Reitan Convenience

Sustainability Report 2023

REITAN CONVENIENCE

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This report is Reitan Convenience’s official publication regarding Environmental, Social and Governance (ESG) performance. The information presented covers the fiscal year of 2023. This ESG-publication is in accordance with the Global Reporting Initiative framework (GRI).

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REITAN CONVENIENCE SUSTAINABILITY REPORT 2023

A NEW KIND OF SUSTAINABILITY REPORT

This report takes its starting point in a quantitative multi-dimensional sustainability analysis of our assortment. It aims to move beyond the current standards on transparency, and help us on our journey towards making convenience sustainable and sustainability convenient.

AT REITAN CONVENIENCE we often say that "you cannot sell coffee on a dead planet". While perhaps a bit cliché, this saying reflects our firm belief that our continued business success relies on a healthy planet with functioning ecosystems. This year, we have tried to put together a new type of sustainability report that aims to move beyond the current standards and help us on our journey towards making convenience sustainable and sustainability convenient.

"we are finally in a position to report in a more holistic and data driven way on our sustainability performance"

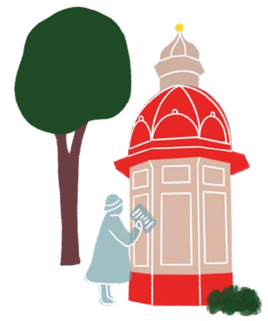
BUT WHAT DO we mean by a new type of sustainability report, and what is the point of doing this now with the Corporate Sustainability Reporting Directive (CSRD) just around the corner? While we have been proud of the sustainability progress we have made and reported on previously, we have lacked the data to provide a holistic account of our business and its impact on people and our planet. We used to report in a more conventional way. The earlier reports focused quite a lot on our visions and targets, and actual progress was reported on mainly in an anecdotal way by highlighting our success stories. That type of reporting makes it very difficult to compare our sustainability performance to other companies, but since we lacked systematised sustainability data this was the best we could do.

TO COUNTERACT THIS type of problem, and make companies' sustainability progress reporting more comparable, the EU is now implementing CSRD. This law intends to improve the quality, reliability, and accessibility of corporate sustainability information. Two years ago the Norwegian Transparency Act, Åpenhetsloven, came into action, which requires us to report on and proactively handle risks for human rights violations in our value chains. Last year the EU Deforestation Regulation (EUDR) was adopted to prevent European consumption from further aggravating tropical deforestation.

WHAT WE SEE here is a huge trend of transparency and traceability unfolding. Although it will be challenging to meet these requirements for everyone in the retail business, we embrace this trend as we are convinced that the future of convenience will be sustainable. However, companies like ours will need to manage a potential trade-off between spending resources on fulfilling new compliance demands and investing in the level of innovation required to successfully navigate the sustainability transformation.

OVER THE PAST years, we have worked hard to build a structured approach to collecting sustainability data in multiple dimensions for all products in our assortment, integrating this with our financial data. While there are a lot of work remaining, we are finally in a position to report in a more holistic and data driven way on our sustainability performance, across the seven countries that make up Reitan Convenience. This report is a genuine attempt at being transparent with who we are, what we do, and the impact this has on people and the planet as far as we know. The report takes its starting point in a quantitative analysis of our assortment. It centres on the products we sell as a large part of our footprint arises from the production and consumption of these products. Not only does this analysis help us identify our strategic priorities for the year to come, but the work we have done collecting and structuring this data also helps us prepare for the reporting requirements ahead.

WHAT YOU ARE seeing on your screen or holding in your hand represents a very exciting step for us towards the future of convenience. We are determined to lead the change in our industry, and hope to inspire others with the approach we take in this year's sustainability report.



Malin Eklund and Mariette Kristenson

A CONVERSATION WITH OUR CEO, MARIETTE KRISTENSON, AND OUR CSO, MALIN EKLUND:

A BUSINESS FIT FOR TOMORROW

This has been a good year for Reitan Convenience. People are out and about again, the streets are full of life, and our business has finally recovered from the covid years. Now we look forward of seizing the business opportunities of sustainable convenience.

