



Making Convenience Sustainable and Sustainability Convenient

SUSTAINABILITY REPORT 2021

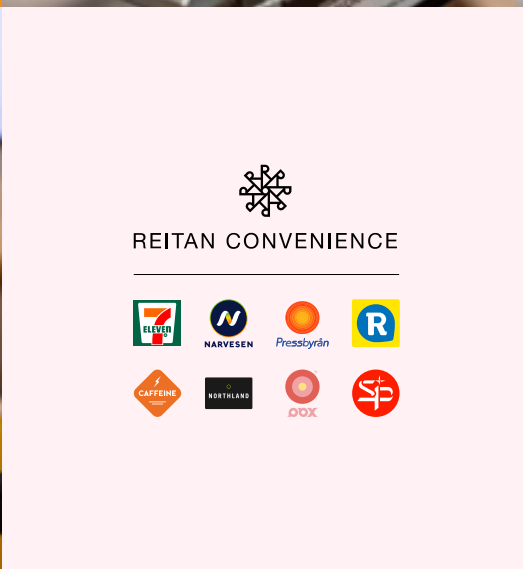
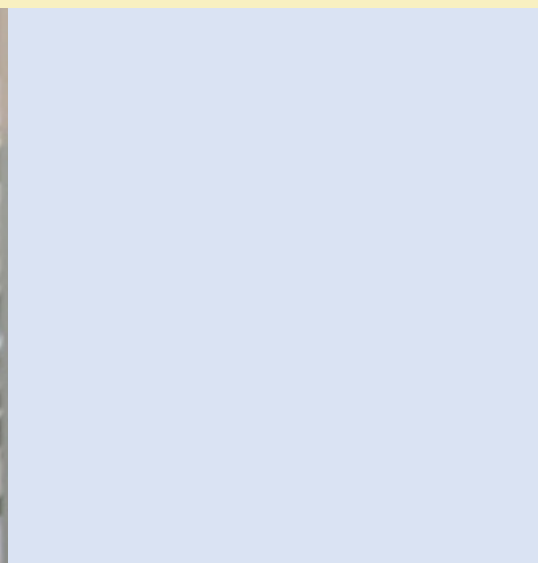


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About this publication

This report is Reitan Convenience official publication regarding Environmental, Social and Governance (ESG) performance. The information presented covers the fiscal year of 2021 and is an extension to the annual report. Due to recent changes in the organisational structure, the publication also contains information of the Governance from 2021 and beyond. This ESG-publication is aligned with the Global Reporting Initiative framework (GRI), Core option.

May 2022

Value driven convenience

Reitan Convenience is a value driven convenience retailer, operating in Norway, Sweden, Denmark, Finland, Latvia, Estonia and Lithuania. We hold a proud 128-year-long history and are specialised in franchise-operation within kiosk and convenience formats. Every day we serve food to go, baked goods, hot and cold beverages to customers in 2 002 stores in the Nordic and Baltic region. Our convenience business consists of the concepts Narvesen in Norway, Latvia and Lithuania, 7-Eleven in Norway, Sweden and Denmark, Pressbyrå and PBX in Sweden, R-kioski in Finland, R-kiosk in Estonia, Lietuvos Spauda in Lithuania and Northland in Norway. In addition to convenience, we operate coffee shops through the brand Caffeine in the Baltics, which has also expanded to one coffee shop in Norway and one in

Denmark. The operations also include distribution of press products in Latvia, Estonia and Lithuania to internal and external retailers, and rental of infrastructure on 7-Eleven energy stations in Norway and Denmark.

At Reitan Convenience we love what we do and aim to always bring the best possible service to our customers. We have made up our mind to do this in the most sustainable way possible. There is no other option, not for us, not for any industry. A business fit for the future is a business operating within the planetary borders. At Reitan Convenience we want to lead the change. We want to redefine our industry, to make convenience sustainable and sustainability convenient. For us, it's as a start on an exiting journey.



Core values

Reitan Convenience is a part of Reitan Retail. Reitan Retail is owned by REITAN and comprises the concept companies REMA 1000 Norway, REMA 1000 Denmark, Uno-X Mobility and Reitan Convenience. Collectively, REITAN represent 3 843 stores in seven countries. Reitan Retail has over 42 000 employees across the Nordic and Baltic countries. Reitan Retail aims to make everyday life a little easier and the world a little bit better.

Our culture is built on the REITAN mindset where collaboration, people and trust are in the centre. The core values guiding our business are the same in all seven countries where we operate.

Sharing the same values creates a sense of unity that we are very proud of in Reitan Convenience. We work towards the same goal. We have each others back, sharing experiences

and support. When things change, we act and adapt quickly, because we know being constantly up to date is the only way we can keep providing the best and most sustainable convenience possible.

1. We focus on our business idea
2. We keep a high business moral
3. We are committed to be debt-free
4. We encourage a winning culture
5. We have a positive and proactive mindset
6. We talk with each other, not about each other
7. The customer is our ultimate boss
8. We want our work to be enjoyable and profitable

* Persons includes personell in franchise stores.

Determined to challenge the industry

In five years, Reitan Convenience will be an even more sustainable company, one fit for the future. CEO Mariette Kristenson is looking forward to leading the change.

December 2021, Reitan Convenience launched Strategy for the Anthropocene, a new science-based sustainability strategy spanning across all seven countries. CEO Mariette Kristenson describes this as the beginning of a crucial and important transformation.

– We want to make convenience more sustainable and at the same time to make it convenient to be sustainable. We are moving away from what you could call business as usual towards a business fit for the future. A business that respects the planetary boundaries and prospers within them.

Mariette Kristenson is well aware that this transition is not going to be easy. It will for sure be a bumpy ride filled with challenges. A lot will change, says Kristenson, from the way we look at customer experience to the business models of today. And it will keep on changing all the time. Adjusting to a sustainable way of doing business requires working in a constant state of change.

– I know this may be frustrating and sometimes one may feel like giving up. But I am confident these changes will be for the better, for Reitan Convenience, our customers and for our planet. We must act with assurance and according to scientific facts. So many new possibilities lie ahead when we dare to address the complexity of the transformation, and continue to adapt, improve and change accordingly.

The overall Strategy for the Anthropocene is the same for Reitan Convenience in

all the Nordic and the Baltic countries. But the implementation may differ from country to country, depending on national laws and regulations. Mariette Kristenson emphasises that it is crucial to adjust and adapt accordingly but at the same time, try to lead the change.

– We are determined to use our position, our history, and our deeply rooted company values to rewire and challenge our industry. We want to lead by example.

One example of how Reitan Convenience drives change is the launch of the new convenience concept PBX in Sweden.

– PBX is our living lab where we can test our new, bold sustainability ideas. Products and routines tested in PBX can then be implemented in all our Reitan Convenience stores, says Mariette Kristenson.

Looking forward, Mariette Kristenson hopes that Reitan Convenience will go a long way in the next five years. By then, Reitan Convenience will have changed its whole way of working and inspired the same sustainable change in the convenience industry. Customers will feel comfortable shopping in Reitan Convenience store, knowing it is a healthy and sustainable choice.

