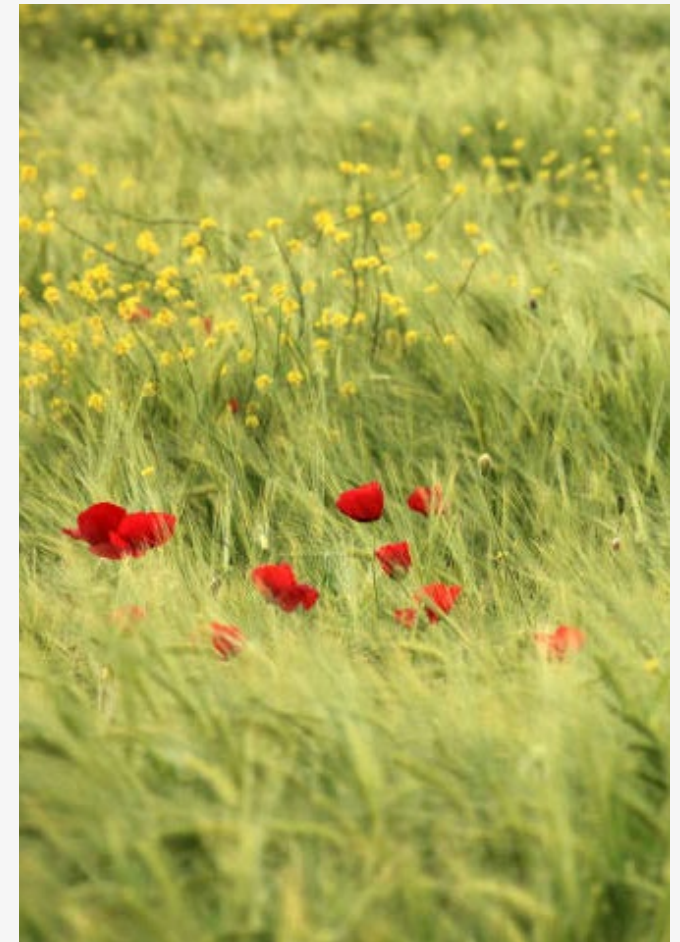
Biodiversity and functioning ecosystems are essential for all life on Earth. Biodiversity loss impacts key ecosystem services, which in the short term has a negative impact on biological processes, microbial life and individual species. In the medium and long term, there is a risk of more permanent impacts 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 CIRC-HIVE, 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/seggregated.

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.

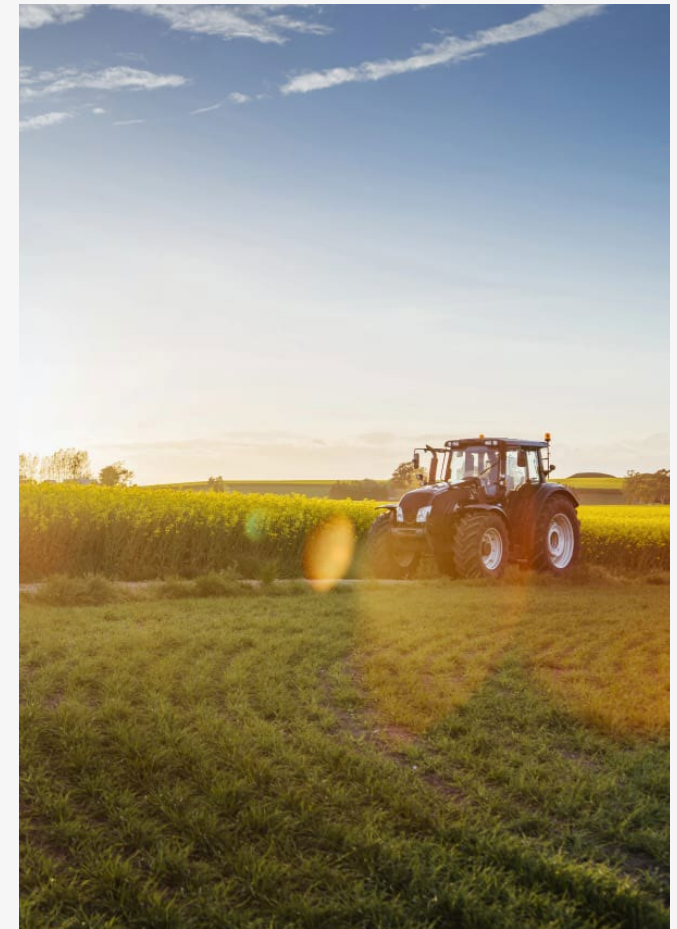
Other high-potential areas include the shift to precision agriculture and agricultural practices that optimise the use of inputs such as water, energy and raw materials. For example, shifting to crop rotation and agroforestry has the potential to improve soil health, increase biodiversity and strengthen 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.

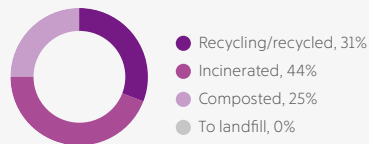
E5 | RESOURCE USE AND CIRCULAR ECONOMY

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 ¹ , tonnes	2024	2023	2022
Recycling/recycled	25,568	24,483	24,988
of which			
Sweden	5,123	5,041	4,861
Baltics	20,445	19,442	20,127
Incinerated	11,292	7,998	9,850
of which			
Sweden	7,117	2,375	2,822
Baltics	4,175	5,622	7,027
Compostable	8,944	8,378	9,811
of which			
Sweden	4,029	3,978	4,693
Baltics	4,915	4,400	5,118
Landfill	12,996	12,614	13,223
of which			
Sweden	35	36	43
Baltics ²	13,961	12,578	13,180
TOTAL	59,801	53,473	57,872
of which			
Sweden	16,305	11,431	12,420
Baltics	43,496	42,042	45,452
Recycling rate¹, %			
Sweden	100	100	100
Baltics	68	70	71

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.

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
Total food waste, % by weight	1.27	1.35	1.54
Sweden	1.25	1.31	1.46
Baltic countries	1.39	1.57	2.00
Total food waste from warehouses, % by weight	0.24	0.24	0.25
Sweden	0.27	0.27	0.28
Baltic countries	0.04	0.06	0.09
Total food waste from stores, % by weight	1.04	1.11	1.29
Sweden	0.98	1.05	1.18
Baltic countries	1.35	1.51	1.91
Total food waste, change from 2016, %	-30	-26	-16
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 (UNGPR), 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 employees, 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
ICA Gruppen total	23,891	23,900	23,877

Employee turnover, %	2024	2023	2022
ICA Gruppen total	25	25	26

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

Employee turnover (head count)	2024
ICA Gruppen total	6,121

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
Sweden									
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
Baltic countries									
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
Asia									
Permanent	37	33	70	37	38	75	39	40	79
Temporary	0	2	2	0	0	0	0	0	0
ICA Gruppen total									
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
Sweden, white collar	89
Baltics	72
Asia	100

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 ¹	2024	2023
Sweden, white collar	81	79

¹ 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 ¹	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

¹ Outcome based on full-time equivalents (FTE).

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

¹ 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

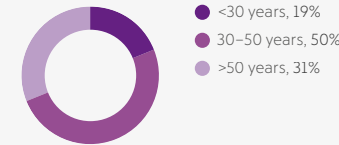
Percentage of employees that participated in regular performance and career development reviews (by gender) ¹ , %	2024	
	Men	Women
Sweden	91	83
Baltic countries		
Lithuania	87	90
Latvia	72	79
Estonia	32	42
Asia	100	100

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

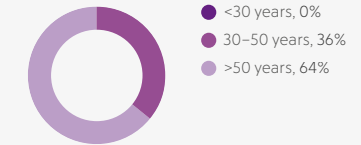
Comment: The outcome in Estonia was affected during the year by the implementation of a new SAP Success Factor tool, which resulted in lower participation and completion rates.

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 ¹	179

¹ Excl. Lithuania.

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

¹ 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 ¹ , %	2024
Sweden	30
Baltic countries	
Lithuania	21
Latvia	17
Estonia	23
Asia	5

¹ Excluding care of relatives.

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

¹ Excluding care of relatives.



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Remuneration metrics (pay gap and total remuneration)

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

¹ 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 ¹ , %	2024
ICA Gruppen total	53

¹ 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.

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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.



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.

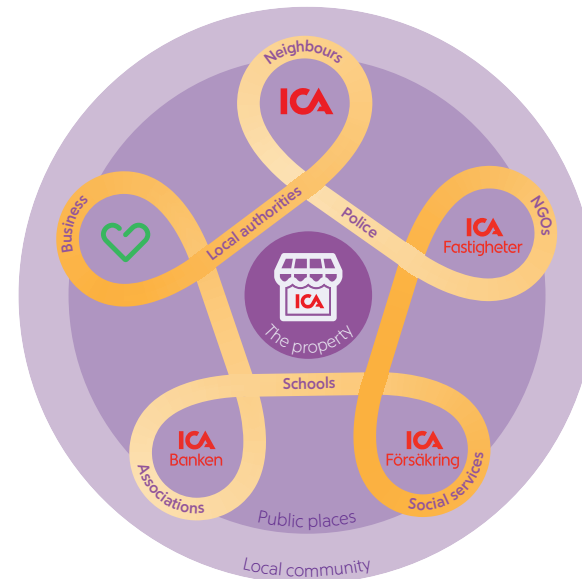
The efforts to increase preparedness are conducted within ICA Gruppen and in collaboration with others. For example, at the central level work is being conducted together with the Swedish Food Retailers Federation on industry-wide and competition-neutral planning. The aim is to ensure the conditions 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).



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.



→ S4

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.



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.

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 apotekhartat.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 ^{1,2}	-	2017	2012
ICA Real Estate ¹	-	-	-
ICA Sweden, sourcing operations ¹	2012	-	-
ICA Special, sourcing operations ¹	2012	-	-
Rimi Baltic, sourcing operations ¹	2015	-	-
Rimi Baltic, Rimi-owned warehouses ¹	-	-	2014

¹ Year first certified.

² 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

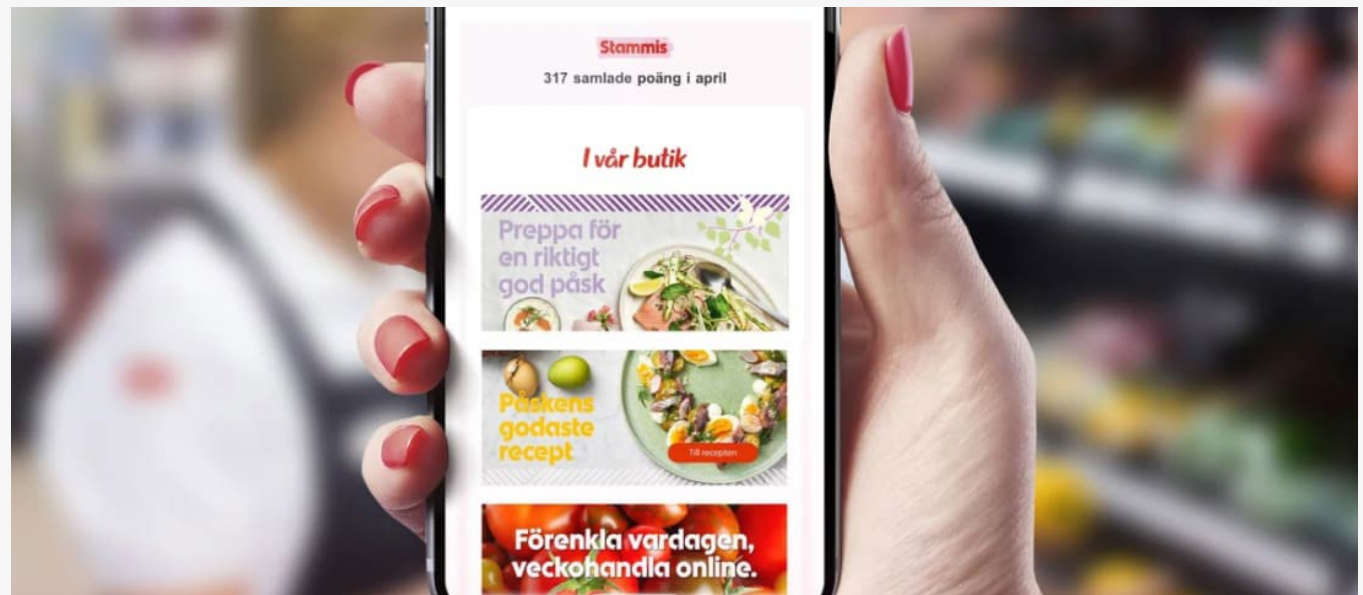
Channels for inquiries, claims and complaints