OVERALL THIS HAS been a really good year for us, says Mariette Kristenson, CEO of Reitan Convenience. Although the macro-economic situation has been challenging - our suppliers' costs are rising at the same time as our customers have less money to spend, leaving us a bit squeezed in the middle - it has not been the same kind of crisis for us that we experienced during the pandemic. People are out and about again, the streets are full of life. We see that in our stores.

OUR BUSINESS IS centred around making it easy and convenient for people to be on the go, adds Malin Eklund, CSO of Retain Convenience. When you need a coffee on your way to a meeting, when you need to get your kid a snack before soccer practice, or when you are on your way home and realise that you are out of milk, it is our job to make sure you find it on your way. Our customers' demand for quick and convenient solutions works as a constant motor for innovation for us.

EXACTLY, AND I feel that we have had more peace of mind this year, to focus on that and having our customers and our own development at the centre of our attention, Mariette continues. We have finally been able to roll out and test things that we developed during the pandemic, like the new store concepts for 7-Eleven. In some markets such as Denmark and Sweden, we have added new store locations. In other markets, such as Finland and Norway, we have optimised our portfolio of stores. In the Baltics, we have had very strong growth this year, with all-time high results in Lithuania and Estonia, and Caffeine being the most competitive player in the café market.

”I am particularly proud of our merchants”

I AM PARTICULARLY proud of our merchants who run the stores, Mariette continues. They have always been very responsive and quick to change, and while they understand that our sustainability transformation will require major work, they are very positive. I find their outlook on the future inspiring. Throughout the years they are the ones who have ensured that we have been able to adapt and transform to new needs and expectations. I am convinced it will be the same thing here, and that the sustainability journey that we have started will make us even more competitive, and our stores even busier, in the future.

MALIN EXPANDS: WE know that our future lies in a profitable business within the boundaries of our planet, where our customers can enjoy an on the go assortment with a good conscience. But what we are talking about here is systemic change. We are part of a global food system. A system that is currently responsible for a third of the global climate emissions, the main driver for deforestation and loss of biological diversity and the main global user of freshwater. Just as in any grocery store today, most of the products that we sell are not our own, but come from large multinational companies, with sourcing and production all over the world and global supply chains that are very difficult to trace.

THE CUSTOMERS ARE used to these products and brands. When they enter a convenience store there is an expectation on what should be on the shelves and at what price. So leading the change in our industry, towards a future of sustainable convenience, means that we have to work with the suppliers to develop tasty and delicious alternatives, that are climate-smart and sustainably produced, healthy and at the right price. At the same time we have to work at the consumer side to accelerate the demand for these new products.

THAT IS SO true, says Mariette. We have to work with both suppliers and customers, and we have several examples of us taking on this role over the past year, from Sweden launching a new very ambitious code of conduct to all its product suppliers, to Estonia changing one of its standard hot dogs from beef to chicken with very positive customer responses and an important CO_2 impact. I think the major investment that we have made in both sustainability and analytics over the past two years, is now starting to pay off. We have never before had such a good overview of both our problems and our opportunities, and we can finally start making data-driven decisions.

BUT ADMITTEDLY, THE consumer side has been more challenging than we expected, Mariette continues. Transforming our business is about balancing long-term and short-term interests. We have to keep the right pace to stretch ourselves as far as possible but at the same time involve our supplies and our customers in the change journey. Moving ahead too fast will leave us without products, or without customers, or both. We will lose business, and risk the jobs of all our co-workers and franchisees. Moving ahead too slowly means we will risk not being able to sell coffee at all, from a planetary perspective, and will make us lose competitiveness in a rapidly changing business landscape where we face sustainability related value chain risks, new types of regulation and changing expectations from the market. So while it is a bit frustrating not being able to run as fast as we want, navigating this balance is absolutely business critical for us.

THIS BALANCE ACT is required from us internally as well, Malin reflects. To make convenience sustainable and sustainability convenient - which is what we aim to do - requires a lot of change in our organisation as well. From individual decisions and behaviours, to team collaboration and leadership. But what I find a great comfort in here, is our values. Our owner Odd Reitan has said that those following in the footsteps of others never arrive first. That kind of fearless thinking is inspiring for me when I look forward to 2024. When we think about the sustainability transformation we think about our business opportunities for the future, not primarily about regulations or reporting, but looking beyond these also means freedom to think new about our business and what the future holds for us.