– I truly believe that sustainable convenience is possible. We can make change happen, real change. But we have to be bold. That way I am convinced that we will be fit for the future.

Mariette Kristenson CEO of Reitan Convenience

Lives: In Stockholm, Sweden

Works: On the go, where needed for Reitan Convenience.

Time working for Reitan Convenience: 18 years.
CEO of Reitan Convenience since June 2021. Started as a trainee 2003.

Education: MSc in Business and Economics, Lund University. MBA, Stockholm School of Economics.

“We can make change happen, real change. But we have to be bold.”



Strategy for the Anthropocene – our framework

December 2021 we launched Strategy for the Anthropocene. It is a sustainability strategy fit for a business of the future. For convenience in a changing world, operating within the planetary boundaries.

The rapid growth and development that the world has witnessed in recent years has pushed us into a new geological era known as the Anthropocene. This development has been positive in many ways. People have longer lifespans, have better access to education and modern medicine, as well as enjoy many other positive aspects that our globalised world offers.

However, this rapid development has also had detrimental consequences on our climate and our environment. Today we're approaching what scientists describe as the "Planetary Boundaries". These boundaries support life on Earth and crossing them puts us all at risk of moving into an uncertain, possibly disastrous future.

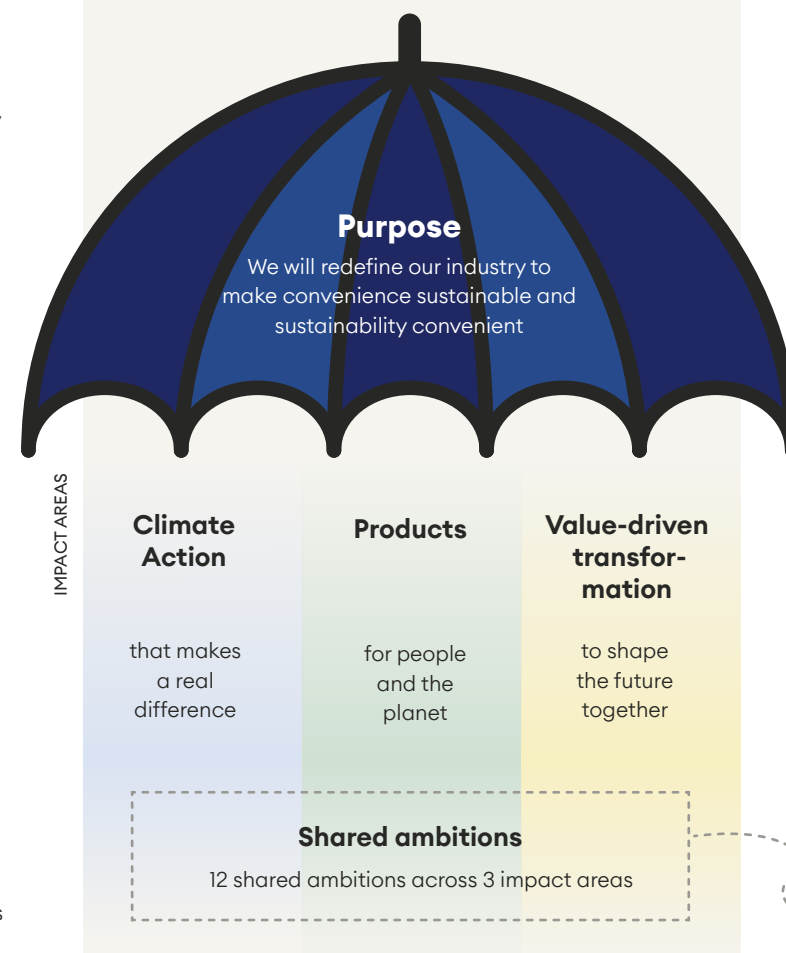
The challenges of sustainability are multidimensional and complex, spanning from the planetary scale to the individual. From issues such as climate change, biodiversity loss and freshwater scarcity, to gender inequality and human health. Common for these challenges is that they do not recognise national borders, which means that we need to work together to find solutions.

As our world is changing, we at Reitan Convenience simply must transition from business as usual to a business fit for the future in the Anthropocene. That is a future within the boundaries of our planet where all humans can reach their full potential. Not only is this shift imperative for our own continued success, but also for the opportunities of future generations.

The Strategy of the Anthropocene is the next step in the Reitan Convenience journey. We're determined to use our position, our history and our deeply embedded company values to rewire our industry. Our vision is bold - we want to contribute real solutions to the global grand challenges of our time, while continuing to thrive and grow as a business organisation. We are prepared and determined to lead the change towards the future of sustainable convenience.

Umbrella Strategy

and High Level Roadmap



Our guiding principles

To help us navigate our way forward, we have developed a set of guiding principles. These have roots in our philosophy and company values and add dimensions that are important to pave the way for a successful business future in the Anthropocene.



Our contribution to Agenda 2030

Our strategy holistically aligns with Agenda 2030 and its overall vision of taking action to build a better future. As illustrated below, our shared ambitions have links to several of the 17 sustainable development goals and their respective targets, highlighting what we aim to achieve by redefining our industry this decade.



Impact Areas

"Reitan Convenience must transition from business as usual to a business fit for the future in the Anthropocene. To do this we have developed 12 shared ambitions across three main impact areas:

1. Climate Action
that makes a real difference

2. Products
for People and Planet

3. Value-driven Transformation
to Shape the Future Together

Starting in 2022, these ambitions will guide us in our strategic and daily work."

Mariette Kristenson

Mariette Kristenson
CEO, Reitan Convenience AS



WHY THIS IS IMPORTANT

Climate change is the most pressing issue of our time. Reitan Convenience and every other business must rewire their operations in order to minimise the climate impact. At Reitan Convenience we understand that our operations directly impact the climate and that we also depend on a stable climate and environment for the future stability of our business. We have decided to act decisively on climate change in a way that will make a real, tangible difference, for us and for the planet.

IMPACT AREA I

Climate action that makes a real difference

Our Ambitions

At Reitan Convenience, we aim to be a company whose success does not perpetuate climate change. Rather, we aim to continue our success while contributing solutions to the climate crisis. Within Reitan Convenience we share the ambition to:

- Strive for climate action in line with the 1.5 °C target of the Paris Agreement.
- Engage with our suppliers and encourage them to set their own ambitious climate targets.
- Reduce unnecessary packaging and support a circular packaging system.
- Aim for zero food waste.
- Use low-carbon materials and renewable energy when building and operating our facilities.

The transformation that we're embarking on will not be easy, but we're confident that it will uncover opportunities for us as a business and for the industry as a whole. This is the future that we want to be a part of. Thereby, this is the future we want to contribute to creating.

Flagship Project: Design To Reduce Waste Throughout Our Operations (DRW)

Reitan Convenience's Flagship Projects, which are launching in 2022, are collaborative initiatives, spanning across all countries, aiming to accelerate the work of our shared ambitions. The Design to Reduce Waste is a part of our Impact Area I, and includes incorporating new, innovative design principles to reduce waste in our operations. Reducing waste in general benefits all our countries, and as there are varying structural barriers for waste management, innovation and design is key to solving these problems.