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 Stammis, who state their membership when making a complaint, are usually reimbursed within three to five days. For customers who are not members of Stammis, 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

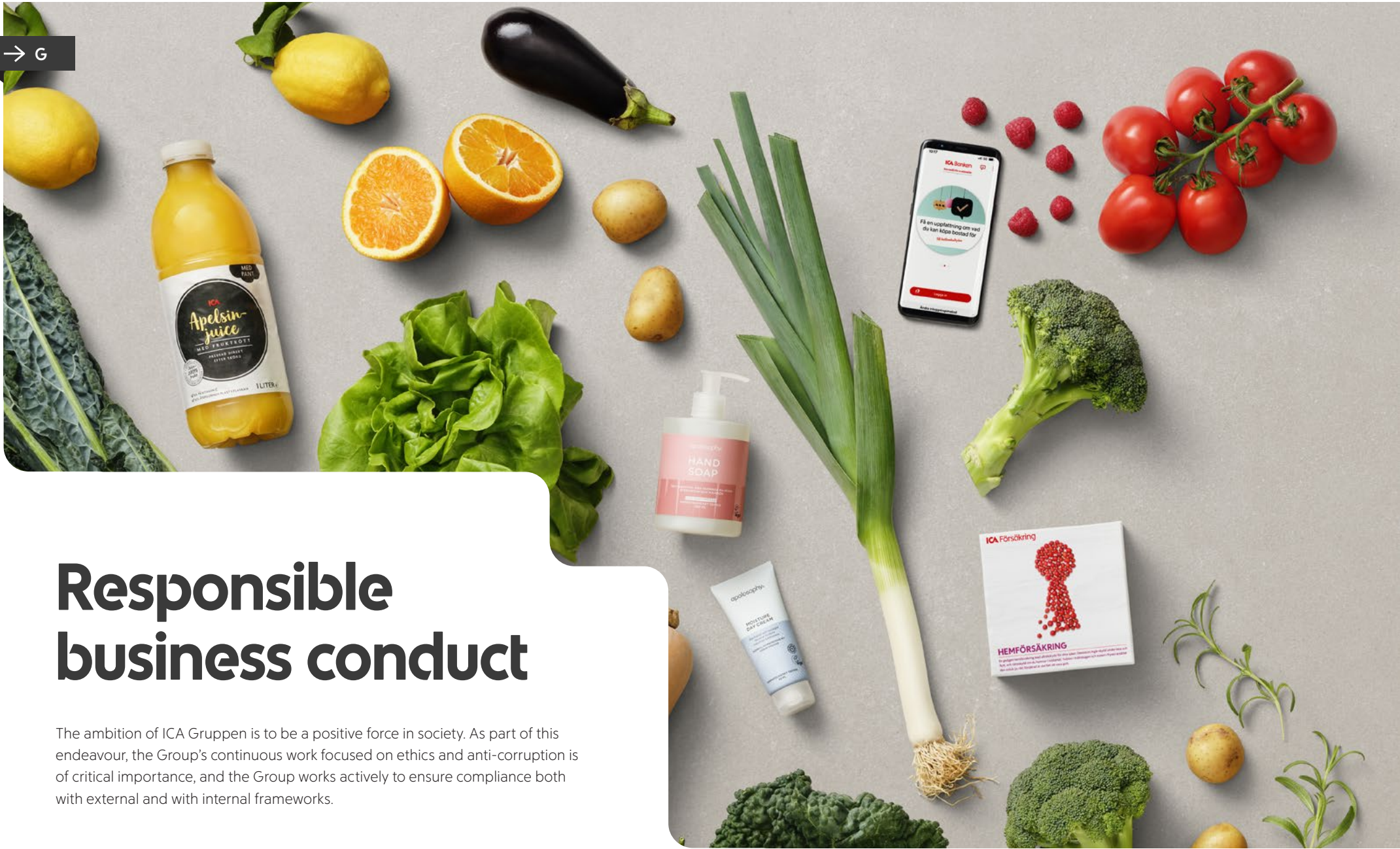
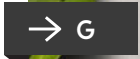
Public recalls are recalls where there is considered to be a risk to health or the environment, i.e., the public is informed via a press release.

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
E2	Energy	N	N	N	-	N
	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
E3	Substances of concern	N	N	N	-	-
	Water and marine resources					
	Water consumption	N	N	N	-	-
	Water withdrawals	N	N	N	-	-
	Water discharges	-	-	N	-	-
E4	Water discharges in the oceans	-	-	N	-	-
	Extraction and use of marine resources	N	N	-	-	-
	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
S1	Working conditions					
	Waste	N	N	N	-	N
	Secure employment	N	-	-	-	-
	Work-life balance	N	N	N/P	-	P
	Health and safety	N	N	N	N	-
	Equal treatment and opportunities for all					
Gender equality and equal pay for work of equal value	N	N	N	-	-	
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
	Work-life balance	N	N	-	-	-
	Health and safety	N	N	-	-	-
	Equal treatment and opportunities for all					
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	
S3 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	
S4 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
G1 Corporate culture	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)
A. Financial activities	2 909	2%				
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. Non-financial activities	154 307	98%	0%	1%	0%	1%
Total revenue of the group	157 216	100%				
					Average KPI turnover based	Average KPI CapEx based
Average KPI of the group					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) SEK m	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) E	Category (transitional activity) (20) T	
				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	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) SEK m	Proportion of CapEx (4) %	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Minimum safeguards (17) Yes/No	Taxonomy-aligned proportion of CapEx, year N-1 (18) %	Category (enabling activity) E (19)	Category (transitional activity) T (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) 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	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) (20) E	Category (transitional activity) (21) T
				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

31-dec-24		Total environmentally sustainable assets (SEK m)	KPI ¹ (%)	KPI ² (%)	% coverage (over total assets) ³	% 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)
Main KPI	Green asset ratio (GAR) stock	0	-	-	87.74	24.60	12.26
Additional KPIs		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)
	GAR (flow)	0	-	-	-	-	-
	Trading book ⁴	N/A	N/A	N/A	-	-	-
	Financial guarantees	0	-	-	-	-	-
	Assets under management	0	-	-	-	-	-
	Fees and commissions income ⁵	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 & 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 (CapEx)

SEK m

GAR - Covered assets in both numerator and denominator

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

	Total gross carrying amount	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)		
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which environmentally sustainable (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which transitional	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
Financial undertakings	18,899															
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	-															
Non-financial undertakings	-															
Loans and advances	-															
Debt securities, including UoP	-															
Equity instruments	-															
Households	15,031															
of which loans collateralised by residential immovable property	-															
of which building renovation loans	1,022															
of which motor vehicle loans	1,005															
Local governments financing	-															
Housing financing	-															
Other local government financing	-															
Collateral obtained by taking possession: residential and commercial immovable properties	-															
Assets excluded from the numerator for GAR calculation (covered in the denominator)	6,165															
Financial and Non-financial undertakings	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	-															
Derivatives	-															
On demand interbank loans	-															
Cash and cash-related assets	2,398															
Other categories of assets (e.g. Goodwill, commodities etc.)	389															
Total GAR assets	25,064															
Assets not covered for GAR calculation	3,503															
Central governments and Supranational issuers	2,005															
Central banks exposure	1,498															
Trading book	-															
Total assets	28,566															
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations	-															
Financial guarantees	-															
Assets under management ¹	-															
Of which debt securities	-															
Of which equity instruments	-															

1. Due to lack of data, capex are only calculated for AUM.

TAXONOMY

GAR sector information

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	
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)	
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	SEK m	SEK m
Breakdown by sector – NACE 4 digits level (code and label)															
68.20 Rental and operating of own or leased properties															
336		-												336	

1. Sectors without exposure are excluded from the list.

TAXONOMY

GAR KPI stock

	31-dec-24																					Proportion of total assets covered
	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)						
	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 enabling	Of which Use of Proceeds	Of which transitional	Of which enabling				
% (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

GAR KPI flow

	31-dec-24													Proportion of total new assets covered				
	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)																		
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 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 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)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

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
A.1 Non-life insurance and reinsurance underwriting taxonomy-aligned activities (environmentally sustainable)	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
A.2 Non-life insurance and reinsurance underwriting taxonomy-aligned activities that are taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned)	337	29	30	Y	N/A	N/A	N/A	N/A	N/A
B. Non-life insurance and reinsurance underwriting that are not taxonomy-eligible	827	71	70						
Total (A.1 + A.2 + B)	1,164	100	100						

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
Additional, complementary disclosures: breakdown of denominator of the KPI			
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
Additional, complementary disclosures: breakdown of numerator of the KPI			
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:

(1) Climate change mitigation			
Turnover (%):	-	Transitional activities: A% (Turnover; CapEx)	-
CapEx (%):	-	Enabling activities: B% (Turnover; CapEx)	-
(2) Climate change adaptation			
Turnover (%):	-	Transitional activities: A% (Turnover; CapEx)	-
CapEx (%):	-	Enabling activities: B% (Turnover; CapEx)	-
(3) The sustainable use and protection of water and marine resources			
Turnover (%):	N/A	Transitional activities: A% (Turnover; CapEx)	N/A
CapEx (%):	N/A	Enabling activities: B% (Turnover; CapEx)	N/A
(4) The transition to a circular economy			
Turnover (%):	N/A	Transitional activities: A% (Turnover; CapEx)	N/A
CapEx (%):	N/A	Enabling activities: B% (Turnover; CapEx)	N/A
(5) Pollution prevention and control			
Turnover (%):	N/A	Transitional activities: A% (Turnover; CapEx)	N/A
CapEx (%):	N/A	Enabling activities: B% (Turnover; CapEx)	N/A
(6) The protection and restoration of biodiversity and ecosystems			
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

→ Corporate Governance Report 2024

Long-term action, mobility and engagement

The external environment continued to leave its mark on the Board's work during the past year. Changing market conditions, rapid technological development, financial challenges both for customers and for suppliers, and a new geopolitical situation made the ability to act and take initiative essential.



In times of rapid changes, the Board's function and ability to change are put to the test. For ICA Gruppen, the major, rapid changes in the operating environment bring challenges as well as opportunities. Those of us sitting on the Board have a particular responsibility to drive matters forward, support and question without losing balance.

Issues regarding macroeconomic trends, technological developments, geopolitics and changing customer behaviour took up much of the Board's focus

during the year, but recurring check-ins have also included follow up on the overall goals and strategic priorities we previously decided on. In both cases, progress has gone in essentially the right direction. The strategy remains firm and ICA Gruppen's financial position is stable.

Some of the more long-term issues that the Board has been addressing in recent years include greater unity across the organisation to better leverage our Group structure, not least when it comes to becoming more cost effective. To support this, we have introduced several major changes in how we are organised and how we work. These are areas where we have made additional progress during the year, and overall this resulted in increased collaboration, quicker decision-making processes and an increased focus on creating even better benefits for our customers.

Clarity and transparency at every stage

The Board's primary task is to act as a good support and sounding board for the ICA Management Team. This requires clarity and transparency at every stage, from owners, the Board and management – all the way out throughout the organisation. This is something we have been working actively with in recent years and in my opinion, we have a good consensus on over-

all objectives, strategies and priorities going forward. The fact that all of our actions are coordinated makes it possible to join forces and focus on chosen areas. In times of far-reaching change, this is a strength, as confirmed by our strong performance in the past year.