”those following in the footsteps of others never arrive first”

MARIETTE CONCLUDES: YES, our culture and our values really is the key here, and the fact that we are so aligned with our owners when it comes to the importance of sustainability. It strengthens us to be able to join forces with the other business areas in Reitan Retail on important issues such as the phase out of palm oil and scope 3 climate action. One of the pillars of our sustainability strategy - our Strategy for the Anthropocene - is "Transformation to shape the future together". It must be us, across all seven Reitan Convenience countries and all of Reitan Retail, together with our suppliers, our dear franchisees and our customers that take this journey together. While it is a bit demoralising that the world seems to be heading in the wrong direction at this point, my perspective is that the only way is up. I look forward to us becoming even more courageous in 2024, daring to make even greater changes in product development, customer offerings, and sustainable solutions.

A LEADING CONVENIENCE OPERATOR:

ACROSS THE NORDICS AND BALTICS

Convenience is increasingly focused on food and drink to go and providing the services that people on the move need today, and will be even more in the future.

REITAN CONVENIENCE AS is a wholly-owned subsidiary of Reitan Retail AS. Reitan Retail consists of four business areas; Reitan Convenience, REMA 1000 Norway, REMA 1000 Denmark, and Uno-X Mobility. Reitan Retail AS is owned by REITAN AS, which is owned by the Reitan family, consisting of Odd Reitan, Ole Robert Reitan, and Magnus Reitan with his family. With a mission to make life a little easier and the world a little bit better, Reitan Retail operates 3,639 stores across the Nordic and Baltic countries. At the heart of the business is a unique franchise model, and the rock-solid conviction that the customer is the ultimate boss. In total these operations employ more than 45,000 people.

> *"making life a little easier and the world a little bit better"*

AS PART OF Reitan Retail, Reitan Convenience (RC) is a values-driven convenience operator, with subsidiaries in Norway, Sweden, Denmark, Finland, Latvia, Estonia and Lithuania. All together we are some 12,000 people in our support offices and stores. We are proud of our long history, specialising in kiosk and convenience formats, nowadays also including coffee shops.

IN NORWAY, LATVIA, and Lithuania, we operate Narvesen. In Norway, we also operate Northland, focusing on baguettes and a variety of hot and cold foods, and as of recently, also INNOM. We are the franchise provider of 7-Eleven in Norway, Sweden, and Denmark. In Sweden, our portfolio also includes Pressbyrån and PBX, the latter being our living lab for innovation in sustainable convenience. Finland has R-kioski and Estonia is home to R-kiosk, both aiming to be the go to shops for all customers on the move. Our operations in the Baltics also feature Caffeine coffee shops, where we focus on quality coffee and the ultimate café experience. We also engage in press distribution in this region.

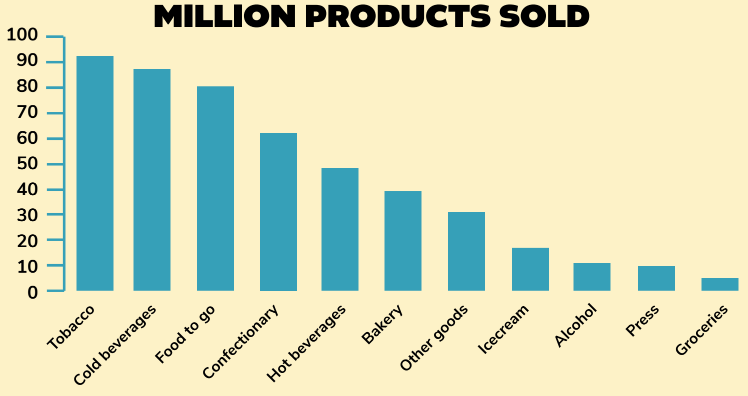
EVERY DAY WE meet more than 800,000 customers in our 1,769 stores across the Nordic and Baltic countries. We serve them hot and cold beverages, food to go and baked goods, confectionery and ice cream, as well as a range of convenience products and services such as newspapers, tobacco, and package deliveries. Our top-selling categories are represented in the chart below. While in the past, convenience was more about selling tobacco, newspapers, and bus tickets, our operations today are increasingly focused on selling food and beverages as well as providing the services that people on the move need today, and we aim to grow the food to go segment even further in the future.