Carbon Accounting – Method And Definition Of Scopes

All calculations made in scope 1, 2 and 3 are made consistently in relation to the GHG Protocol aligned with recognised emission factor sources. Note that the scope 3 categories differ between the seven active countries. For more information, see GRI appendix page 10.

Definition of Scopes



All direct GHG emissions from sources that are controlled by Reitan Convenience subsidiaries. This includes emissions from transportation, stationary combustion, and refrigerants.

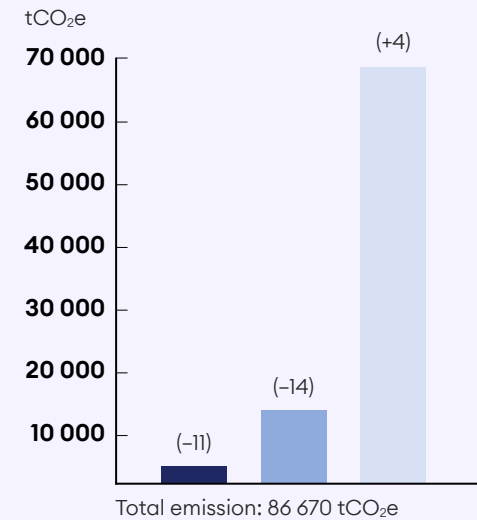


Indirect GHG emissions from consumption of purchased electricity and, where applicable, district heating for all company operated store and service offices.



Indirect emissions from upstream and downstream activities in the value chain. The scope varies for our countries. A complete and comparative scope 3 reporting is under development.

Scope 1, 2 and 3 emissions 2021



■ Scope 1 emission
■ Scope 2 emission
■ Scope 3 emission

(): Difference from 2020 emissions in %

→ The emission data reported for 2020 differs in this year's ESG-report compared to the data reported in last year's ESG-report. This is due to several reasons, such as adjusted conversion factor in the calculations and a broader and more exhaustive scope 3 approach. In order to increase comparability, RC has therefore recalculated emissions for 2020 based on the new method with more and broader data.

Roadmap: Climate Action

1.5 °C Target

- Emission mapping, calculation and reporting.
- Set Country Specific Targets and action plan for emissions.

Packaging

- Set country specific targets for packaging.
- Identifying best practice and innovative solutions, report and share progress.

Energy & Buildings

- Country specific targets for energy & buildings.
- Mapping efficient and innovative energy alternatives.
- Policy for sustainable principles.

Supplier Engagement

- Approach for climate action among suppliers

Food Waste

- Set country specific targets for food waste.
- Identifying best practice and innovative solutions, report and share progress.

IMPACT AREA II

Products for people and planet



WHY THIS IS IMPORTANT

Historically, the convenience industry overall has had limited control over the social and environmental conditions prevailing in the globalised supply chains behind our products. The current food system is a main driver pushing us towards the planetary boundaries. In addition, what we eat has a direct effect on our health, and dietary related lifestyle diseases are increasing across all seven countries that we operate in. Acting decisively to provide products that are good for people and planet will be central for our continued success. This area has lots of potential for finding positive synergies as we redefine the future of convenience. We want to provide our customers with healthy food choices in a way that is easy, reliable and sustainable. We believe this is the future of convenience.

Our Ambitions

At Reitan Convenience, we aim to serve the community with a product range that supports a balanced lifestyle and a healthy planet. Ultimately, we aim to innovate our assortment to start rewiring our supply chains and build a regenerative food system that is good for both people and planet. Within Reitan Convenience we share the ambition to:

- Review and align our assortment with the Planetary Health Diet, meaning:
 - Replenishing our assortment with more plant-based alternatives and reduce the amount of meat according to the Eat Lancet recommendations.
 - More fresh/local/organic produce.
 - Reduce levels of sugar and fat in our range.
- Map out and selectively source risk commodities in our range and supply chain such as palm oil, soy, cocoa, coffee and pesticide treated fruits to promote social and ecological sustainability globally.
- Promote animal welfare and ensure that animal protein is sourced in a safe way that counteracts antibiotics resistance.
- Seek new partnerships with innovative suppliers to curate an assortment in line with our ambitions while at the same time supporting regenerative farming systems.

Flagship Project: The Planetary Health Diet (PHD)

To advance our strategy, Reitan Convenience will embark on a set of collaborative projects. The first set of flagship projects is to be launched in 2022. One of them is drawing inspiration from the Planetary Health Diet to switch up our food-on-the-go assortment. The Planetary Health Diet is a science based dietary guideline presenting a diet that is both healthy for people and healthy for the planet. In essence, it's a mostly plant-based diet (but not a strict vegetarian or a vegan diet) which is sourced from a sustainable food production system. This project will draw inspiration from the Planetary Health Diet to alter content and proportions in the food-on-the-go items according to the diet's guidelines. Making these changes in the assortment is a relatively simple way to make a huge impact in all countries and markets, across a range of synergistic areas.



Roadmap: Products

Planetary Health Diet (PHD)

- Preparing by conducting supplier dialogues & building internal capacity.
- Mapping assortment from a PHD perspective.
- Set country specific targets for PHD assortment.

Animal Welfare & Safe Use of Antibiotics

- Animal welfare & safe use of antibiotics
- Preparing by conducting supplier dialogues & building internal capacity.
- Mapping assortment from an animal welfare/antibiotics perspective.
- Country specific targets for animal welfare and safe use of antibiotics.

Risk Commodities

- Preparing by conducting supplier dialogues & building internal capacity.
- Mapping assortment from a risk commodity perspective.
- Set country specific targets for category reconstruction.

Partnership

- Mapping innovative suppliers in order to reach PHD targets, and share insights.

IMPACT AREA III

Value driven transformation to shape the future together



WHY THIS IS IMPORTANT

At Reitan Convenience, we focus on the people. We believe in the potential in every individual, making sure that everyone is seen, heard and valued. We continue to build on a culture of inclusiveness, trust, and empowerment. We believe that this is the way forward, as sustainability ultimately is about creating a good life for all people within the boundaries of our planet.

Our Ambitions

At Reitan Convenience, we aim to draw upon our deeply embedded company values centering on the human potential to strengthen the communities that we serve. Collaboratively we build the society that we want to be a part of. Within Reitan Convenience we share the ambition to:

- Empower and build capacity in our team to become leaders of future convenience. With an empowered team, we will be in a stronger position to tackle sustainability challenges as well as other challenges ahead, share the responsibility among us, build individual agency and support innovation along the way.
- Reinforce our role as a responsible actor in society by lifting the "local hero" in stores, our offices or anywhere in between, who speaks up for what is right. This way, we will further emphasise and live our values of equality, inclusion, and diversity. This ambition demonstrates our values externally.
- Make sustainability convenient for all. We want to democratise sustainability by making it an accessible, easy choice for all customers. This way sustainability is the 'go-to' for us and our customers.