The past year was my twelfth as a Board member but my first as Chairman. Just like the rest of the organisation, we on the Board need to ensure that we are sufficiently agile to be able to leverage opportunities or to respond to events, whether in the world around us or in our organisation. In a quickly changing world, it is also extra important to continuously evaluate the Board's composition and collective expertise. We have strengthened in important areas in recent years and in my opinion, the Board today possesses a good mix of skills. It is well-functioning and, in terms of working methods and organisation, we made no major changes in 2024. Our work has been performed at formal Board meetings as well as in various committees and through ongoing, close dialogue. Per Strömberg has chosen to step down from the Board at the AGM this coming spring, so I would like to take the opportunity here to extend my sincere thanks to him. Per has been an important part of ICA Gruppen's success, first as CEO in 2012 and then as a member of the Board in 2023.

Significant interest in the share issue

The core of our business model has always been based on a combination of individual drive and collective strength. This is where the independent ICA retailers are absolutely essential. Their entrepreneurship, local market knowledge, drive and commitment are some of our most important success factors. The share issue completed in the end of 2024 expanded the ownership circle to include ICA retailers even more directly. It is very gratifying to note that there was a great deal of interest in participating in the issue. Overall, it demonstrates the great commitment and trust in our operations held by the retailers.

Long-term perspective in everything we do

ICA has existed for over 100 years and our ambition is stick around for at least another 100 more. This is our perspective for making decisions regarding goals, strategies and specific initiatives.

In conclusion, I would like to express the Board's appreciation for the forward-looking spirit that characterises the work in every part of our operations and organisation. In times of far-reaching change, this is exactly what we need.

Solna, February 2025

Magnus Moberg, Chair of the Board



This Corporate Governance Report describes the governance of ICA Gruppen AB (publ) (ICA Gruppen or the Company) as of 31 December 2024 unless otherwise stated.

ICA Gruppen's model for value-creating governance

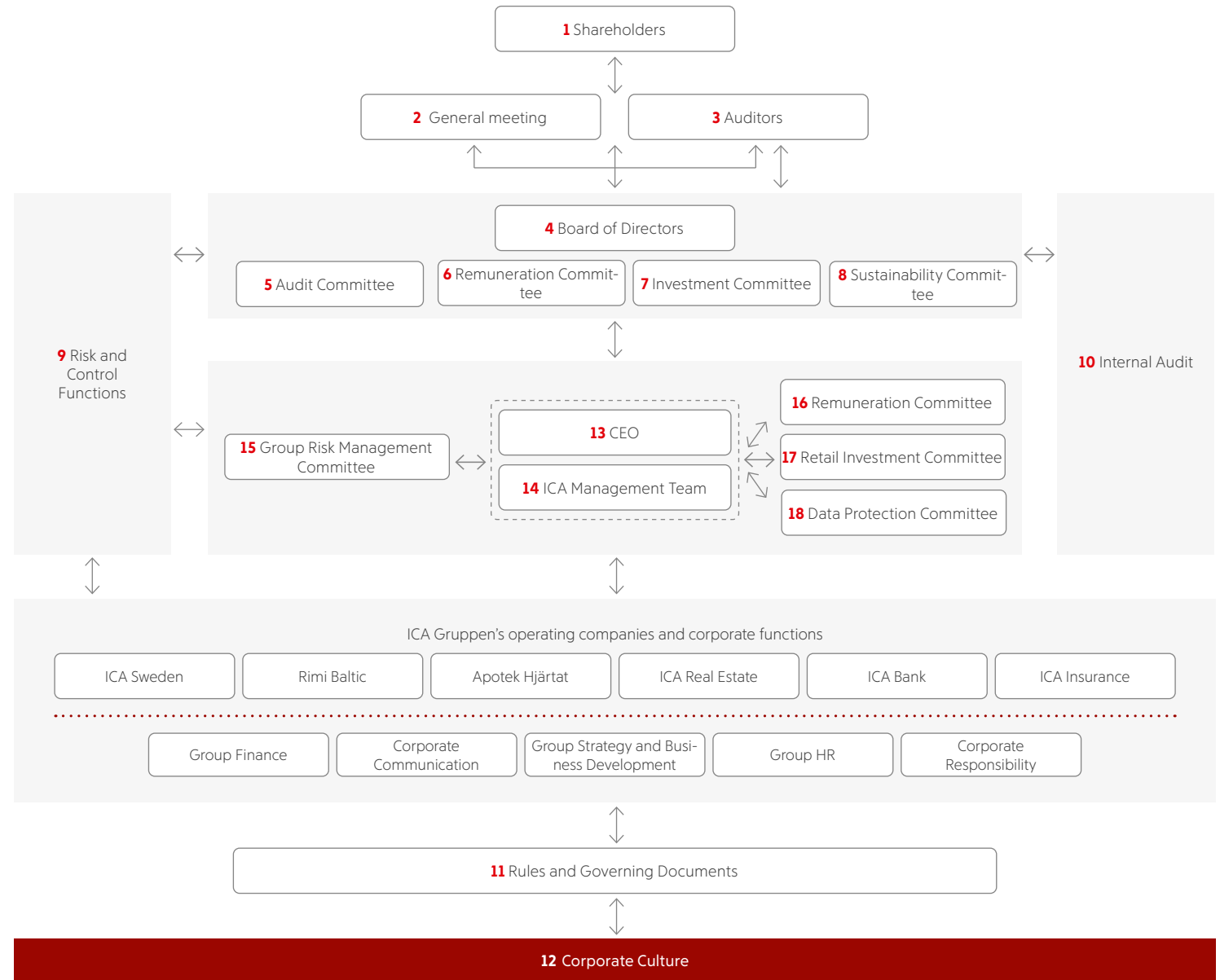
Good corporate governance is about ensuring that ICA Gruppen's business is conducted in a sustainable, responsible and efficient manner. This governance is a crucial foundation for achieving long-term goals, increasing value for shareholders and maintaining trust among the Company's stakeholders.

ICA Gruppen's corporate governance is based on laws, self-regulation in the capital market and established practice. The most central regulatory frameworks include the Swedish Companies Act and Annual Accounts Act, International Financial Reporting Standards (IFRS), Nasdaq Stockholm – Fixed Income – Rulebook, the instruction for financial reporting and the Group-wide policies established by the Board each year. From 2025, the Corporate Sustainability Reporting Directive (CSRD) will also be a key regulatory framework.

Shareholders exercise their influence in ICA Gruppen AB, the parent company of the Group, by voting at the general meeting of shareholders. The meeting decides, among other things, on the composition of the Board of Directors and the election of auditors. Preparations for the election of the Board and auditors are carried out by the Nomination Committee. The Board of Directors is responsible for the organisational structure and the administration of the Company's affairs. The CEO is responsible for day-to-day administration in accordance with the guidelines and instructions issued by the Board. In dialogue with the Chair of the Board, the CEO compiles an agenda for board meetings and is also responsible for providing the Board with information documents and material as a basis for decisions. The CEOs of the operating subsidiaries within the Group have corresponding responsibilities for maintaining good governance within their respective companies. Sustainable, responsible and efficient governance is thereby established. Organisation and governance principles are described further below.

Corporate governance reporting requirements

ICA Gruppen is not subject to the Swedish Corporate Governance Code (the "Code") and thus is not subject to the Code's more extensive requirements concerning the content of the corporate governance report. The Company has, however, issued bonds that are listed on Nasdaq Stockholm. To maintain transparency regarding the governance of the Company, we have chosen to provide more extensive reporting than is required of issuers of such securities under the Swedish Annual Accounts Act.



CORPORATE GOVERNANCE REPORT

1 Shares and shareholders

As of 31 December 2024 (taking into account newly issued, subscribed and paid-up but as yet unregistered ordinary Class F shares), the shareholders were ICA-handlarnas Förbund (IHF) with 85.43% of the shares and 87.07% of the votes, and occupational pensions company AMF Tjänstepension (AMF) with 12.45% of the shares and 12.72% of the votes and persons operating an ICA store in Sweden and who are members of IHF (ICA retailers) with 2.11% of the shares and 0.22% of the votes. IHF holds ordinary Class A and F shares and AMF holds ordinary Class E shares and ICA retailers hold ordinary Class F shares. Ordinary Class E shares and ordinary Class F shares carry a preferential right to dividends ahead of ordinary Class A shares in the event that the general meeting decides that a dividend will be distributed. The difference between Class A, Class E and Class F shares is described in more detail in Note 12 to the financial statements for the Parent Company on page 68.

2 General meeting

The highest decision-making body is the general meeting of shareholders. The most recent Annual General Meeting was held in Solna on 26 April 2024 and related to the 2023 financial year. At the Extraordinary General Meeting held on 14 October 2024, the meeting resolved to adopt a new Articles of Association whereby, inter alia, a new share class will be introduced (ordinary Class F shares). The Extraordinary General Meeting also decided to authorise the Board to make a decision on a new issue of Class F shares.

3 Auditors

The auditor conducts an independent audit of the Company's financial statements and determines whether these, in all material respects, are correct and complete and provide a fair presentation of the Company and its

financial position and results. The auditor shall also review the management of the Board of Directors and the CEO, as well as perform a limited review of the Company's sustainability statements. According to the Articles of Association the Annual General Meeting is to appoint at least one but not more than two auditors, with or without deputies. The accounting firm KPMG AB was elected as auditor at the 2024 AGM for a term of one year. KPMG AB has therefore audited the Company's financial statements for 2024. Authorised Public Accountant Helena Arvidsson Ålgne has served as chief auditor. In addition to ICA Gruppen, Helena Arvidsson Ålgne has significant audit assignments with, inter alia, LKAB and Green Gold. She has no assignments that impact her independence with respect to ICA Gruppen. The auditors attended one board meeting to present KPMG AB's audit process for ICA Gruppen and to give board members an opportunity to ask questions without the presence of the ICA Management Team. In addition, the auditors attended all of the meetings of the Board's Audit Committee. The Audit Committee evaluates the auditor annually to ensure that their objectivity and independence cannot be called into question. The auditor confirms their independence annually in the auditor's report.

4 Board of Directors

According to the Articles of Association, ICA Gruppen's Board of Directors is to consist of between three and eleven members elected by the general meeting. The Board currently has the following members elected by the general meeting:

- Magnus Moberg (Chair)
- Jan Amethier
- Göran Blomberg
- Bengt Kjell
- Fredrik Persson
- Katarina Romberg
- Per Strömberg
- Charlotte Svensson
- Anette Wiotti
- Mikael Norling

In addition to the members elected by the general meeting of shareholders the Board has two employee representatives, each with a deputy. ICA Gruppen's CEO makes presentations at board meetings and the General Counsel is the secretary to the Board.

The Board has adopted rules of procedure that regulate the Board's working methods and tasks, as well as instructions for the CEO, including instructions for finan-

cial reporting. In addition, the Board has adopted governing documents for significant aspects of the operations, such as the Communication Policy and Code of Conduct. All significant governing documents are evaluated as needed and at least once a year.

Within the Board, there is no specific distribution of tasks besides the preparation of certain matters in committees. The Board has established four committees: an Audit Committee, a Remuneration Committee, an Investment Committee and a Sustainability Committee. The committees' work is regulated by the annually approved committee instructions. The committees have a preparatory and administrative role. The matters discussed at committee meetings are recorded in minutes and reported at the subsequent board meeting.

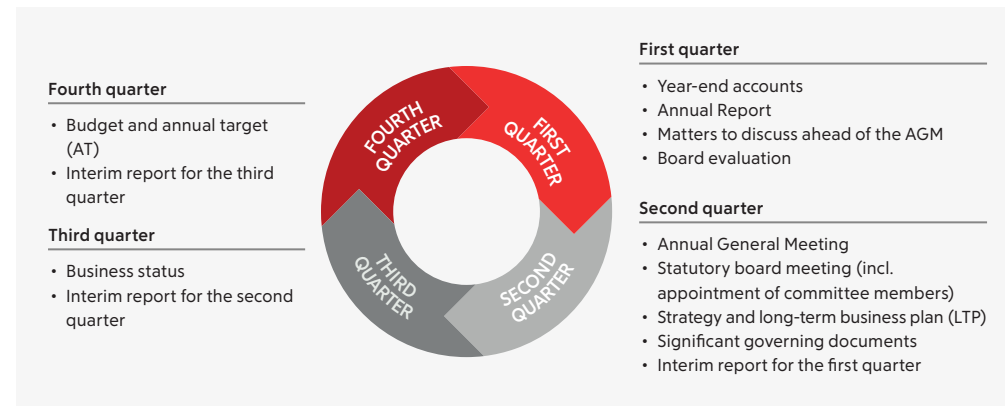
Board members and the CEO must not deal with matters relating to agreements between themselves and the Company, nor matters between the Company and third parties if the party in question has a significant interest that could conflict with the Company's interests.

