

Accounting Principles Tertial Reporting

Calculation Methodologies

E1 – Climate

Climate impact from customers' purchases – Food, ICA Sweden

The climate impact from customers' food purchases is measured in kg CO₂e per kg of food sold. It is calculated by dividing the total climate footprint of in-store food sales (measured in CO₂e) by the total in-store food sales volume (measured in kilograms).

The following assumptions apply to calculations within ICA Sweden:

- Total in-store food sales: Sales volume in kilograms of the central assortment sold in Swedish ICA stores.
- Climate footprint from in-store food sales: The climate footprint of food is derived from the RISE climate database, which is based on life cycle assessments and updated annually. The RISE dataset includes emissions from land use change (LUC).

Total sales are matched against the RISE climate database on a quarterly basis for the current year. ICA's food products are assigned CO₂e values based on product category levels defined in the RISE database.

For mixed product groups, a proxy value is applied (based on the product with the highest sales within the category). Products lacking a CO₂e value in the database are assigned a value using a mapping model algorithm that allocates the CO₂e value of a comparable product.

Climate impact from customers' purchases – Near-food, ICA Sweden

The calculation is based on extracted data of sold products, divided into 40 subcategories. Each subcategory is assigned an emission factor expressed as CO₂e per SEK.

Climate impact from customers' purchases – Non-food, ICA Sweden

The calculation is based on extracted data of sold products, divided into 43 subcategories. Each subcategory is assigned an emission factor expressed either as CO₂e per SEK or CO₂e per kilogram of product sold.

Climate impact from freight transport

This includes freight transport between ICA Group's warehouses and stores/pharmacies, centrally managed e-commerce deliveries, and inbound transport to warehouses. Apotek Hjärtat exclusively uses outsourced transport, including last-mile delivery. ICA Sweden uses

outsourced transport for the majority of shipments but operates a limited number of owned transports and owns most e-commerce transport operations.

For ICA Sweden, all contracted transport providers report distance travelled, fuel consumption by fuel type, and emission factors per fuel type.

The following assumptions apply to ICA Sweden:

- Diesel and HVO with less than 98% fossil-free content are treated as reduction obligation diesel and calculated using an emissions factor expressed in kg CO₂ per litre. From 1 January 2024, this applies regardless of emission factors reported by transport providers. The emissions factor for reference diesel from the Swedish Energy Agency is applied. For other fuels, transport providers' reported emission factors (based on supplier data) are used.
- From 1 July 2025, the fossil-free share is estimated at 11.4%. This estimate is based on the fossil-free share for 2024 reported by the Swedish Energy Agency ("Fuels 2024"). The calculation takes into account emissions factors for different fuels and the requirements to meet the legal reduction obligation. Emission factors and energy distribution are sourced from the Swedish Energy Agency.

For Apotek Hjärtat, transport providers report a mix of actual fuel consumption and estimated data based on distance travelled, along with emission factors for each fuel type.

The following assumptions apply to Apotek Hjärtat:

- Transport providers report emissions factors for each fuel type based on data from their respective fuel suppliers.

ICA Sweden and Apotek Hjärtat verify and register emissions factors annually against reference values from the Swedish Energy Agency. Emissions factors are based on a Well-to-Wheel (WTW) perspective.

E4 – Biodiversity and Ecosystems

Certified sustainable products

The share of certified sustainable products is reported as the proportion of sales (SEK) consisting of certified products relative to total sales.

Approved sustainability certifications include:

KRAV, MSC, EU Organic, GOTS, EU Ecolabel, BCI, Nordic Swan, Fairtrade, Good Environmental Choice, Rainforest Alliance, FSC, PEFC, ASC, Svenskt Sigill, UTZ, Bonsucro, Falken, Biodynamic Certification, Organic 100, Demeter, Better Cotton Initiative, Oeko, and Cosmos.

For Apotek Hjärtat, **Nature Organic** is also included. The share is calculated based on retail assortment sales (excluding OTC and prescription pharmaceuticals).

The “Välvald” label is reported as the share of products sold under the label relative to total OTC assortment sales.

E5 – Resource Use and Circular Economy

Food waste

Food waste is measured in accordance with the Food Loss & Waste (FLW) Protocol.

Food waste is calculated as: **Total food waste (tonnes) / Total food sold (tonnes)**

Food waste refers to food intended for human consumption that is not consumed. This includes:

- Fresh products
- Grocery items
- Fruits and vegetables

Both edible and inedible parts (e.g. peels, bones) are included. Packaging weight is excluded.

ICA Group’s food waste includes waste generated within its own operations:

- Store food waste
- Customer returns
- Warehouse food waste
- E-commerce warehouse food waste

Food waste compensated financially by external parties (e.g. suppliers) is excluded.

For ICA Sweden:

- Warehouse, e-commerce and store waste are based on actual data
- Store waste is based on a sample covering on average 87% of stores (may vary monthly)
- Remaining stores are extrapolated using a standardised model based on sales and average waste per sales value

From the end of 2019:

- Donated food is excluded

From 2021:

- Food sold as clearance or used in further processing is excluded

S3 – Affected communities

Share of Swedish-origin products

The share of Swedish-origin products is reported for ICA Sweden as the proportion of Swedish-labelled food relative to total food sales (SEK).

Sales are measured at store level based on the central assortment. For fresh and grocery categories, products labelled with: *From Sweden*, *Meat from Sweden*, *Milk from Sweden*, *Swedish Poultry*, *Svenskt Sigill* are included. For fruits, vegetables, and flowers: Country of origin “Sweden” is used. Wholesale sales data is adjusted to represent store-level sales.