Flagship Project: The Local Hero Program (LHP)

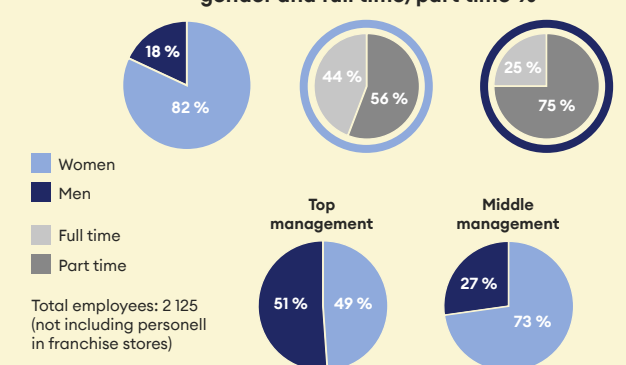
In 2022 Reitan Convenience will start developing their own Local Hero Program centering on the positive impact of our store managers in their

own communities. The Local Hero Program is intended to acclaim franchisees as heroes in their local contexts, by providing opportunities for engagement in issues that matter locally. This project builds upon Reitan Convenience's values which are central to the strategy and which all countries strive for. Being people focused is central to Reitan Convenience and all countries within.

Equality Check

We believe in an open and inclusive future and a more diverse workplace with equal opportunities for all. In December 2021, we initiated our first Equality Check. Everyone working at Reitan Convenience were asked to submit a review of how they experience equality, diversity, and inclusion at their workplace in each country. The Equality Check can be described as TripAdvisor for workplaces, where employees, franchisees and salespeople can anonymously provide a transparent picture of what it is like to work within Reitan Retail. The data provided by the Equality Check will give us a better understanding of the current situation and what needs to be improved for us to be an attractive employer and a responsible actor in society. We are convinced that if we can measure it, we can improve it.

Employees in the company by gender and full time/part time %



Roadmap: Value-driven transformation

Leaders of Future Convenience

- Identifying employee offer and creating a highly attractive workplace.
- Long-term competence assurance.
- Program to foster leadership.

Responsible Actor in Society

- Integrating sustainability and clarifying our desired role in society.
- Making sustainability convenient through 'Local Hero' program.
- Cross-border inclusion mapping and participation in societal discourse/policy dialogues.

Democratise Sustainability

- Replacing unsustainable products with sustainable products, thereto promoting and supporting sustainable choices.

Sustainable stories

Every day, we provide our customers in seven countries with the best possible convenience. Our service in more than 2 000 stores is framed by the Strategy for the Antropocene. Here are our sustainable stories.



Heading for the future of sustainable convenience

As we approach the planetary boundaries, sustainability is a prerequisite for business success, says Malin Eklund, sustainability director of Reitan Convenience.

In the end of 2021 Reitan Convenience finally launched the new sustainability strategy – Strategy for the Antropocene. The strategy is the result of a huge international effort, the joint force of an engaged team from Reitan Convenience in Norway, Sweden, Denmark, Finland, Estonia, Latvia and Lithuania.

– Our Strategy for the Antropocene addresses all major sustainability challenges that are relevant to us. Running a successful convenience business is becoming increasingly complex. We will need to deal with a range of issues that we have not historically been concerned with, including that we must transition from business as usual to a business fit for the future. This is the only way we can stay relevant in the game, says Malin Eklund.

Though this shift might seem like pure business logic, Malin Eklund underlines that it is so much more. The transformation of Reitan Convenience, is the transformation needed in every business on the planet. This is clearly stated in all scientific reports as well as in the United Nations 2030 Agenda for Sustainable Development.

– It is about creating opportunities, here and now, but also for future generations, says Malin Eklund.

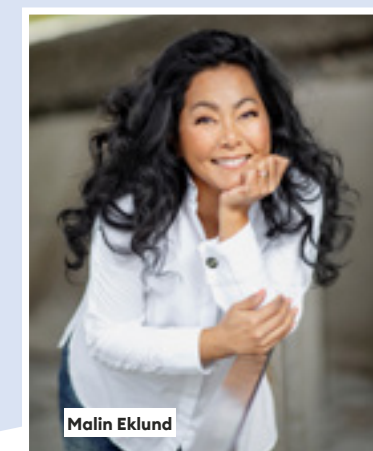
The Strategy for the Antropocene will serve as an umbrella for sustainability in all seven countries where Reitan Convenience operate. Based in these mutual goals, every country creates their own local roadmap of how to act upon these goals. Country managers and sustainability officers share their national experiences and offer support when needed. Malin Eklund is very clear, this is all about team-

work and learning. She wants the national businesses to, as she says, copy with pride. If something works in Estonia or Norway, it might work just as well in Denmark or Sweden.

– We can change faster that way! Operationalising our strategy is an opportunity for us as an organisation to learn the skills and mode of working that is necessary to succeed in the future. This potential goes beyond the issue of sustainability, and taps into issues of digitalisation, changing customer relations and much more, says Malin Eklund.

In 2022 she expects a lot of concrete action from her team. Try, test and adjust, is the way to go.

– We don't have all the solutions yet. But not knowing exactly how to do things cannot not stop us from doing them. We must stay science based. And I believe that leading the way towards the future of sustainable convenience will have huge benefits for us, society, and the planet, says Malin Eklund.





Norway



My sustainable story

Øyvind Thorsell has been a franchisee since 2005 and is one of our many true value-based leaders in Reitan Convenience Norway. Thorsell runs 3 Narvesen stores downtown Oslo and has a heartfelt passion for educating and developing the people around him. Each year he hires a new trainee.

– I try to find trainees who wants something more and gives me "the shooting star"-feeling. Commitment and motivation are crucial if you want to succeed. The trainees are hired for a two-year period and in the end, they receive their certification. When the trainees start working in my stores, I give them responsibility quite fast. In the beginning, responsibility can be uncomfortable for those who are not used to it. But suddenly I see them thrive and blossom.



Thorsell tells that continuous feedback, to build culture and celebrate every victory is important to create an environment where trainees and employees can grow.

– I am committed to building a team where we achieve our goals together. I want all my employees to know what opportunities there are within the Narvesen and Reitan Retail if you are motivated and work hard. Many of the former trainees run their own stores today and that makes me so proud.

Sustainability approach

It's been three years since Reitan Convenience Norway started the journey of defining how the company affects the climate, the environment and the society. The first strategic investment was calculating greenhouse gases and between 2018 and 2020 the carbon emissions were reduced by 10 %. Currently more focus lies on integrating sustainability across the value chain.

An important project for Reitan Convenience Norway in 2021 has been the work on our materiality analysis and our preparations for the reporting according to the GRI-standard.

The essence of this work has been mapping the opportunities and risks we are facing, as well as identifying our most important stakeholders and their primary areas of interest. This analysis has given us a good starting point for identifying our most business-critical areas, and it will provide direction regarding the relevant indicators which should be monitored going forward.

Our goal is to be a role model for the industry we are a part of and lead the change towards a more sustainable society, creating positive impact for people and planet on our way. We acknowledge that this huge challenge cannot be solved alone. An enthusiastic collaboration with other stakeholders such as suppliers, property owners, franchisees and employees are therefore crucial to move towards our goal; to make convenience sustainable and sustainability convenient.