WITH AN ANNUAL system wide sales for 2023 at 16.5 billion NOK, and an operating profit of 213 million NOK, we are now finally past our pre-Covid numbers for system wide sales. Our business was hit hard during the pandemic in 2020-2021, also affecting the first quarter of 2022, as people moved around less in society and public transportation and commuting declined dramatically. 2022 was further characterised by the Russian invasion of Ukraine, and the effects on global food prices and energy. We don't believe society will ever "go back" to the type of predictability that we saw before Covid, but it is heartwarming to see bustling streets again, and our convenience stores and coffee shops full of people.

1,769 stores

11,954 people

MILLION PRODUCTS SOLD







IT'S THE INDUSTRIAL REVOLUTION OF OUR TIME

While the sustainability transformation will be challenging, especially for us in the food sector, there are huge business opportunities for companies who find solutions that can contribute to a better future. The analysis and progress that we present in this report is the result of an intensive two and a half years of building strategy and mobilising our organisation for change across all seven countries.

WE STARTED TO accelerate our joint sustainability journey in 2021. Before that the country organisations mostly engaged in individual sustainability initiatives. The first step in building our joint Reitan Convenience strategy was a science-based macro-trend analysis where we tried to evaluate to what extent our current business contributed to pushing our planet towards its boundaries. That is to what extent our operations contributed to climate change, biodiversity loss, freshwater scarcity and so on. We also tried to assess our social impact, both through the production and the consumption of the products that we sell, and through the physical presence of our stores and our daily encounters with customers.

"we want to redefine our industry to make convenience sustainable and sustainability convenient"

THE ANALYSIS FURTHER looked at how our business was impacted by a set of Anthropocene trends, for instance how climate change would lead to value chain volatility for us, and the new types of sustainability-related regulations that would apply to retail companies in the coming years. This analysis is an example of what is now commonly referred to as "double materiality" thinking, i.e. understanding the role of our business in a hyper-connected global system.

THE MACRO-TREND analysis formed the basis for our "Strategy for the Anthropocene", through which we aim to "Redefine our industry to make convenience sustainable and sustainability convenient". This strategy is intended to position us for success and profitability in a rapidly changing business landscape, by helping us navigate new types of value chain risks, stay one step ahead of the regulatory curve, and make us ready to meet new expectations from the market. The strategy has three impact areas, which become concrete through a set of twelve joint ambitions. At the centre of our strategy is our assortment, since it is through the products that we sell that we primarily influence our planet and people's lives.

A future-oriented sustainability strategy that builds on double materiality thinking

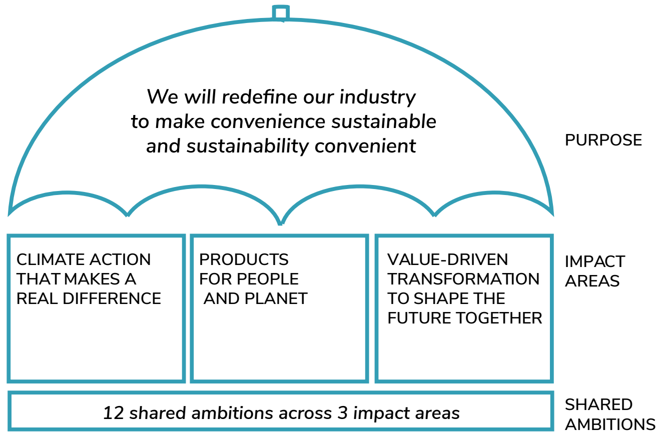
OUR FIRST IMPACT area is Climate action that makes a real difference. Climate change is accelerating in all regions of the world and has turned into an existential threat. We at Reitan Convenience want to make a difference and have decided that our success should not contribute to perpetuating climate change. We need to act decisively and in a way that makes a real difference in cutting our emissions as the window for the 1.5°C target is fast closing. The changes we make until 2030 will determine what our future will be like. This will require big changes in what we sell.