The remuneration and fees approved by the Annual General Meeting in 2024 as well as the attendance of board members at meetings during the 2024 financial year are detailed in the presentation on pages 178–179 and in Note 4 to the financial statements for the Group.

5 Audit Committee

The main task of the Audit Committee is to ensure the quality of ICA Gruppen's financial reporting and risk management, the effectiveness of internal control and regulatory compliance. The Committee also checks that the internal and external audit work is carried out in an effective, impartial and satisfactory manner.

The Committee currently has the following four members: Göran Blomberg (chair), Bengt Kjell, Katarina Romberg and Anette Wiotti. ICA Gruppen's CFO is responsible for presenting information and the head of Internal Audit serves as the Committee's secretary.



CORPORATE GOVERNANCE REPORT

6 Remuneration Committee

The Remuneration Committee's main task is to prepare decision data for the Board regarding remuneration and other employment conditions for the ICA Management Team (including long-term incentive programmes). The Committee also monitors and evaluates variable remuneration programmes for senior executives, guidelines for remuneration to senior executives as well as remuneration structures and levels within ICA Gruppen. The Remuneration Committee has some limited decision-making power on a number of remuneration matters defined by the Board.

The Committee currently consists of Magnus Moberg (Chair), Jan Amethier and Per Strömberg.

7 Investment Committee

The main task of the Investment Committee is to review and quality-assure decision materials in investment and divestment matters for decisions within the committee or before decisions are made by the Board, all in accordance with the mandate outlined in ICA Gruppen's Authority and Approval Policy.

The Committee currently consists of Magnus Moberg (Chair), Mikael Norling, Charlotte Svensson and Fredrik Persson.

8 Sustainability Committee

The main task of the Sustainability Committee 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.

The Committee currently consists of Anette Wiotti (Chair), Charlotte Svensson, Fredrik Persson and Per Strömberg.

9 Risk and control functions

ICA Gruppen's risk and control functions consist of the Internal Control function and the Risk function. These departments support other Group functions and the Group's operating companies, and also provide information to management.

Internal Control function

Within ICA Gruppen the Internal Control function is tasked with coordinating and supervising internal governance and control over financial reporting within the Group. Internal control over financial reporting is aimed at managing the risk of material errors in financial reporting with a reasonable degree of certainty and ensuring compliance with laws and regulations that are of significance for financial reporting. The function identifies business-critical processes and key controls within the Group that are to be evaluated regularly. The evaluation is based on periodic self-evaluation and selective quality review processes. The results are compiled in reports and submitted by Internal Control to the operating companies, the ICA Management Team and the Audit Committee.

Risk function

The role of the Risk function is to create good conditions for long-term and efficient risk management and security activities within ICA Gruppen. The Risk function coordinates the Group's risk management work and monitors compliance with the Group's framework for risk management. It also supports the subsidiaries and strengthens the Group's risk management through training, by developing tools, by carrying out risk analysis for specific risk areas and by proposing measures to manage identified risks.

ICA Gruppen integrates and coordinates risk and control activities to enhance the effectiveness of risk and control management in the operations, which is known as a combined assurance approach. This collaboration also includes the Privacy Office and Digital Risk & Security functions. The Privacy Office is responsible for data protection that aligns with ICA's risk appetite and ambitions regarding personal data processing. Digital Risk & Security

is responsible for developing Group-wide capabilities and ensuring synergies in the areas of information security, risk and compliance.

10 Internal Audit

Internal Audit is an independent review and control function that has been mandated by the Board of Directors to examine the efficiency and reliability of the Group's internal governance and control.

Internal Audit's tasks encompass corporate governance and risk management, as well as governance and control in business and support processes within the Group's operations in Sweden and the Baltic countries. Twice a year the Audit Committee draws up a risk-based plan for Internal Audit, with the aim of focusing on the areas of most value to ICA Gruppen. In 2024 Internal Audit's reviews covered ongoing projects and transformation as well as core processes within ICA Gruppen. Store audits constitute a special area within the review of business processes.

The observations and recommendations made by Internal Audit aim to reduce the level of risk within a business area and to increase efficiency and improve ICA Gruppen's processes. It is the responsibility of the respective management teams within the Group's operating companies to put in place appropriate action plans based on the recommendations made by Internal Audit. An important aspect of the work of Internal Audit is to conduct a quarterly review of the established action plans.

Internal Audit reports every quarter to all operating company management teams and to the ICA Management Team. At these meetings the results of audits completed during the quarter are reviewed, action plans relating to audits completed previously are followed up and future audits are discussed. Internal Audit also reports quarterly to ICA Gruppen's Audit Committee, which in turn reports to the Board. The reporting mirrors that carried out within the ICA Management Team. Internal Audit also prepares a report annually which is presented to the Board.

Since ICA Gruppen is switching to four-monthly reporting in 2025, Internal Audit will report every four months to the Audit Committee, the ICA Management Team and operating companies' managements.

11 Rules and governing documents

In addition to the external laws and regulations applicable to ICA Gruppen's operations, ICA Gruppen has a number of internal rules that – along with the external rules – provide a framework for the business. The main internal rules are the Articles of Association, the rules of procedure for the Board of Directors, the instructions for the Board committees and for the CEO, and governing documents. The Company's internal governing documents are issued at four levels:

1. Policies are issued by the Board of Directors and establish overarching rules for all employees.
2. Guidelines are issued by the CEO or the ICA Management Team and they establish more detailed rules for all employees based on the applicable policy.
3. Instructions are issued by the respective operating company or corporate department and cover employees in that company or area.
4. Routines may be established by a department, business area or function for employees in that area.

The Company has a number of policies in place, including, i.a., the following:

Finance Policy

The Finance Policy establishes the Company's financial risk level and defines objectives and guidelines for the Group's financial management. The policy defines the responsibility and routines for reporting and internal control that apply to financial management.

Insider Policy

The Insider Policy establishes principles for how the Company is to handle insider information.

CORPORATE GOVERNANCE REPORT

Communication Policy

The Communication Policy establishes the principles of the Company's internal and external communication for the purpose of promoting communication that is uniform, clear and effective in the long term, both between the Company's employees and between ICA Gruppen and its external stakeholders.

Risk Management Policy

The Risk Management Policy establishes the principles for the Company's management of risk (i.e. a future uncertain event that may have a negative impact on the Company's ability to achieve its business targets) and the level of risk-taking that ICA Gruppen can accept.

Tax Policy

The Tax Policy establishes the principles for the Company's tax exposure taking into account the applicable tax rules.

Information Security Policy

The Information Security Policy establishes the basic principles for information and cyber security within ICA. The aim is to protect our assets from potential threats, to ensure business continuity and to meet regulatory requirements.

The Company's policies also include the Code of Conduct, the Sustainability Policy, the People Policy, the Authority and Approval Policy and the Data Protection Policy. These policies are described on pages 80, 143, 149 and 151.

12 Corporate culture

A healthy corporate culture aids the development of the Group and its operations, both as a whole and in its individual components. Accordingly, the corporate culture is a central part of ICA Gruppen's overall governance and the management of opportunities and risks.

ICA Gruppen's corporate culture is characterised by the values of simplicity, commitment and entrepreneurship. Simplicity means transparency, honesty and trust between employees. Commitment means taking responsibility for

our work, the world around us and the shareholders. Entrepreneurship involves creating and capitalising on opportunities, taking action, a constant desire to improve and managing the risks associated with the business.

13 CEO

ICA Gruppen's CEO is responsible for ongoing management and day-to-day operations. The distribution of responsibilities between the Board and the CEO is specified in the rules of procedure for the Board and in the CEO's instructions. The CEO reports to the Board and ensures that the Board receives the information necessary to make well-informed decisions. The CEO is required to keep the Board continuously informed about the development of the business, its results and financial position, significant business events and any other occurrence, circumstance or relationship that may be assumed to be of material importance to the business.

The Board has approved Nina Jönsson's significant assignments and financial commitments outside of ICA Gruppen, such as her positions as a board member of The Consumer Goods Forum, Svenskt Näringsliv (Confederation of Swedish Enterprise) and Svensk Handel (Swedish Commerce). The CEO has no significant shareholdings or proprietary involvement in companies with which ICA Gruppen has significant business ties.

In 2024 the Board carried out an evaluation of the CEO.

14 ICA Management Team

ICA Gruppen's CEO leads the work of the ICA Management Team and makes decisions regarding the operations in consultation with other senior executives in the Group. As of the end of the 2024 financial year the ICA Management Team consisted of 12 individuals, each member (other than the CEO) being responsible for one of the operating companies or corporate functions. The ICA Management Team meets regularly and as needed. Its meetings primarily focus on strategic and operational

follow-up and development, as well as monitoring of results. In addition to these meetings, the members of the ICA Management Team collaborate closely on a daily basis. The members of the ICA Management Team are presented below.

The ICA Management Team has currently established four committees to support its work:

15 Group Risk Management Committee

The Group Risk Management Committee is responsible for ensuring that the ICA Management Team and the Board have a good overview of the Group's risk exposure and of significant changes in the risk profile. The Committee is chaired by ICA Gruppen's CFO.

16 Remuneration Committee

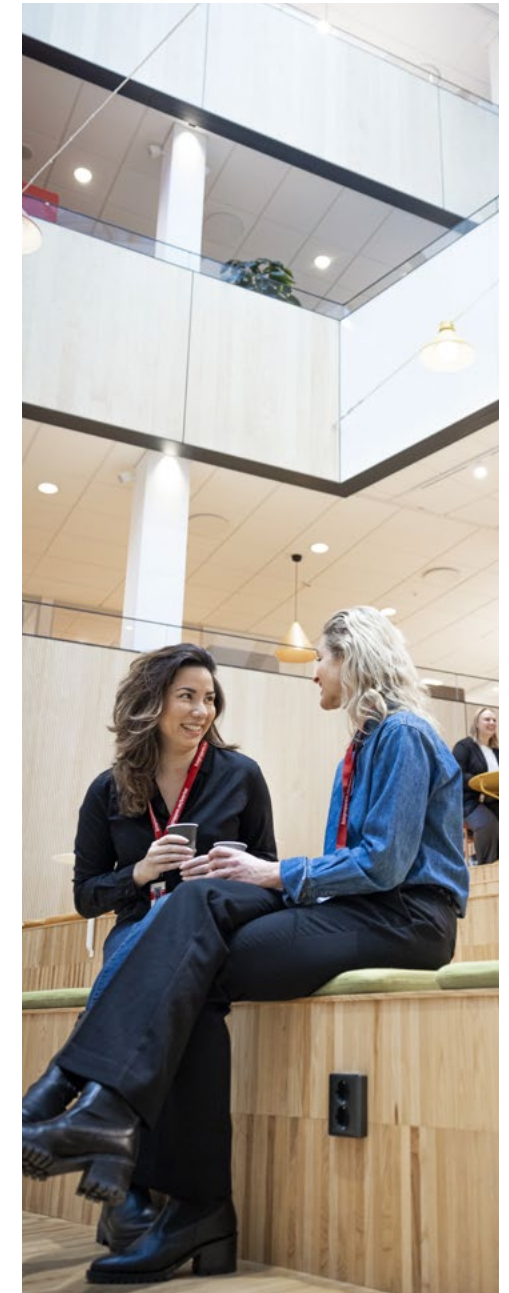
The Remuneration Committee, which is headed by ICA Gruppen's Chief HR Officer, prepares for matters to be addressed relating to employment terms.

17 Retail Investment Committee

The Retail Investment Committee is responsible for preparing investment-related matters. The Committee is chaired by ICA Gruppen's CEO.

18 Data Protection Committee

The Data Protection Committee is responsible for long-term strategy, advising on risks and action plan strategies, as well as advising on high-level escalated issues from the Chief Privacy Officer (CPO) or any of the Group's data protection officers.