Collaboration to make convenience sustainable and sustainability convenient

The coffee roaster Kjeldsberg is one of our suppliers who seeks responsibility through their value chain. Kjeldsberg Kaffe is the only Norwegian coffee roaster that exclusively makes

With 7-Eleven Market, we explore and challenge the convenience concept of the future. We will make customers' everyday lives a little easier. We want to make it easy to make good choices in a busy everyday life, both in terms of price, sustainability and healthy alternatives.

Mariette Kristenson
CEO, Reitan Convenience

UTZ/Rainforest Alliance, Debio or Fairtrade certified coffee. This ensures that their coffee is produced according to strict requirements within environment, agriculture, and social conditions. Their goal is to be transparent, and that customers and partners can track the value chain from the beginning to the end. They also contribute to positive development for people and the environment by making clear requirements and contribute to better collaboration and partnership.

In 2021 we arranged a digital leadership network for all the leaders in the Service office. The topics of the network were value-based leadership, communication, labour law

and Great Place to Work. Facilitating people's success and well-being in their daily work is an important responsibility that prevents sick leave and prevents exclusion. It is also an important response to our sustainability goals and in line with our values.

Developing our own brand into a sustainable future

The Reitan Retail owned brand Kolonihagen has taken a step further in making their food and production more sustainable. They have invested in innovative technology which increases the expiration date of bread by several days. It is done by removing the bread from the oven earlier and moving it to a vacuum cabinet where the pressure is lower which enables the bread to cool down and continue to cook simultaneously. This technology results in a crispier crust due to less moisture is being lost in the cooking process. It also decreases the energy usage by 50 %.

Social sustainability – We see the potential in every individual.

Great Place to Work: for more than ten years Reitan Convenience and Reitan Retail have been among the top five companies in the Norwegian Great Place to Work Award. We are proud to be awarded this certification from Great Place to Work as one of the most attractive and employer-orientated workplaces in Norway.

MOT: Reitan Convenience has a long-time partnership with MOT, an organisation that works to strengthens youth's robustness and quality of life. Strengthening youth's robustness is the key to a warmer and safer society and a safer world, with less ruining of people's lives and society. We are proud to be supporting their work for over 20 years.

Empower people: We invest time and resources in a thorough on-boarding of our new franchisees. This is essential for their further success. Our onboarding program include training in culture, value-based leadership, economy, sales and operations.



Reitan Retail develops sustainable food products within its own brand Kolonihagen.

More sustainable packaging and single use items

Plastic straws, cutlery and lids have been replaced with paper, wood and fibre-based materials. A measure that has been implemented to increase resource efficiency is that in all Narvesen stores, the customer can bring their own cup and fill it with coffee to a lower price. Another measure has been to reduce the thickness of plastic bags to save the environment 6 tons of plastic in per year. Furthermore, with our new grill heating bags we save 1,3 tons aluminum per year and can convert 6 tons of residual waste to paper waste.

Our sustainability approach is to purchase products that do not need to travel far, preferably from the Nordic countries and Europe. Additionally, we have implemented smarter packaging which has resulted in less materials needed and less disposal. With smarter packaging, more items can fit in the vehicle when delivering products, which equals less emissions.

Working to aim zero food waste

Our goal is to put all food waste to good use. For this purpose we are

collaborating with Too good to go. In 2021, the number of bags sold increased from 95 645 (2020) to 139 244, resulting in an increase of 43 599 bags of saved food.

Highlight from 2021: 7-Eleven Market

A new format store – 7-Eleven Market – was unveiled at the beginning of November 2021 in Oslo. The new store is a hybrid concept that combines the best of groceries and convenience, in line with expectations from the urban, conscious customer. 7-Eleven Market is the result of an offensive collaboration between the various concepts in Reitan Retail. The new store combines the convenience of a 7-Eleven with a top-up grocery offer from Reitan Retail's REMA 1000 brand, a soft discount store and major player in Norway.



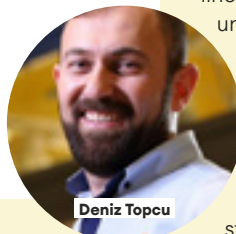
Sweden



My sustainable story

Deniz Topcu runs one of the Pressbyrån stores at Stockholm Central station. Every day he serves sandwiches, nut bars and other convenient snacks to over 2 000 commuters and travellers. In Deniz's store there are no disposable plastic products, and he aims to minimise waste in several innovative ways.

– Instead of throwing away food such as leftover buns and sandwiches or overripe bananas, we donate it to the non-profit association Hemlosa.se. They hand out breakfast to people in need every morning. It is our way of thinking and acting with the heart, says Deniz Topcu.



On the right are 12 promises that Reitan Convenience Sweden has made to realise these ambitions.

Highlights from 2021

At Reitan Convenience Sweden we take climate science very seriously and we work in several ways to change our operations to become climate neutral. January 2021 we joined the Science Based Targets initiative (SBTi), an initiative developed by CDP, the United Nations Global Compact, World Resources Institute and WWF, which aims to enable companies to set emission reduction targets in line with leading climate science. In September 2021, after undergoing the verification process, our targets were approved.

There is no doubt that we must adjust and meet the changes that are taking place in our world. This is a comprehensive journey of change, and we do it with great humility and determination, therefore it is a key step to get our climate targets validated and approved by SBTi. Since we know that our biggest emissions take place within the supply chains, we must ensure that our suppliers also calculate their emissions and set their own science-based targets. That way we can feel confident that they are working in the same direction as we do.

Supplier engagement is one of our key ingredients to success. A proof of that was the highly anticipated launch of the PBX store in the Albano area of Stockholm on October 14. Without help of many different partners and suppliers, the final result would not have been near what it was. PBX, which we often describe as our living lab, was created with an ambition of being the world's most sustainable convenience store. The main goal is to shape a business model which creates progress while adding value to the environment and the unity within the planet's boundaries. PBX allows us to fast track the testing of new innovative services and products to prepare them for launch in all our stores. This way PBX helps us to strengthen sustainability in all of Reitan Convenience.

Sustainability approach

Reitan Convenience Sweden passionately believes that long term success depends on constantly improving the sustainability work. For starters, we must abandon the idea that sustainability work is something that is too costly. Today, the opposite is true. A modern sustainability approach, if we do it right, will open new opportunities for developing our business.

Our Anthropocene strategy can be summarised by three thematic ambitions:

Sustainable & Healthy
Open & Inclusive
Value-driven & Long-term

Together, these ambitions cover important environmental and social issues related to the range of products and services that we offer, to our role in society and in our customers' lives, and to how we will take our own organisation into the future.



SUSTAINABLE & HEALTHY

1. PRODUCTION

By 2030, all our products, and services are made in a way that protects important ecosystems. We shall ensure good working conditions throughout our supply chains, and will actively engage to continuously improve workers' rights.

2. CLIMATE

Before 2030, we will cut our own emissions by half as well as those from our whole value chain. We will be well on our way towards a fully climate neutral business.

3. WASTE

By 2030, we have transformed our business to circular flows with the goal of reaching zero waste.

4. HEALTH

We will develop our product range and offering within food and beverage to better support health and wellbeing among our customers.



OPEN & INCLUSIVE

5. INCLUSION

We want everyone to feel welcome, regardless of gender identification, ethnicity, religious or other beliefs, disabilities, sexual orientation or age. In short, in our offices and stores, everyone should be appreciated for who they are.