"at the centre of our strategy is our assortmment, it's through the products we sell that we influence people and planet"

OUR SECOND IMPACT area is Products for people and the planet. The global food system, from production to consumption, is pushing us towards the planetary boundaries. At the same time, new public health risks are emerging due to our food habits. At Reitan Convenience we want to move from being part of the problem to becoming part of the solution and provide products that are good for people and the planet. Through innovation, deepening our supplier engagement and new partnerships, we are convinced that we can contribute to building a food system that benefits people´s health, and where sustainable sourcing becomes mainstream.

OUR THIRD IMPACT area is transformation to shape the future together. An open and inclusive future with equal opportunities for all is essential for sustainable development, and we must live these values fully within our organisation. We wholeheartedly believe that the transformation that the world needs, has people's well-being at the core.

LEADING THE CHANGE in our industry involves bold, transformative steps forward. While we don't yet know how to reach our ambitious goals, for example how to halve the emissions from our products by 2030, we know enough to start moving in the right direction. Leapfrogging forward will require innovation and the courage to both try and sometimes fail. To guide us on our journey we have developed three principles to help us stay the course; 1) We approach sustainability as a business opportunity, 2) We collaborate to create systemic change, and 3) We're grounded in science on our sustainability journey.

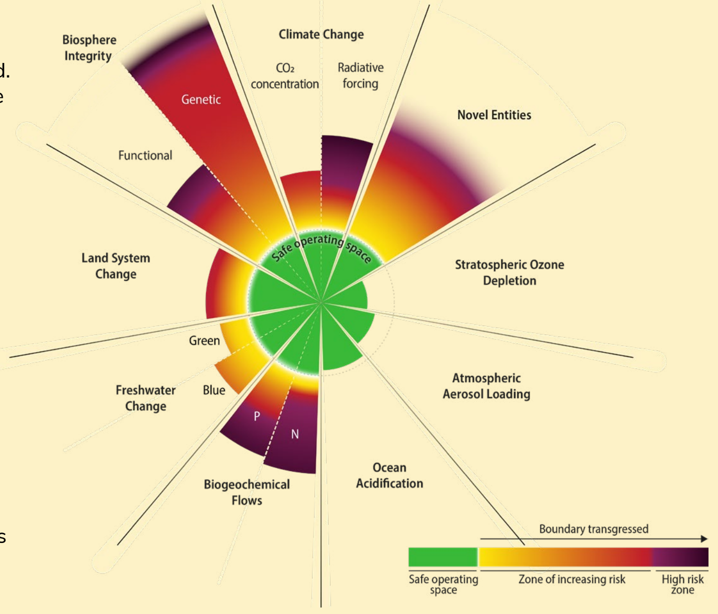


WHAT IS THE ANTHROPOCENE?

THE ANTHROPOCENE MEANS the geological era of humankind. Since the industrialisation, and with an exponential impact since the 1950s, human actions have become the dominant influence on climate and the environment, marking a departure from the previous Holocene era. The Anthropocene is often described as a "VUCA world": volatile, uncertain, complex, and ambiguous. It is a world where we are starting to face fundamentally new, systemic challenges arising from trends such as accelerating climate change, and devastating loss of biological diversity.

PLANETARY BOUNDARIES IS a scientific framework that defines "the safe operating space for humanity" by identifying and quantifying a set of Earth system processes that regulate the stability and resilience of the planet. Respecting these limits is crucial for sustaining a stable and healthy planet for future generations. At present, scientists calculate that we have crossed six of the nine boundaries.

THE ANTHROPOCENE CONCEPT and the planetary boundaries framework form the scientific backbone for our sustainability efforts.



Mobilising our organisation for change

SINCE WE LAUNCHED this strategy in early 2022, we have spent a lot of time building capacity and momentum across our organisation, developing clear targets and roadmaps and step by step starting to integrate sustainability perspectives into our everyday jobs. This journey will require organisational change from us, ultimately enabling some 12,000 people, most of whom have no background in sustainability, to start doing things differently.