CORPORATE GOVERNANCE REPORT

ICA Gruppen's work on business conduct

ICA Gruppen's work with business conduct and anti-corruption is of crucial importance, and the Company takes active steps to maintain a high level of trust among customers, suppliers, employees, partners, shareholders and the community in general. Business conduct is an integrated aspect of the recurring risk assessments that are made. ICA Gruppen's business conduct activities are described in more detail on page 148–151.

Anti-corruption work

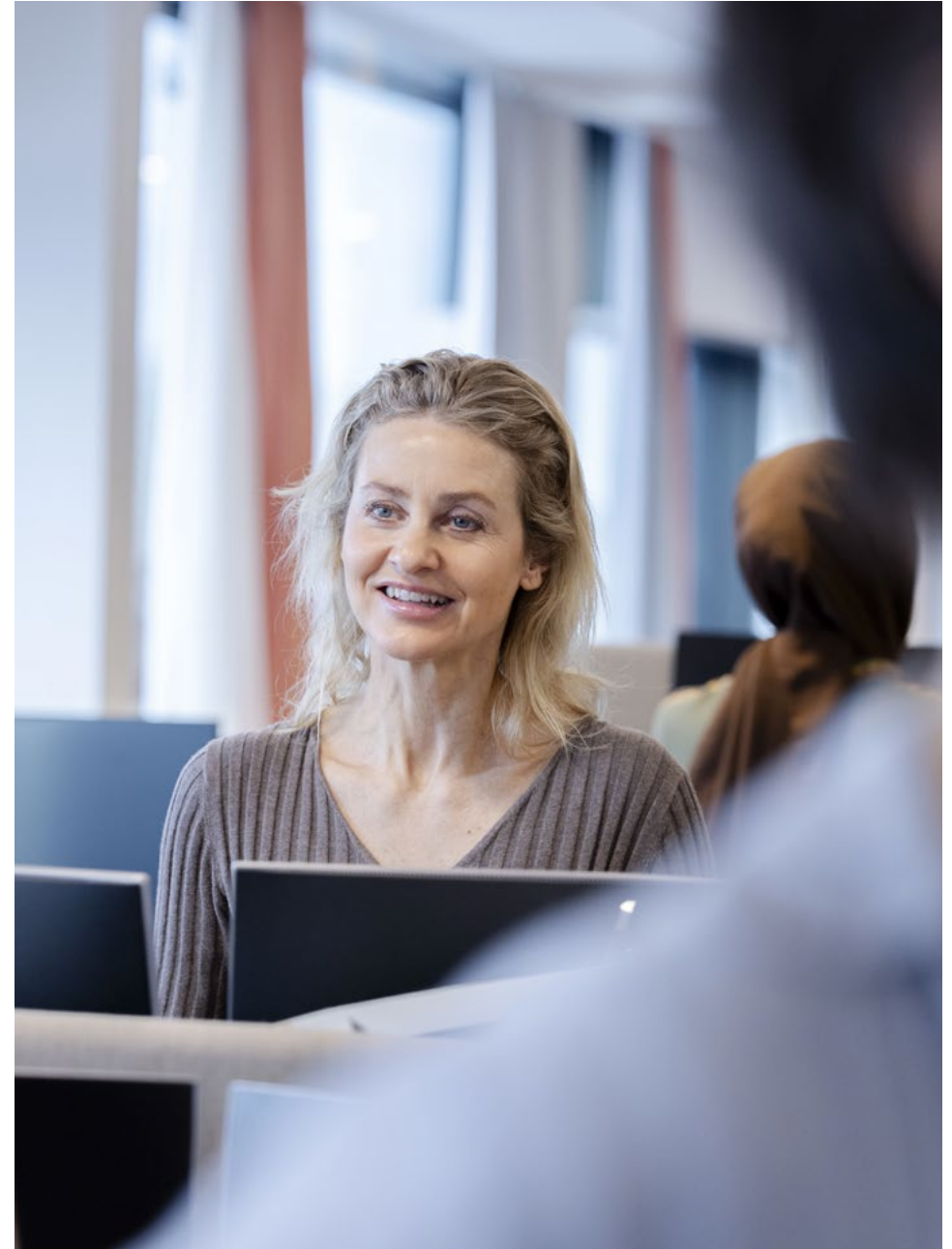
Neither ICA Gruppen nor its management accepts any form of bribery and active steps are taken to ensure that this does not occur. ICA Gruppen's governance model includes our Code of Conduct, the Business Ethics Guideline and procedures to monitor compliance therewith, the whistleblowing service, risk analysis, training, communication and reporting. The basis for conducting business with ICA Gruppen and internally within ICA Gruppen is defined in the Code of Conduct, the Business Ethics Guideline for and the Sustainability Policy. The Group's suppliers and partners are expected to follow the intentions of these and to act ethically and responsibly.

Training and follow-up

ICA Gruppen provides internal online training to ensure that all employees are familiar with the Business Ethics Guideline and act accordingly. This training is also supplemented with classroom-based courses for the groups of employees with high exposure and by providing additional information.

Whistleblowing service

ICA Gruppen's online whistleblowing service allows employees and other people subject to Sweden's whistleblowing act to anonymously report any irregularities that they believe contravene laws or rules applicable to the business. Anyone at ICA can raise concerns about irregularities without risking any negative reaction from the company. The service is available – via dedicated internal reporting channels – for ICA Gruppen's companies in Sweden, the Baltic countries and Asia.



CORPORATE GOVERNANCE REPORT

Board of Directors



Magnus Moberg

Jan Amethier

Göran Blomberg

Bengt Kjell

Mikael Norling

Fredrik Persson

Katarina Romberg

Born	1966	1961	1962	1954	1962	1968	1979
Education	Completed various courses of study in areas such as finance, business management, leadership development, etc.	MSc in Business and Economics.	MSc in Business and Economics.	MSc in Business and Economics.	Completed teacher training and leadership training courses.	MSc in Business and Economics.	MSc in Business and Economics.
Elected	2008	2022	2022	2022	2024	2018	2022
Other significant assignments	Chair of the Board Nya Ulfmag AB. Chair of the Board and CEO of Storbütiken i Falköping AB. Board member Jomag AB. ICA retailer, Maxi ICA Stormarknad Falköping.	Chair of the Board Cinder Invest AB and Infrakraft Sverige AB, and many of their subsidiaries. Board member HerMed Group AB, Monwana AB and JY Holding AB (publ).	CEO ICA-handlarnas Förbund. Board member Expandia Modular AB.	Chair of the Board Hagabacken Fastighets AB and Expassum AB. Deputy Chair Pandox AB. Board member AB Industrivärden, Dunker Foundations and companies, Port-Swed AB etc.	ICA retailer, ICA Maxi Karlskoga. Chair of the Board and CEO Kronhallen Holding AB. Chair of the Board ICA-handlarnas Förbund AB and ICA-handlarnas Förbund Finans AB. Chair ICA-handlarnas Förbund.	Chair of the Board BusinessEurope, JM AB and Ellevio AB. Board member AB Industrivärden, Holmen AB, AB Hufvudstaden, Nalka Invest AB, A.Ahlström OY and Interogo Holding AG.	CEO AMF Fonder AB and Head of Asset Management AMF Tjänstepension AB. Chair of the Board AMF Fastigheter AB. Board member Rikshem Intressenter AB and Urban Escape AB.
Previous significant positions	Chair of the Board and CEO ICA-handlarnas Förbund AB and ICA-handlarnas Förbund Finans AB.	JP Morgan, Svenska Handelsbanken and SEB, and CEO Cinder Invest AB.	Board member ICA AB. CFO Hakon Invest AB and RNB Retail and Brands AB.	Chair of the Board Hemfosa Fastigheter AB, Nyfosa AB, Neobo Fastigheter AB, Kungsleden AB, Valerum Fastighets AB, SSAB AB and Indutrade AB. Board member Skanska AB, Höganäs AB, Munters AB, SSM Holdings AB, Swegon Group AB and Logistea AB.	Board member ICA-handlarnas Förbund and Chair of ICA-handlarnas Förbund District Board East.	Chair of the Board Svenskt Näringsliv. Board member AB Electrolux and Ahlstrom Invest B.V. CEO of Axel Johnson. Chief Analyst Aros Securities. Various positions within ABB Financial Services.	Head of Alternative Investments and Property AMF Tjänstepension AB. Transaction Manager Structured Finance at SEB.
Total remuneration for the period from Annual General Meeting 2024 until the subsequent Annual General Meeting, SEK	1,430,000	675,000	–	735,000	675,000	740,000	–
Committees	Remuneration Committee (Chair) Investment Committee (Chair)	Remuneration Committee	Audit Committee (chair)	Audit Committee	Investment Committee	Investment Committee Sustainability Committee	Audit Committee
Attendance at meetings	Board meetings	16/17	16/17	17/17	12/17	13/17 ¹	17/17
	Audit Committee	–	–	4/4	4/4	–	4/4
	Remuneration Committee	5/5	5/5	–	–	–	–
	Investment Committee	6/11 ²	–	–	–	7/11 ³	11/11
	Sustainability Committee	–	–	–	–	–	3/5 ⁴

¹ Board member since 26 April 2024. ² Member of Investment Committee since 26 April 2024. ³ Member of Investment Committee since 26 April 2024. ⁴ Member of Sustainability Committee since 26 April 2024.

CORPORATE GOVERNANCE REPORT

Board of Directors, cont.



Per Strömberg

Charlotte Svensson

Anette Wiotti

Jonathon Clarke

Magnus Rehn

Born	1963	1967	1966	1968	1966
Education	MSc in Business and Economics.	Systems science and strategy at Stanford.	Completed courses of study in areas such as finance, business management, leadership development, etc.	Trained welder, studies in labour law.	Upper secondary education.
Elected	2023	2021	2017	2013	2013
Other significant assignments	Board member Nordea Bank Abp and Eduviva Group AB.	COO Sanoma Learning and member of management team of Sanoma Group. Deputy board member Tranholmen Invest AB.	Elected representative on boards and committees within ICA-handlarnas Förbund AB. Deputy board member Wermelns Handel Aktiebolag, Wermelns Transport AB and Wermelns Holding AB. ICA retailer, ICA Kvantum Arvika.	Member of Villavägens Samfällighetsförening.	–
Previous significant positions	President and CEO ICA Gruppen AB. Chair of the Board of many ICA Group subsidiaries. Board member Byggmax Group AB. President and CEO of Lantmännen. Various managerial positions within the Kraft Foods group.	EVP and CIO at SAS AB. Board member Boozt AB. Several board assignments within SAS. Head of BA Communication Services at Postnord AB. CTO Bonnier AB and various managerial positions at Bonnier News AB.	Deputy Chair ICA-handlarnas Förbund AB. Board member ICA-handlarnas Förbund Finans AB. Various roles as elected representative within ICA-handlarnas Förbund and ICA Sverige AB.	Employee representative Handelsanställdas Förbund.	Employee representative, Unionen.
Total remuneration for the period from Annual General Meeting 2024 until the subsequent Annual General Meeting, SEK	740,000	740,000	825,000	–	–
Committees	Remuneration Committee Sustainability Committee	Investment Committee Sustainability Committee	Audit Committee Sustainability Committee (Chair)	–	–
Board meetings	15/17	17/17	17/17	17/17	17/17
Audit Committee	–	–	4/4	–	–
Remuneration Committee	5/5	–	–	–	–
Investment Committee	–	11/11	–	–	–
Sustainability Committee	5/5	5/5	5/5	–	–

Attendance at meetings

Marcus Strandberg
Deputy member
Employee representative
Handelsanställdas Förbund

Born: 1966
Education: Upper secondary education
Appointed: 2013
Previous significant positions: Board member ICA AB (employee representative)
Total remuneration 2023/2024, SEK: –
Attendance at meetings:
Board meetings 12/17
Audit Committee meetings –
Investment Committee meetings –
Remuneration Committee meetings –
Sustainability Committee meetings –

Daniela Fagnäs
Deputy member
Employee representative
Unionen

Born: 1975
Education: Post-secondary education
Appointed: 2020
Previous significant positions: Board member ICA Sverige AB (employee representative)
Total remuneration 2023/2024, SEK: –
Attendance at meetings:
Board meetings 13/17
Audit Committee meetings –
Investment Committee meetings –
Remuneration Committee meetings –
Sustainability Committee meetings –

CORPORATE GOVERNANCE REPORT

ICA Management Team



Nina Jönsson

CEO ICA Gruppen. Employed at ICA 2010–2016. CEO from 2023.