6. SAFETY

By offering an open, safe and illuminated place in the public space, our stores make the streets safer.

7. OPEN

We promote reading, uphold the principle free speech and contribute to safeguarding good journalistic practice. This way, we push for a democratic development of our society.

8. LOCAL HEROES

Our stores will offer a sense of local community and a moment of joy in everyday life, in an increasingly globalised and individualistic world.



VALUE-DRIVEN & LONG-TERM

9. TRANSPARENCY

We will be transparent, both within our organisation, and toward our partners and customers.

10. EQUALITY

We will ensure equality and diversity throughout our organisation, from the service offices to all the stores.

11. DRIVE

We will continuously empower, build capacity, encourage self-leadership, and enhance trust among our employees and merchants. This is how we build an organisation with drive and a can-do attitude.

12. INNOVATION

By building a creative and innovative work environment, we will develop our business so that it has a genuinely positive effect on our planet and our societies.



Our business and our future depends on staying relevant to our customers. This is why we are determined to lead the way to the future of convenience, and build a profitable business within the planetary boundaries. Over the years, the key to our success has been that we have dared being brave, sticking our necks out and always put our customers' needs first. We will continue doing just that. And there is no need that is greater right now than coming together to create a sustainable future.

Anna Wallenberg
Managing Director, Reitan Convenience Sweden



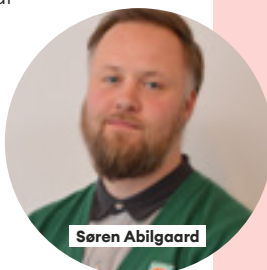
Denmark

My sustainable story

Søren Abilgaard has been in charge of a 7-Eleven store for five years. Several of his employees are employed in a "flex-job", meaning that the employees are not capable of having a job with normal hours and/or tasks due to diagnoses or permanent injuries.

– I have had employees in flex-job for many years and it is a fantastic setup for me as employer and them. I have three employees who work some hours in my store on weekdays. They handle well-framed operational work tasks in the store.

– They are doing this job so well and I cannot do without them. If they are sick or have a day off, I can feel it immediately. They are with no doubt the most stable employees I have. They really add something to the store and enable us to deliver the customer experience on the next level. At least as important, they get more out of it than just having a job. For them this is quality of life and make them feel appreciated and needed.



Søren Abilgaard

Sustainability approach

Reitan Convenience Denmark has had sustainability objectives on the agenda for many years and is working on several key areas of sustainable development. Short term action plans are initiated to achieve the long-term goals and targets that have been set to generate lasting impact on their key sustainability topics.

We are focusing more on what we can do now, and less on where we want to be in 30 years – in a Danish perspective. We constantly strive to make what we have full control over more sustainable and we are continuously looking for new ways to take steps in the right direction. Our efforts within sustainability have resulted in several measures being implemented and here we present some of them:

Sustainable packaging

Plastic straws, cutlery and lids have been replaced with paper, wood and fibre-based materials. Our plastic bags are made from at least 80 % of recycled plastic, and we try to make all single use packaging as sustainable as possible by, for example, using recycled PET plastic in all private label packaging. We also use FSC-certified paper and cardboard in all 7-Eleven packaging (paper bags, napkins, private label products) as well as for paper campaign materials to make sure we only use resources from sustainable forest management.

Animal welfare

All meat products in our private label products contains Danish welfare chicken or Danish welfare free range pork and we continue to raise our standards by continuously introducing higher levels of animal welfare in our products and keeping a dialogue with suppliers to increase the supply of welfare products.

Carbon footprint – emissions

We have also implemented resource efficiency measures to reduce our carbon footprint in our stores. We measure the core temperature in artificial product in coolers instead of air temperature in all stores. This reduces activation of compressors significantly. Additionally, water and electricity use in gas station stores are being monitored daily

through a third-party partner to identify faults and malfunctions. Other areas we are actively working on:

- Plant-based/meat free alternatives.
- Healthier products.
- Diversity, inclusion and equality.

The work we are doing on a long-term level within Reitan Convenience regarding goals and reporting is very beneficial for us because we are currently starting to merge the action approach with the high-level long-term approach which we think is the right way in how to proceed.

Highlights 2021

During 2021 our previous efforts with sustainability were acknowledged. We continued with measures that would strengthen our sustainability work and are in line with our long-term goals and targets. The following events took place:

- Rewarded as Plant Growth Company 2021 for our efforts with plant-based products.
- Focusing on giving start-ups with sustainable products space on the shelves in our stores to promote their products.
- Partnership with The Danish Cancer Society (Kræftens Bekæmpelse) on downsizing products 10 % in order to sell smaller portions and thereby fewer calories. In total 7 bakery products have been downsized so far, saving customers more than 130 million calories each year.



In order to sell smaller portions, seven bakery products have been downsized, saving customers 130 million calories each year.

2021 has been a good year for Reitan Convenience Denmark regarding our sustainable efforts. It has been a tough year because of the Corona situation but we have managed to come out very well sales wise and for me it is also satisfying to see how we have managed to take steps forward within sustainability. We continue to introduce higher levels on animal welfare in our products and we make our packaging more sustainable whenever possible. My highlights for 2021 is our partnership with The Danish Cancer Society, where we are working together on downsizing products. This means that we decrease the size of certain products with approximately 10 %. This saves our customers for hundreds of millions of calories each year. And the great thing here is also that we can use our savings in purchase prices to add even higher quality and more sustainable ingredients in our products.

Another highlight is that we were rewarded as Plant Growth Company of the year in 2021 for our efforts within plant-based products, which is also an important recognition for us and motivates us even more to increase the range of plant-based products in our stores.

Jesper Østergaard
Managing Director, Reitan Convenience Denmark



Finland

My sustainable story

During the holidays, many R-kioski stores participated in doing good locally. In December 2021 Salla Luoma, R-franchisee at R-kioski Tampere Tammela and Kaleva, and her staff together with their customers, donated hundreds of chocolate bars to the local charity.

– A big amount of chocolate was delivered to people in need. The organisation was moved by the substantial number and was thankful for the donations. In this way we were able to sweeten up Christmas holidays for many families, says Salla Luoma.



Sustainability approach

The sustainability work at Reitan Convenience Finland has a top management focus and is a natural part of their daily operations throughout the organisation. Our goal is to lead the change towards a sustainable society and become the most sustainable convenience business in our market. For example, we are working to make our products more sustainable. We only sell certified coffee, and in our R-salads we only use domestic chicken, free from antibiotics. Additionally, we have had support from a sustainability consultancy to get expert guidance and help in reporting.

Reitan Convenience Finland is actively supporting initiatives in social sustainability:

- R-kioski Does Good Locally Program is a well-established program and plays a vital role in our sustainability work. Through the program, we donate 2 cents for every hot dog sold to local associations. This way many local associations have received help in their operations. The support is targeted at associations that benefit the local community, selected by the franchisees and their customers.
- R-kioski Does Good in Sports Program. In recent years, there has been a lot of media coverage of athletes' lack of sponsors and limited support. Not all Finns are able to participate in their sport of choice, due to the costs. In addition, many competitive and even professional athletes struggle with the financial burden of aiming for success and committing to their sport. At R-kioski, we wanted to help them out, and since the start of the program in early 2021 we have already supported 10 athletes with a total of 30 000 euros.