> *"the sustainability journey will require organisational change from us, and great leadership skills"*

AT THE SAME time as the strategy was launched in early 2022, we launched a digital knowledge bank with subject matter information on all topics of the strategy, from risk commodities to climate emissions and social issues such as diversity, equity and inclusion. This hub is packed with information and allows all our co-workers to familiarise themselves and gain sufficient knowledge to start engaging with our strategy. To further inspire each other we have launched our playbook series, where we summarise sustainable success cases to make it easy for the countries to copy with pride from each other. In addition, we run a regular cross-country sustainability forum, to raise our joint level of knowledge on sustainability-related matters.

HAVING THE RIGHT leadership skills is another essential component to be able to walk the talk on sustainability. In 2022 we organised a series of two-day workshops, one in each of the Baltic capitals, to kickstart the Baltic sustainability journey. Participating in these were the full leadership teams of the Baltic counties together with additional key people for implementing the work. In 2023 we organised a workshop series on the theme of "Transformative leadership" with the Nordic country managers, focusing on systems thinking, decision making under uncertainty, and the importance of self-awareness for business leaders in the Anthropocene. Investing in our leadership is essential to move from business as usual to leading the change in our industry.

AS A CONSEQUENCE of this systematic work to mobilise our organisation for change, all countries are now fully committed to the sustainability journey ahead, and they have set their own implementation plans for the Strategy for the Anthropocene, adapted to the respective market. We have also started to regularly report on our sustainability performance to our country level boards and our central board. This allows us to monitor progress, identify common challenges and opportunities, and make more strategic decisions.

TIMELINE ON HOW WE HAVE MOBILISED OUR ORGANISATION FOR THE SUSTAINABILITY JOURNEY

2021

- Aug **Trend analysis**
- Oct **Co-creating the strategy**

2022

- Jan **Launching the strategy**
- March **Launching the knowledge hub and the sustainability forum**
- April **Pan-Baltic workshops starts**

2023

- Jan **Start building business intelligence**
- May **Nordic country managers workshop series**
- Aug **Supplier engagement through CoC**
- Nov **First Reitan Convenience wide climate action plan**

2021	2022	2023
Establishing a joint focus across RC on sustainability	Setting targets & roadmaps across RC countries; Building capacity for change	Baseline data analysis Building capacity for change

A new type of Business Intelligence for the Anthropocene

IN ADDITION TO creating a strategy that will help us become fit for the future and mobilising our organisation for change, we have during 2023 set up a new type of business intelligence, which takes into account the most significant sustainability parameters for us together with our financial data. These parameters include climate data, risk commodity contents – here defined as red meat, palm oil, cocoa, coffee, soy and animal protein – calorie and sugar content, sourcing origins, packaging, waste, food additives, and sales figures. This new type of business intelligence allows us to look at the assortment system-wide and steer towards a more healthy and sustainable assortment in a data-driven way. While the primary reason for us to set up our new BI system is to be able to accelerate the assortment shift, it also comes in handy for the reporting requirements that are now coming.

SO HOW DID we go about building our new BI system? It is not very straightforward to get a comprehensive understanding of a convenience assortment from a multidimensional sustainability perspective. Firstly, we are retailers which means we are closer to the customer than the sourcing of ingredients. In turn, this means that we need to do some serious work to gain clarity upstream in our supply chain regarding e.g. sourcing origins of risk commodities such as red meat, coffee, palm oil and cocoa and to gather all this data in a format that suits all the seven Reitan Convenience countries. Let alone the fact that we have never before holistically looked at our assortment, but rather country by country in individual BI systems and never from a structured sustainability perspective.

BUT DURING 2023, we have put in the work and collected substantial amounts of data on a product level in our assortment in collaborations with our suppliers. Admittedly there is still a lot to do, especially when it comes to tracing the origins of the ingredients in our products, but we now have sustainability data systematically organised on over 7,000 of our edible and drinkable products, corresponding to about 70 percent of our sales in these categories.