Karin Andrén¹

Chief HR Officer (CHRO) ICA Gruppen. Employed at ICA and member of ICA Management Team since 2024.



Jan-Erik Hellman²

CEO ICA Real Estate. Employed at ICA and member of ICA Management Team since 2024.



Anders Bärlund³

Chief Strategy & Business Development Officer (CSO) ICA Gruppen. Employed at ICA and member of ICA Management Team since 2019.



Marie Halling

CEO ICA Bank. Employed at ICA and member of ICA Management Team since 2014.



Fredrik Lagercrantz

CFO ICA Gruppen. Employed at ICA and member of ICA Management Team since 2023.

Born	1965	1981	1975	1979	1963	1977
Education	MSc in Business and Economics.	Human Resources and Working Life.	MSc in Engineering Physics.	MSc in Engineering.	Master of Laws.	MSc in Business and Economics.
Other assignments	Board member Svensk Handel (Swedish Commerce), The Consumer Goods Forum and Svenskt Näringsliv (Confederation of Swedish Enterprise).	–	–	Board member and CEO Buildskill AB.	–	Chair of the Board AB Gullringsbo Egendom. Board member and owner Tre Bönder AB.
Experience	President and CEO Plantasjen Group 2020–2022. Chair of the Board, President and CEO HL-Display 2016–2020. Head of Assortment and Sourcing ICA Sweden 2010–2016. Procter & Gamble 1991–2010, including as Country Manager for P&G Sweden, Commercial Director at P&G UK, Head of Marketing Strategy for Eastern Europe, the Middle East and Africa at P&G Switzerland and P&G Russia.	Hennes & Mauritz 2011–2024, including as Head of HR Global Sales, Change Lead Region North, Head of Talent Management & Leadership, Global HR Manager Expansion. Electrolux 2007–2011, as HRBP. Länsförsäkringar 2005–2007, as HR Specialist.	Chair of the Board Järvastaden AB with subsidiaries, and Ursvik Exploaterings AB. Board member Stadsutvecklarna i Värtahamnen AB and Uppsala Citysamverkan AB. Various roles at Vasakronan AB (2010–2023). Head of Investments & Projects, SVP Property Development, Regional Manager, Business Area Manager, SVP Real Estate and member of executive management team (2017–2023). Associate Director Jones Lang-Lasalle 2008–2009. ICA Fastigheter 2002–2008.	McKinsey & Company (2004–2019), focusing on retail and consumer goods. Partner since 2013. Most recently responsible for McKinsey's work involving the retail sector's digital and commercial transformation in Asia, based in Manila in the Philippines.	Board member Svenska Bankföreningen (Swedish Bankers' Association). Swedbank (2005–2014), including as head of the Eastern region and member of Swedbank's Group Executive Committee, head of Retail Banking and Private Banking. FöreningsSparbanken (1996–2005), including as head of Corporate Banking FöreningsSparbanken Stockholm.	Board member MVB, family-owned construction company engaged in contracting, construction services, facilities and project development. CFO Attendo (2018–2023). Various positions within Business Control at Swedish Match (2009–2018). Project Manager at McKinsey & Company (2004–2009).

¹ Karin Andrén took up the position of Chief HR Officer on 1 April 2024. Until 31 March, Viva Fahlén was acting Chief HR Officer.

² Jan-Erik Hellman took up the position of CEO of ICA Real Estate on 2 January 2024. Mattias Lundgren served as Acting CEO of ICA Real Estate during the period from 19 June 2023 until Jan-Erik Hellman took up his position.

³ Anders Bärlund was on parental leave from September 2023 until the end of April 2024. During this time Jan Prokopec has been Acting Chief Strategy and Business Development Officer.

CORPORATE GOVERNANCE REPORT

ICA Management Team, cont.



Kerstin Lindvall

Chief Corporate Responsibility Officer (CCRO) ICA Gruppen. Employed at ICA since 1997 and member of ICA Management Team since 2016.



Eric Lundberg

CEO ICA Sweden. Employed at ICA and member of ICA Management Team since 2021.



Monika Magnusson

CEO Apotek Hjärtat. Employed at ICA since 2015 and member of ICA Management Team since 2022.



Peter Muld¹

Chief Information Officer (CIO) ICA Gruppen. Employed at ICA since 2016 and member of ICA Management Team since 2024.



Björn Olsson

Chief Corporate Communication Officer (CCCO) ICA Gruppen. Employed at ICA since 2004 and member of ICA Management Team since 2009.



Giedrius Bandzevičius

CEO Rimi Baltic. Employed at ICA since 2017 and member of ICA Management Team since 2022.

Born	1971	1978	1973	1975	1971	1974
Education	Agronomist.	Master of Media, polytechnic and Berghs School of Communications.	Pharmacist.	MSc in Business and Economics.	Master's degree in Political Science, Economics and Commercial Law.	Executive MBA, Baltic Management Institute. MBA Business Management, Marketing, Vilnius Gediminas Technical University. BSc Transport Management, Vilnius Gediminas Technical University.
Other assignments	Chief Corporate Responsibility Officer ICA Sverige AB. Board member Beijer Ref AB (publ), Mellanskog Ekonomisk Förening and Svenskmärkning AB, member of government advisory Swedish Delegation for Circular Economy.	Chair of the Board Svensk Dagligvaruhandel Ekonomisk Förening (Swedish Food Retailers Federation).	Chair of the Board MD International AB. Board member Apoteksföreningen (Swedish Pharmacy Association), SA Service AB and Svensk Handel (Swedish Commerce).	Board member GS1 Sweden AB and Approach AB. Chair of the Board of HappyTV AB, Capyard Holding AB and AB Cloud City.	—	—
Experience	Board member KRAV ekonomisk förening, UN Global Compact Sweden and Monitoring Board of the Swedish Chemicals Agency. ICA Sweden (1997–), including as Chief Corporate Responsibility Officer (2010–), Head of Environment & Social Responsibility (2002–2009), Quality Specialist (1999–2001) and Head of Environment (1997–1999). Swedish Board of Agriculture, coordinator for EU funding (1996–1997).	Board member Svensk Handel AB, SA Service AB and MD International AB (publ). CEO Apotek Hjärtat 2021–2022. President and CEO Kjell & Company 2018–2020 and many of its subsidiaries. Marketing Director Apoteket AB 2015–2018. Nordic Marketing Director Plan-tasjen 2010–2013. Head of Marketing Bauhaus 2008–2010. Head of Marketing Lidl Sweden 2004–2007.	Sales Director Apotek Hjärtat 2020–2022, prior to that Sales Manager (2016–2020), Format Manager and Business Developer. Various managerial positions within the pharmacy industry including Operations Manager Boots Apotek, Regional Manager Apoteket AB and Vårdapoteket, as well as roles within project management and skills development at the then Apoteket AB.	ICA Sweden: Director Strategy & Technology (2023), Director Strategy & Transformation (2019–2023), ICA Gruppen: Chief Digital Officer (2016–2019). Various leadership positions within IT & Business, for example CIO on SAS (2013–2016).	Head of Media Relations/Acting Head of Communications Svensk Handel (Swedish Commerce) (2000–2003).	Board member Investor Forum Lithuania. Senior Vice President Circle K Poland (2015–2017). Vice President and Managing Director UAB Statoil Fuel and Retail Lietuva (2012–2015).

¹ Peter Muld took up the position of Chief Information Officer (CIO) on 1 January 2024.

CORPORATE GOVERNANCE REPORT

Corporate governance within ICA Bank Group

The ICA Bank Group comprises ICA Banken (parent company) and ICA Insurance (subsidiary). As a credit institution and an insurance company, both companies have special financial rules and regulations to adhere to regarding governance, risk management and internal control. The boards of the companies have ultimate responsibility for ensuring that each company has satisfactory control over the risks associated with its operations and that the risk frameworks function in a way that does not jeopardise the companies' ability to discharge their obligations. The companies have a structure for corporate governance and risk management based on the principle of the first, second and third line of defence:

The first line of defence involves risk management and governance within the day-to-day business operations. It is the business operations that have the delegated responsibility for implementing each company's established risk strategy and for ensuring that the company stays within the parameters set by the Board of Directors.

The second line of defence consists of the Risk Control and Risk Management functions and the Compliance function which, among other things, oversee, control and report on the companies' risks and on the companies' compliance with internal and external rules. These functions report to the CEO and present reports on an ongoing basis to the CEO and Board. ICA Insurance also has an independent actuarial function, which also reports to the CEO and the Board.

The Risk Control and Risk Management functions are independent functions that are responsible for coordinating, supervising and monitoring the risk management conducted in the first line of defence to ensure compliance with internal and external rules. These functions are to provide support and advice to both companies' business operations in their risk management, and in the implementation of risk management and risk control rules.

The Compliance function is an independent function that is responsible for identifying areas where there is a risk that each company will not fulfil its obligations according to laws, regulations and other rules that govern the licensed operations, and to verify that this risk is managed by the functions concerned. Compliance also provides advice and support to each company's business operations and board, and verifies that the internal rules and compliance procedures are followed.

The actuarial function is an independent function in ICA Insurance whose responsibilities include examining the quality and methods used to calculate the technical provisions, the appropriateness of the overall reinsurance solutions and the adequacy of the company's insurance premiums and pricing models.

The third line of defence is Internal Audit. This is an independent auditing function that supports each company's board in its evaluation of management as well as risk management, governance and control within the operations. Internal Audit also reviews and evaluates the Risk Control, Risk Management and Compliance functions. For a more detailed description of corporate governance in these companies, refer to their websites.



CORPORATE GOVERNANCE REPORT

Data protection within ICA Gruppen

The Company pursues its data protection work with the aim of creating trust by always putting individuals' privacy at the heart of these efforts. The work is structured and continuous, and is led by the Company's Privacy Office that acts under the leadership of the Chief Privacy Officer (CPO). The Company follows a systematic work method to mitigate risks identified and to ensure that systems, processes and structures are continuously adapted to assure compliance with the data protection legislation in force as well as new practice within the geographic areas and sectors in which the Company operates.

A key aspect of maintaining and developing the Group's data protection processes is the administrative structure and governance that has been established. Governance is based on the Data Protection Policy and associated guidelines that the CEOs of the ICA companies are responsible for implementing. A newly established Data Protection Committee monitors the Company's compliance, advises on risk management and is responsible for the long-term strategy. In addition, the CPO reports on the data protection work on a regular basis to the ICA Management

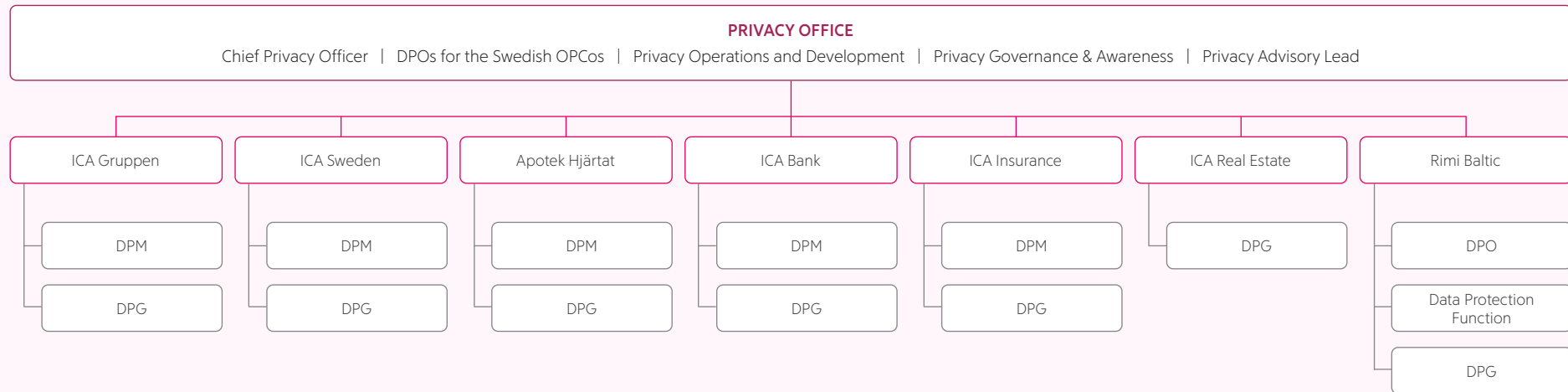
Team, while the data protection officers (DPOs) report to their respective companies' management. The administrative structure is based on the fact that responsibility for data protection lies with the various business area managers (known as data controllers), with a supporting administrative organisation. The supporting administrative organisation was revised during the year such that a DPO function was established under the Group-wide Privacy Office function, the ICA companies' data protection processes and support systems were centralised, and a coordinating advisory resource and responsibility for governing documentation, business intelligence and training programmes were centralised. In addition, a number of data protection experts, known as data protection managers or data protection guardians, work in business areas that process large volumes of personal data to support controllers in new initiatives, transfers and compliance. They work jointly together with the coordinated advice resource at the Privacy Office. These are to jointly ensure that the Company handles personal data in compliance with the data protection legislation in force and the Group's internal governing documents.