During the midst of the COVID-19 pandemic we reacted with several sustainability actions to lift the spirit of our franchisees and customers. One example of this is our action of giving free buns and coffees to the heroes of healthcare, in our hospital stores. This was our way of appreciating them for their hard work during the pandemic.



We have achieved a lot this year and started to work in a more structured way. In 2020 we published our first ESG report with GRI enclosure and are continuing doing this in 2021. Sustainability has become a natural part of our daily operations and our progress has received great feedback from our franchisees, who see sustainability as very important. I'm also thrilled about the increased cooperation on a Reitan Convenience level, as it makes sharing insights and copying with pride even easier than before.

Ann-Charlotte Schalin
Communications, Sustainability
& Talent Management Director, R-kioski Oy

Highlights 2021

To generate real impact in the sustainability area, concrete actions are required, and we acknowledge that sustainability must be integrated in our daily activities. Currently, we focus a lot on climate action and have completed the following actions during the year of 2021:

- The Supplier Code of Conduct that we developed last year was launched and implemented and will guide our product portfolio in the future.
- Pilot project with the food waste app ResQ.
- Eco-action sticker in stores.
- Removal/reduction of plastics in single use products.
- Installation of LED-lights in stores.



Kr 761 MNOK
Turnover

923 People
(incl. stores)

229
Stores



Latvia



My sustainable story

Kaspars Vilnītis is a franchisee since 2014 and runs a Narvesen shop in Riga, Old town. Sustainability is a part of his day-to-day work in many ways.

– We use all possibilities offered by our local waste disposal. We sort cardboard and plastic products separately. Old newspapers are returned to the collection of wastepaper. Unfortunately, there is nowhere to put glass, aluminium, and food waste.

I look forward to it becoming mandatory in our country in February 2022. We always listen to the Zero Waste movement with their ideas on how we can become even more environmentally friendly.



– I always ask to be the first to introduce new sustainable products, and make sure my customers know about it. The first products I introduced to the range of my store were plant-based milk, vegan cheeses, and falafel.

Sustainability approach

As of 2021, the focus of sustainability is based on the Strategy for the Anthropocene. It has a strong focus on targeted implementation and on the three areas Climate action, Products and Value-driven transformation. We are working in close cooperation with industry experts, international experts, and representatives of all the Reitan Convenience countries. From now on we will be working with converting the high-level roadmaps into concrete action and operationalising our work through several cross-border collaboration projects as well as country specific roadmaps and capacity building efforts. Our focus for 2022 will be on assessing the current situation, setting precise goals, and developing an action plan to achieve the set goals. Another important step is the development and implementation of a Stakeholder strategy.

Climate action

Plastic straws, lids and bags for customers have been replaced with paper-based materials and disposable plastic cutlery has been replaced with reusable cutlery. We try to make all disposable packaging as sustainable as possible, for example we now have burger boxes without a plastic insert, our foam boxes are made from 100 % recyclable sugar cane, and we reduced plastic packaging for bake-off goods by –80 %. Our private label salad line products bowl now have compostable paper packaging and the PET-bottles for juices, cold coffee switched to recycled PET. Furthermore, we have installed LED-lights in Preses Serviss office and achieved a reduction of –20 % in packaging materials by streamlining processes.

Products

Regarding our product range we have implemented several measures in line with the sustainability strategy. We have introduced more fruit and muesli bars, the plastic free, vegan certified, biodegradable and sugar free gum "True Gum" is exclusively represented by Narvesen Latvia. We also have meat-free and vegan alternatives for certain dishes, and the

range is continuously expanding. Furthermore, there was an opportunity for us to extend the expiration dates by up to four days for sandwiches, salads, and soups to reduce food waste. We also focus on traceability of the products for us to ensure that for example burger cutlets have been produced in accordance with the principles of sustainable production. The traceability of products also works to increase animal welfare, optimise energy usage, and reduce waste.

Value-driven transformation

We care about our employees and therefore we have work group meetings where we discuss employee work-life balance and what the organisation can do to make employees feel even more valued. We also provide free vitamins during the winter months and free PCR-tests to all Support office, Preses Serviss and Caffeine staff. Vaccination points have also been set up specifically for Narvesen staff to promote overall vaccination rates.

In 2021 the service office performed an employee engagement survey which said that 88 % of employees are satisfied with their work and 84 % would recommend us as a good place to work. To maintain our position as a highly attractive employer, we increased salaries by 12 %, changed the bonus system for Caffeine employees and made health insurance accessible for free or to a reduced price. There is also a strong focus on gender equality and all genders are

guaranteed equal rights to run for various positions, their candidacy is evaluated according to uniform criteria.

Highlights 2021

During 2021 Reitan Convenience Latvia made several important actions to contribute to the society, such as:

Sponsorships and donations: We donated products and money to several organisations and causes. For example, products to provide support to doctors in the fight against COVID-19, and together with Preses Serviss and Caffeine we organised a charity marathon to help families in difficulty, people with disabilities and single pensioners. We also sponsored the Latvian Olympic Sailing School. Narvesen continues to be the biggest supporter of MOT Latvia, which is a foundation to strengthen youths' robustness.

Participation and initiatives: Participated in the "Big Cleanup" where employees are invited to take care of the environment and together, we helped cleaning the "Ulubele" animal shelter, in collaboration with Gjensidige the social responsibility campaign "Watch Me" was organised in which customers received reflectors at Narvesen stores. Another campaign "Visit us Wearing a Helmet to Get Coffee for EUR 1" was launched to raise awareness of the importance of the helmet when travelling by different means of active mobility. Many of the Narvesen stores also had water bowls for dogs.



As the leading retail franchise network in Latvia, it is important for SIA Narvesen Baltija to implement a responsible business policy. We believe that developing the company's sustainability is a way to lay the foundation for future growth and reduce its environmental footprint. In order to achieve this goal, activities aimed at responsible consumption, protection of the planet, gender equality and the promotion of diversity are an essential part of the company's DNA.

Dace Dovidena
Managing Director, Narvesen Baltija



Estonia



My sustainable story

Evi Laurimann is a franchisee at R-Kiosk. She is proud of the way she is able to reduce food waste and promote sustainable food choices in her store.

– Increasing sales and reducing write-offs go hand in hand, especially for fresh food. In cooperation with the Regional Manager, we plan the optimal assortment, delivery frequency and sales quantity so that the stock is sufficient and customers can choose their favorite product, which is always fresh. However, if there is food on the shelves with "use by" date on the day, we will mark it with a sticker "-50%" with a message "Treasure the good food" so that the customer can choose to eat this product immediately. Today the sticker has been in use for about nine months and it is clear that it has been accepted by customers and staff. No one likes to throw away food.

– Changing the way we think about ourselves and our customers means significantly fewer write-offs and less wasted food, and supports the principle of sustainability.