> *"we now have sustainability data systematically organised for about 70% of our sales in edible categories"*

HAVING THE DATA is one thing, but using it efficiently is another. We have therefore integrated this data with our transactions data. This means that, instead of just tracking sales from supplier X in category Y, we can monitor any of our sustainability parameters in the same way. For example, we can ask questions like, "how large portion of the confectionery sales in the Nordic countries came from products with palm oil?" or "What is the origin of dairy in supplier X's bakery products?" While there are still substantial data gaps, this enables us, for example, to identify specific products for campaigns and engage in more meaningful and concrete collaborations with our suppliers. The integration between financial data and sustainability data lays the foundation for transforming our assortment to an assortment fit for the Anthropocene.

SO WHERE ARE we now? There are some data gaps that are problematic such as the origins data, and there are also some quality issues, such as with climate emission factors that are generally group-level estimates, rather than product specific. Still, we believe that we have sufficient information to start acting, while also continuously improving our BI system for the Anthropocene by adding more products and information every month. For us this represents a very exciting first step towards the future of convenience.

We have during 2023 set up a new type of business intelligence, which takes into account the most significant sustainability parameters for us together with our financial data. We currently have 70 percent of our sales of edible and drinkable products represented in our system.

DATA-DRIVEN SUSTAINABILITY:
ASSORTMENT ANALYSIS

In this section we aim to provide a comprehensive view of what we offer our customers from a sustainability and health perspective, based on the seven country assortments.

WHILE TOBACCO PRODUCTS, which both implies sustainability and health risks, account for 16 percent of our sales volume, we have chosen to focus this analysis on our food and drinks since it is in this direction that we are heading to further evolve our business.

WE WILL DESCRIBE our assortment by looking at eight specific parameters, each central for us to address in order to succeed in our sustainability transformation.

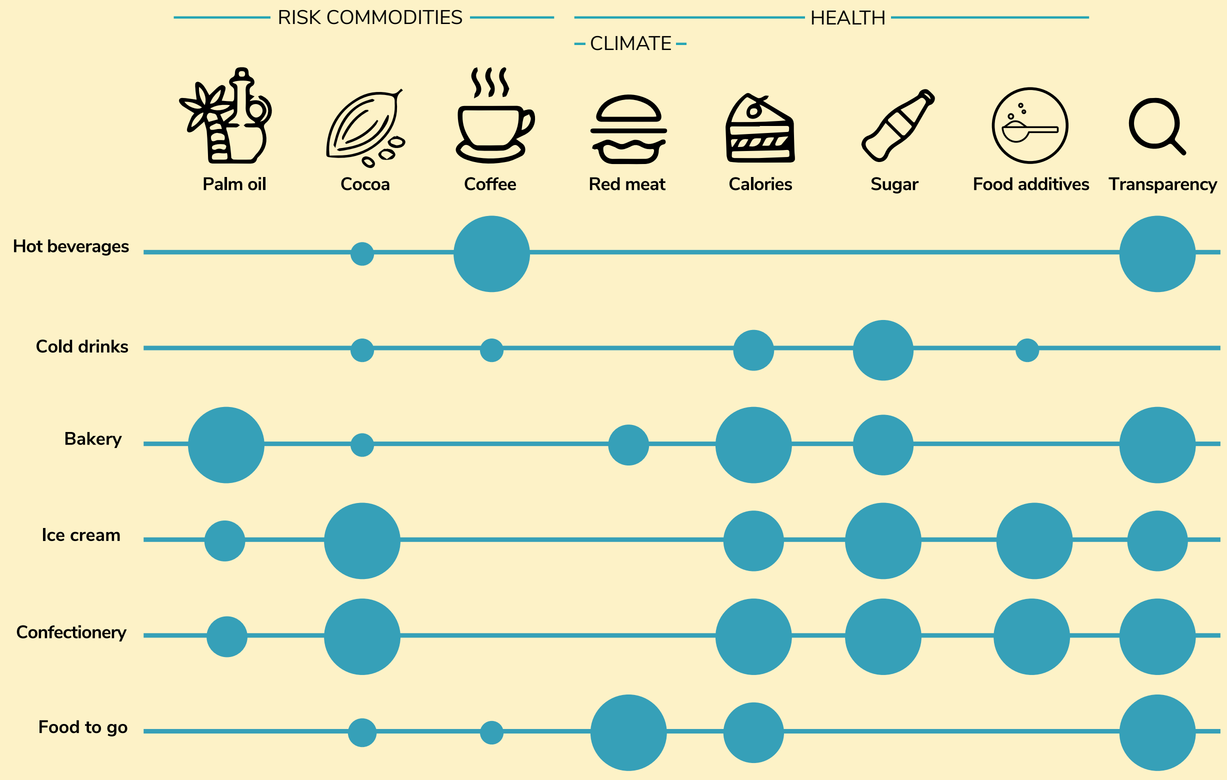
THESE DIMENSIONS ALIGN with our strategy, encompassing the health of the consumer, as well as social and environmental sustainability aspects of the production. This allows us to evaluate the products we sell holistically. For instance, it will help us avoid promoting a product with a low emission factor but involving risk commodities that are known to be associated with poor working conditions. While we are determined to shift our range to one that is more healthy and sustainable moving forward, it is important to stress that we are still a convenience operator. In our stores you should be able to find delicious food to go, a yummy snack, ice cold drinks and much more. As most customers just spend a couple of minutes in our stores, we want to make it easy to pick something that is both good for the planet and good for you, since we have already done the work behind the scenes. In short, we want to provide convenience with a good conscience.