The DPO function of the Privacy Office prioritises and coordinates the management of identified data protection risks and the CPO reports these to the risk committee and the DPOs report them to the management teams of each ICA company. In certain cases, risks are escalated from the ICA company's risk group to ICA's Risk Management Committee in accordance with ICA's risk management process.

In 2024, the Privacy Office worked on establishing a more robust support organisation for the Swedish ICA companies, including efforts to set up a Data Protection Committee, and on various improvements in areas where risks have been identified after monitoring compliance within the Group or in connection with new data protection practices. Rimi Baltic continues to operate within the previous management structure.

The Company has a process based on ISO 27035 for dealing with personal data breaches. The Group's employees are constantly reminded of what constitutes a personal data breach and of what is expected of the employees in terms of reporting.

The supporting data protection organisation



The Board's report on internal control over financial reporting

This section has been prepared in accordance with the Annual Accounts Act and describes the Company's internal control and risk management in relation to financial reporting.

The Board of Directors is responsible for ensuring that ICA Gruppen has good internal control and processes to guarantee compliance with established principles for financial reporting and internal control. The Board is also responsible for ensuring that financial reporting conforms to the Swedish Companies Act, applicable accounting standards and other requirements applicable to companies with listed securities.

ICA Gruppen's work on internal governance and control over financial reporting is defined by the Group's "Framework for internal governance and control over financial reporting." The framework is based on the framework for internal governance and control produced by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).



1. Control Environment

A good control environment forms the foundation for an effective internal control system within a company. A good control environment is built on an organisation with clear decision paths, where authority and responsibilities are distributed based on governing documents and where there is a corporate culture with shared values. The Board's rules of procedure and the instructions for the CEO ensure a clear division of roles and responsibilities designed for effective control and management of operational risks. The Board has also adopted a number of policies and governing documents of significance for maintaining effective control, such as the Authority and Approval Policy, Risk Management Policy, Finance Policy, People Policy, Sustainability Policy, Business Ethics Guideline and Communication Policy. Management has also established guidelines for financial reporting and for preventing and identifying irregularities.

2. Risk Assessment

ICA Gruppen maintains a continuous dialogue with and within each operating company to ensure good internal control and to analyse operational risks. For a description of the Group's risks and risk management, see the section "Risks and risk management" on pages 185–190 of the Annual Report.

3. Control Activities

ICA Gruppen's internal control structure for financial reporting is based on established policies and guidelines. The point of departure for ICA Gruppen's internal control structure is the Group's business-critical processes, in which control activities have been implemented based on the assessed risk of errors in financial reporting.

4. Information and Communication

Effective and correct communication of information, both internally and externally, is important for ensuring complete and accurate financial reporting at the right time. Policies, procedures, handbooks and other matters of significance for financial reporting are continuously updated and communicated to relevant employees. The Group's Accounting function has direct operational responsibility for ongoing financial accounting and works to achieve application of the Group's guidelines, principles and instructions for financial reporting. Subsidiaries and operating units provide regular financial statements and report on operating activities to the ICA Management Team, which in turn reports to the Board of Directors. The Communication Policy and associated guidelines ensure that external communication is transparent, accurate, relevant and reliable, and otherwise meets the requirements for companies with listed securities. Financial information is provided regularly through annual reports, interim reports, press releases and notices on the Company's website, icagruppen.se/en.

5. Monitoring and Improvement Activities

The Board continually assesses the information submitted by the ICA Management Team and the Audit Committee. The Audit Committee's monitoring of the efficiency of internal control is of particular importance. As part of the monitoring process, Internal Audit and Internal Control report to the Audit Committee. These reports describe any deficiencies identified in internal control and the plan of action established to deal with these. The monitoring process thus ensures that action is taken to deal with any deficiencies and that proposed measures arising from internal and external audits are heeded.

Risks and risk management

Risks and risk taking are a natural part of ICA Gruppen's operations. A good understanding of the risks and continuous monitoring of changes in the risk profile provide good conditions for risk to be considered in a relevant way in decision-making, increasing the ability to achieve the Group's strategic objectives. An important aspect of corporate governance therefore involves continuous analysis as well as appropriate and effective management of the risks that may have a significant negative impact on ICA Gruppen's achievement of its objectives.

Risk management strategy

Through effective risk management in combination with efficient operations, ICA Gruppen aims to ensure that the organisation is resilient and has the capacity to manage both internal and external risks as well as threats of varying complexity and magnitude. This involves applying a holistic approach incorporating various capabilities and activities.

Possible undesirable future events are identified through **risk analysis** and the risks that are assessed as entailing significant negative impacts on the business are managed proactively. Identifying risks at an early stage and implementing **loss prevention measures** enables the prevention of undesirable developments, thereby improving the Group's potential to reach its strategic targets.

Should an undesirable event nonetheless occur, loss reduction measures must be implemented and **incident management processes** must be in place to prevent escalation. The Group must also have **crisis and business continuity capabilities** to manage, mitigate or limit the effects and ensure continuity in the delivery of goods and services. In addition, ICA is developing a **preparedness capacity** together with external actors such as the Swedish Food Retailers Federation, aimed at building a modern and resilient supply chain in the event of a disaster. The Group has

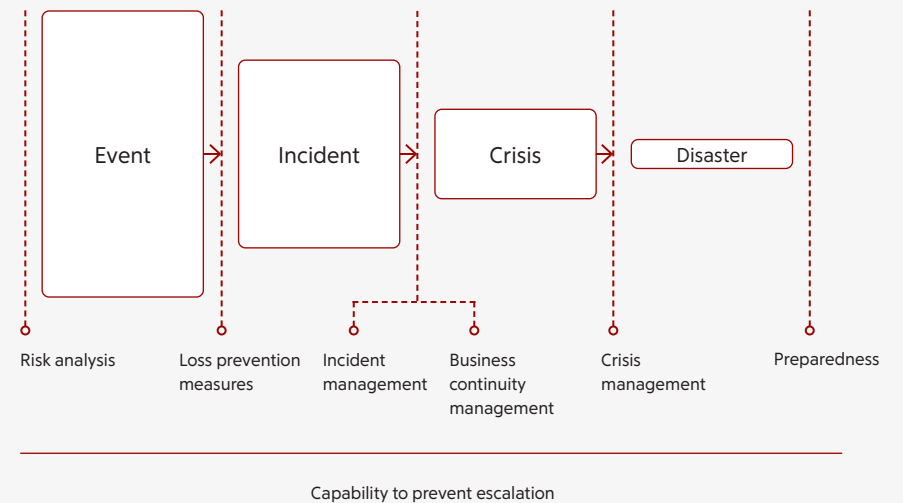
insurance programmes in place to provide financial compensation for losses, while **information security** is integrated in the risk management strategy. For more information about work on information security, see page 188.

ICA Gruppen's risk management framework establishes, among other things, the levels of risk that are acceptable and how risks that exceed these levels are to be reported to the ICA Management Team and the Board of Directors for decisions on risk management measures. Levels of risk are established by the Board of Directors and are expressed as a number of impact drivers which, along with the financial impact, are to be analysed and assessed with the objective of minimising the risk of the following occurring:

- A significant negative impact on trust in ICA Gruppen.
- A lengthy interruption in critical processes.
- A significant negative impact on the health and/or well-being of customers or employees.
- A significant deterioration in ICA Gruppen's long-term ability to attract and retain employees.
- A significant negative impact on human rights and the environment in ICA Gruppen's value chain.



Resilience



Risk management process

To ensure a good overview of the risks that the business is exposed to, ICA Gruppen has structured procedures for identifying, analysing, evaluating and managing risk in the form of an established Risk Management process. The process is an integrated part of the Group's strategy and business planning process. The process involves regularly identifying, analysing and monitoring the Group's main risks. In addition, risk analysis is performed on an ongoing basis in connection with large projects and significant changes in operations, before making significant investments, when new products and services are introduced that have a material impact on the business, and as an integral aspect of the Group's sustainability work.

Each company within the Group identifies, assesses and reports on its most relevant risks in conjunction with the strategy and business planning process, using the same method throughout ICA Gruppen.

Risk management organisation

There is also a Group Risk Management Committee, headed by ICA Gruppen's CFO. The Committee is responsible for maintaining an overview of the Group's risk exposure by providing guidance and governance. The Group Risk Management Committee is also responsible for reporting significant changes in the risk profile and for checking that risk management is sufficiently effective. Together with appointed risk specialists, similar committees within the subsidiaries ensure that risk management is coordinated and conducted effectively within each business. In addition there is a Risk function that coordinates the Group's risk

work and monitors compliance with the framework. It also supports the subsidiaries and strengthens the Group's risk management through training, by developing tools and by carrying out risk analysis in specific risk areas.

An overview of the Group's main risks is presented every six months to the ICA Management Team and ICA Gruppen's Board of Directors, along with measures to manage the risks.

Through regular meetings between the Risk function and the Internal Control and Internal Audit functions, any shortcomings found during scrutiny are shared. This improves efficiency in actions aimed at increasing risk awareness in the identified risk areas. For further information on internal control over financial reporting, see page 184.

On pages 187–190 some of the material risks identified within the framework of ICA Gruppen's risk management process are presented, along with the measures being taken to manage these risks.

Deterioration in the security situation

In recent years society has increasingly been marked by heightened security threats. The elevated level of terrorism threat and the increased prevalence of organised crime have been the primary examples of this. The increased security threat has been a factor that has affected the daily work of ICA Gruppen and our commitment to creating a safe and secure environment for employees and customers. This development has necessitated an adaptation of risk and security efforts to effectively address these challenges, which has entailed strengthening store safety and employee safety efforts during the year.



Risk categorisation

ICA Gruppen has chosen to place risks in four categories

Strategic risks

External strategic risks are risks relating to changes in society and include economic, political, market-related and demographic changes. *Internal strategic risks* are risks generated as a result of misjudgement relating to the business plan.

Operational risks

Risks relating to external events, weaknesses in internal processes and projects, IT infrastructure and systems, and employee-related risks.

Compliance

Risks relating to exposure to legal consequences and material losses as a result of non-compliance with laws, other external rules, internal policies or guidelines.

Financial risks

Risks relating mainly to foreign currency, financing, interest rate and credit risks and to errors in financial reporting.