Sustainability approach

Reitan Convenience Estonia is implementing sustainability across its organisation step by step. We learn whilst doing and use specialists in any way we need assistance, input and help. This means that almost everything is done in a partnership with someone, for example a legal specialist, a nutritionist, a green organisation or a merchant guild.

The past year our internal training program helped the core team to prepare and to learn to think in a critical way towards green topics. This has resulted in the refocusing of our three brands and their values. This in turn is in line with Reitan Convenience's Sustainability Strategy and has already changed the way we work. It's also very informative to see how the Nordic countries, which are more developed than us, work with sustainability and acts as a key learning point in the way we work.

Most of the actions taken at Reitan Convenience Estonia have focused on switching from one material to another. The following efforts have been made:

- We swapped the conventional plastic lining in the coffee cup to a plant-based plastic lining.
- Regarding our plastic lids, they have been replaced with fully compostable fiber lids.
- The single use cutlery made by plastic has been replaced with compostable wooden cutlery.
- We swapped to fully recyclable and/or compostable hot food packaging, for example we are using VegWare which is a company producing compostable catering disposables entirely made from plant-based materials.
- We have also stopped offering plastic bags in the stores, only paper bags are given to customers.

All paper products are also FSC-certified to ensure that the material used in the products are sustainably sourced.



This year we have taken a leap forward mostly in our mindset regarding the way we think and approach decision-making when it comes to systems and processes within and around us. We realise that there is much to be done and it's definitely a huge challenge but it doesn't intimidate us the slightest. There is innovation happening in the world every day, we can and will contribute to it. On a more practical level we know that both energy sector and waste management are two of our most pressing issues. We will launch different initiatives and projects in 2022 with the aim to switch to sustainable solutions in both sectors. It is our goal to be part of the solution, not the problem.

Tiia Ilves

Managing Director, Reitan Convenience Estonia

A sustainability measure that is being implemented is balancing our food offer. Recipes have been reworked and labels updated according to UK's traffic lights system. The goal is to make our assortment healthier through lessening the calorie count, opting for higher protein value sources and possibly adding more meat-free alternatives. The first results from this project will be ready in 2022.

A sustainability measure we completed is the one-year internal training and learning program to understand and see sustainability opportunities in the workplace and life in general. The goal was to redefine all three brands, R-Kiosk, Caffeine and Lehepunkt, and (re-) launch brand books to guide us in the journey to sustainable convenience.

Highlights 2021

During 2021 we started a pilot project focusing on replacing single use cups with reusable ones in a coffee cup circulation system. This pilot was initiated in anticipation to July 2022 when the second part of EU regulation regarding single use packaging waste kicks in. The goal of our pilot project is to understand customer behaviour and expectations. Additionally, we also want to be ready with both IT-systems and internal communications as well as training by July 2022.





Lithuania



My sustainable story

Store manager Daiva Petkuvienė has worked for Narvesen for six years. She has been acknowledged as one of the best employees of the year.

– The main and most important step for our company today is to raise awareness and support the idea of sustainability. When implementing sustainability on a daily basis, at our point of sale, the key must be to conserve natural resources while reducing environmental impact. And I am very pleased that our company also contributes to reducing pollution and saving resources of nature.

– Today, we do a number of things. We have replaced plastic cups and straws with paper, and plastic cutlery with wooden ones. We reduce packaging, use recyclable packaging and encourage customers to use their reusable cups. We sort waste, use renewable packaging for take away meals, plan the quantities and delivery of food to reduce food waste. We apply promotions to expiring goods and exhibit such goods to customers. We turn off lights in rooms we do not use to reduce electricity consumption. Employees also use public transportation to work.



Sustainability approach

At Reitan Convenience Lithuania Sustainability is being implemented throughout the organisation of Reitan Convenience Lithuania. Since the launch of The Strategy of the Anthropocene, we are now setting measurable KPIs that allows us to follow up on our progress and make sustainability a part of our day to day business. We are constantly looking to implement real sustainability-related changes throughout the whole value chain. We want to involve and engage our employees as well as our customers. These are our main focus areas:

Sustainable stores

When developing new or reconstructing existing stores we are determined to achieve long-term sustainability by focusing on ecological, natural, and circular materials.

Energy efficiency

We initiated an independent energy efficiency audit, which provided us with specialised energy saving measures, such as integration of energy standard, building management and energy consumption analysis system and eco-driving solutions.

Better informed customers

Since 2021 we label all the allergens as ingredients in our coffee and food products, acknowledging that food allergy is not a rare condition in Lithuania and more efforts should be put on healthy and sustainable nutrition.

Food waste

Since no additional preservatives are used in our food products to ensure its freshness, a large part of our food only stays fresh for two days. The short expiration date raises the risk of food waste which we address with a two-fold solution: 1) by applying a 50 % evening shopping discount at all Narvesen stores, and 2) by offering evening Magic Bags (surprise bags containing products that should be consumed the same day) at all Caffeine cafés. Both these solutions are also meant to raise awareness on reducing food waste.

We are also continuing with the food waste initiative started in 2020 where coffee ground from our Caffeine stores is used as fertilizer for plants in the Vilnius municipality.

Employees' well-being

We care about our employees' safety, and we are proud of the fact that more than 90 % of our chain staff is vaccinated against COVID-19. During 2021 we implemented the following changes to improve employees' well-being and safety.

- We provide free flu vaccinations for all employees in the organisation.
- Changed to the remuneration and bonus system ensuring that our employees receive a fair, market-compliant remuneration.
- Reitan Convenience Lithuania has several partnerships to contribute to a social cause and the following presents what they have done so far:
- As members of the Diversity Charter, we have organised diversity training for all employees.
- Participated in international initiative DuoDay which highlights the positive contribution people with disabilities make at work.

Additionally, we provided training for people of disabilities on how to integrate in the job market, and how to prepare for job interviews.

Highlights 2021

Reitan Convenience Lithuania focused on environmental and social initiatives during 2021 and we are happy to share a few additional examples of what we managed to accomplish:

- Production facilities sustaining circular economy principles.
- At Reitan Convenience Lithuania we have launched the new food production facility where all food-to-go is prepared for both Narvesen and Caffeine chains. The uniqueness of this facility is that 100 % of the cooking equipment are second hand products.
- Bags for dogs (Caffeine): During the COVID-19 Pandemic, there were additional hygiene requirements to protect products and goods. We packed coffee lids, blenders and sugar in separate plastic bags and asked our customers to not destroy these bags while unpacking the kit since these bags can be reused as a means of collecting dog excrement. This idea was proposed by a customer and generated a lot of positive feedback.
- Sponsoring Healthy lifestyle initiatives (Narvesen): To contribute to health improvement of our society and increase awareness of products of protein origin from Narvesen, we financially support public events that promote a healthy way of living such as "Vilnius Marathon" and "A Move That Changes" – events dedicated to walking, running, badminton tournaments and similar.



This year is special because of the joint efforts of all countries from Reitan Convenience to create a common sustainability strategy. The strategy will have an impact on the further development of this area, and build us as a sustainable organisation responsible for the environment around us. I could not be prouder of working at this important time for Reitan Convenience while creating sustainable convenience together with colleagues all over the countries.

Lina Kaminskaite

Head of Marketing, Reitan Convenience Lithuania