Risk management – process and responsibility



Strategic risks

↗ Increased risk
→ Unchanged risk
↘ Decreased risk

Risk description	Trend	Management
<p>Market Dynamics Risk</p> <p>ICA Gruppen's business and products are heavily impacted by changes in the market. Major changes in consumption patterns and purchasing behaviour as a consequence of external factors could result in reduced market share, lower margins or greater pressure on prices.</p>	→	<p>ICA Gruppen continues to develop its ability to adapt the organisation and offering, so that it can also offer attractive products and services in the future.</p> <p>There were continued efforts during the year to manage price increases linked to inflation and ICA's responsibility to balance price adjustments throughout the value chain, focusing on value for money, customer loyalty and costs. Continued adjustment of prices, the product assortment, quality and services in line with customer demand is a priority and is achieved through constant dialogue with customers and by ensuring that sufficient resources are available for future investments.</p>
<p>Sustainability risk</p> <p>Expectations of companies have increased in recent years with regard to acting as a good member of the community and being transparent about how the business affects the world around it. European policy and legislation are driving greater transparency and responsibility for impacts on people and the environment throughout the value chain. Increased customer awareness about climate change, product origins, ethical positions and personal health is impacting purchasing behaviours. ICA Gruppen is expected to engage extensively in sustainability work and to be open about both the positive and the negative impact of its operations. If the community's trust in ICA Gruppen's sustainability work were to decline due to shortcomings in the handling of products or dubious supplier working conditions, or failure to act on risks swiftly, confidence in ICA Gruppen as well as the Group's earnings and attractiveness as an employer could be negatively affected.</p>	→	<p>Sustainability is a core aspect of ICA Gruppen's operations. The Sustainability Policy and its guidelines provide a framework, and performance in relation to overall sustainability targets is monitored and the results published in ICA Gruppen's interim reports. A fundamental element of the Group's work with sustainability is to work according to relevant standards and certifications for quality, the environment and social responsibility. ICA Gruppen's For a Good Tomorrow concept is used to communicate and provide greater insight into how the Group conducts its sustainability work in its focus areas: local, environment, health, inclusion and diversity, and quality. ICA Gruppen has worked strategically and operationally during the year in all five areas, with a particular focus on reducing food waste, lowering climate impact, innovation within the product assortment, and encouraging people to eat more fruit and vegetables. In addition the Group makes proactive efforts to constantly improve its ability to identify and monitor risks in the value chain, in line with the principles of corporate sustainability due diligence. For example, ICA Gruppen works with a number of defined high-risk ingredients based on the risk of negative impact on people or the environment, with sustainability certification being sought where such raw materials are used in ICA Gruppen's corporate brand products. The ICA stores also have an important role to play in their local communities. Their community engagement and a substantial focus on expanding the range of local products are helping to build trust in ICA as a good member of society. ICA Gruppen's collective efforts to support refugees and vulnerable groups in society – centrally, at individual retailers and through fundraising from customers – also contribute to this.</p> <p>Furthermore, drawing inspiration from the methodology of the TNFD framework, comprehensive mapping of nature-related risks for ICA Sweden was initiated in autumn 2024. The identification of strategies for managing the mapped risks will continue in the coming financial year.</p>
<p>Climate risk</p> <p>Climate change is already affecting ICA Sweden's operations from a value chain perspective and could involve significant risks for ICA Gruppen in the medium to long term. These include physical risks, such as the impact on the long-term conditions for food production in different parts of the world, and the effects of extreme weather that disrupts crops and deliveries and has impacts on properties/infrastructure. It also includes transition risks – in other words, risks associated with society's transition and efforts to counter climate change, such as regulatory risk or impacts on supply and demand. Identified climate risks are described in more detail in the section on TCFD on pages 128–129.</p>	→	<p>ICA Gruppen has been focused on strengthening resilience against climate risks in the operations, addressing risks related to properties and supply chain risks (see next page), and on reducing climate impact within its own operations for a long time; for example, through energy efficiency measures, transitioning to renewable electricity and refrigerants with a lower climate impact, and reducing emissions from transport and building materials, among other things.</p> <p>To develop its work to manage climate risk and to leverage the opportunities presented by climate transition, in 2021 ICA Gruppen began work on implementing the TCFD (Task Force for Climate-related Financial Disclosures) guidelines. As part of this, a general survey of climate risks were carried out and strategies for managing these risks were identified. In many cases the risks are mitigated by the strategies and ambitions that ICA Gruppen has adopted, such as ICA Gruppen's climate ambition, fuel strategy and energy strategy.</p>

Operational risks

↗ Increased risk
→ Unchanged risk
↘ Decreased risk

Risk description	Trend	Management
<p>Property-related risks</p> <p>To ensure access to attractive and appropriate retail locations, ICA Gruppen is engaged both in property development and in property management. Shortcomings in property development or insufficient maintenance could lead to violation of regulations and standards, could result in harm to people and/or buildings, could increase costs and could affect the value of the properties. Other factors that could have a negative impact on the Group's earnings are failure by tenants to meet their financial obligations and significant changes in consumption patterns.</p>	→	<p>ICA Real Estate is engaged in a constant dialogue with the tenants, and conducts inspections and makes significant investments to ensure that existing properties are well maintained and developed. Before decisions are made on major new construction or renovations, ICA Gruppen also conducts risk analysis to identify and reduce risks associated with property development. During the year climate risks were identified in order to minimise the risk.</p>
<p>Logistics risks</p> <p>Access to efficient distribution of goods is essential if the Group is to achieve its objectives. If ICA Gruppen were to be affected by significant interruptions, damage to facilities or other disruptions in the logistics chain, this could have a negative impact on ICA Gruppen and make it difficult to deliver products for a period of time.</p>	→	<p>There is an ongoing process to help ensure a highly robust logistics chain, for example through continuous plant maintenance, employee training and monitoring of procedures through self-assessment and risk inspections to ensure good order is maintained. In addition, the Group works in a structured way to ensure that deliveries can continue even if an unforeseen event occurs. Necessary resources are identified and plans are made for dealing with interruptions, e.g., in the electricity supply. Local crisis management exercises were also carried out during the year at ICA Sweden's logistics facilities, aimed at strengthening the local capacity to manage serious incidents and crises that risk impacting deliveries.</p>
<p>Supply chain risks</p> <p>The supply chain is crucial for ICA, and navigating supply chain risks plays a vital role in achieving the Company's goals. Future disruptions and uncertainties present a risk of negative impacts on ICA's supply chain. Such disruptions could arise from geopolitical risks, commodity price risk and climate risks.</p>	→	<p>ICA is continuously working to ensure an efficient and robust supply chain. The ongoing war in Ukraine has caused disruptions in the supply chain; something that has been effectively managed by ICA Sweden, Apotek Hjärtat and Rimi Baltic with minimal impact on the stores and pharmacies as a result.</p> <p>Proactive measures to identify, assess and manage potential risks, thereby ensuring the resilience of the supply chain in the face of future disruptions, are prioritised within ICA Gruppen.</p>
<p>IT-related risk</p> <p>It is crucial that we maintain a high level of digital resilience through effective security risk management if we are to achieve ICA Gruppen's digitalisation goals. Increased digitalisation means that traditional and industrial IT systems both face increased risk of disruption, interference and sabotage, which can have serious consequences. ICA Gruppen's operations depend strongly on having an efficient, protected IT platform. Any hacking of or shortcomings in the management of customer data, employee information or business-critical data could reduce trust and adversely impact the Group's earnings.</p>	↗	<p>ICA Gruppen's information security strategy comprises a key element of our development efforts and helps the business to meet the challenges posed by the changing threat environment. The strategy focuses on:</p> <ul style="list-style-type: none"> – Ensuring our systems and data are efficiently and sustainably protected. – Building a robust safety culture where all employees take responsibility. – Creating flexibility and agility to enable the adaptation of ICA Gruppen to new risks and threats. <p>Continuous monitoring and analysis of our operating environment enables us to stay one step ahead and to strengthen our security at the same time as we contribute to ICA's long-term stability and success.</p>

Cont. Operational risks

↗ Increased risk
→ Unchanged risk
↘ Decreased risk

Risk description	Trend	Management
<p>Critical competence</p> <p>ICA Gruppen's ability to attract talented employees is crucial if the Group is to develop in line with its strategic plans and shared ambition. The fast pace of change within the sectors in which ICA Gruppen does business and the extensive transformations continuously taking place within ICA's operations could affect the Group's employees as well as its capacity to attract and retain critical competence.</p>	→	<p>During the year ICA Gruppen continued its structured efforts aimed at continuous skills enhancement and increased opportunities for further development within the Group by means of targeted, relevant and customised skills development within critical areas as well as initiatives to recruit critical skills. Moreover, a shared learning platform is now available to all ICA Gruppen employees, including employees in retailer-owned stores, thereby enabling learning in many critical skills areas. The <i>skills supply and careers</i> feasibility study is in its final phase and forms the foundation for further strengthening ICA's future skills supply.</p>
<p>Risks pertaining to threats, violence and improper influence</p> <p>The operating environment's increasingly deteriorating security situation, heightened security in Sweden and established organised crime have adversely impacted ICA. ICA's business and the employees in the stores are exposed to growing levels of threat and violence in some parts of society. This could have an indirect effect on ICA's personnel in terms of their wellbeing and security, but could also affect them directly in the event of threats, improper influence and violent incidents.</p>	→	<p>ICA Gruppen has in-house security procedures and collaborates in this area with Group companies and with ICA-handlarnas Förbund. Risk processes and security procedures are structured and include preventive measures as well as a number of initiatives to improve support in the event of incidents, for example, background checks have been strengthened during recruitment. Active efforts are ongoing both to detect and to reduce the risk of improper influence. Processes are being reviewed and strengthened to make it more difficult for organised crime to use ICA structures.</p> <p>Although the number of store robberies is at a low level, the number of threatening situations has increased. ICA Gruppen is constantly working to further develop the support it provides to the stores in the form of new training programmes and advanced support when sudden incidents occur.</p>
<p>Brand risk</p> <p>A good reputation is a key factor in ICA Gruppen's success. A product that is harmful to health or otherwise inferior that is supplied by ICA Gruppen or sold through stores, pharmacies or ICA Bank could have a negative impact on ICA Gruppen's reputation. The same applies if ICA Gruppen, any of the Group's suppliers, distributors or other partners, or any ICA retailer, were to act in a way that conflicts with the values that ICA Gruppen represents or were to breach internal or external rules on the processing of personal data.</p>	→	<p>ICA Gruppen's framework includes various policies and guidelines to support the Group in its interactions with customers and suppliers, and in interactions between colleagues. Since ICA Gruppen's operations in Sweden consist of independent retailers who, to varying extents, also purchase products from suppliers other than ICA Sweden, the Group's ability to ensure adherence to ICA Gruppen's policies and guidelines can sometimes be limited. The continuous dialogue conducted between ICA Gruppen and ICA-handlarnas Förbund and the training offered to ICA retailers are resulting in increased understanding of and compliance with the values that ICA stands for.</p>

Compliance

↗ Increased risk
→ Unchanged risk
↘ Decreased risk

Risk description

ICA Gruppen's grocery retail, pharmacy, insurance and financial operations require special permits and are subject to ongoing scrutiny from various supervisory authorities. An inability to comply with laws or regulations, or changes in the application or interpretation of existing ones, could require ICA Gruppen to change its business methods, could result in the loss of operating permits or have unforeseen costs, and could affect the Group's good reputation among customers and shareholders. The significantly increasing regulatory burden within the sustainability sector also risks leading to unforeseen costs in the form of fines and negative impact on reputation.

Trend



Management

Adapting operations to changes in laws and regulations is an ongoing process and is achieved by monitoring relevant regulatory changes, through analysis and training, and by producing governing documents. ICA Gruppen also maintains a dialogue with the supervisory authorities to keep them informed about the Group's operations and to ensure compliance with applicable laws and regulations.

Financial risks

Risk description

ICA Gruppen's objective is to provide a strong and stable return in the long term. The ability to secure financing for the Group and to control financial exposure in line with policies and guidelines is essential if ICA Gruppen is to reach its targets.

Trend



Management

Financial risk such as interest rate risk, refinancing risk, liquidity risk, foreign currency risk, credit risk and commodity price risk are managed centrally by the Group's Treasury & Tax function in accordance with the policy set annually by the Board of Directors. For a more detailed description of established risk levels and how adherence to these is ensured, see Note 19 to the financial statements for the Group.



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Niclas Liedberg, Katja Ragnstam, Fredrik Schlyter, Jennie Smith, Frida Ström, Gustav Wallhult, Andrejs Zavadskis among others.

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