”making it easy to pick something that is both good for the planet and good for you”

INPUT DATA TO ANALYSIS

- We base the analysis on >7,000 products from >600 suppliers in our seven country assortments, which accounts for 70 percent of our sales in "edible" categories.
- The analysis is mainly based on ingredient lists, nutritional information, and quarterly sales data on a product level.
- We also have data on countries of origins for risk commodities or 1,730 products.
- CO_2 emission factors are available at the product level, although they are rough estimates and therefore more valid at an aggregated level than per product, for example all products in the soft drinks category, rather than an individual soft drink.

GENERAL OVERVIEW OF CURRENT SUSTAINABILITY ANALYSIS



THE VISUALISATION ABOVE provides a general overview of our current sustainability analysis of our sales. The size of each ball, on a scale of 1-5, represent the relative magnitude of the issue for each risk aspect in relation to products of the category. For instance, the Hot Drinks category primarily faces risks associated with sourcing of coffee, as it is sourced from high-risk countries as indicated by, e.g., the Global Rights Index (ITUC) and the Corruption Perceptions Index (CPI). Sourcing risks for coffee also include deforestation, biodiversity loss and aggravation of climate change. In general, the visualisation shows that most of our categories need attention on both risk commodities and health parameters. Furthermore, by examining the visualisation column-wise, we can observe what categories each parameter is particularly relevant to. This gives us an overview of which health and sustainability concerns that are more or less relevant to different parts of our assortment.

JUST A FEW PRODUCTS HAVE A BIG IMPACT

20 %
of our products cause

80 %
of our product-related emissions

GENERALLY WE CAN see that only a few of our products stand for a large share of our sales exhibiting a certain risk factor. For example, a quarter of our sales from products containing palm oil come from no more than ten distinct products. This information is important for us as it allows us to collaborate with our suppliers on a more concrete level. By utilising these and similar insights, we can steer towards the future of convenience, creating change that truly matters while ensuring our profitability along the way.

OUR ASSORTMENT TODAY:

RISK COMMODITIES PALM OIL, COCOA AND COFFEE

Palm oil, cocoa and coffee are mainstays of the global food system and are frequently used in convenience products. However, they are all risk commodities due to their production conditions.

THE PRODUCTION OF palm oil involve the risk of deforestation, with associated biodiversity risks, and poor working conditions. Just as the rest of Reitan Retail, we have therefore committed to phase out palm oil from our product range.

”twenty percent of our sales in edible categories come from products with palm oil”

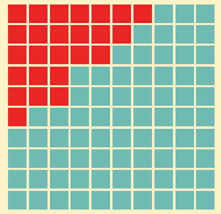
TODAY, 20 PERCENT of our sales in edible categories come from products with palm oil. When examining the sales share of products containing palm oil across our categories, we observe that the primary issue lies in the bakery category where over 50 percent of our sales come from products containing palm oil, followed by confectionary and ice cream. We also notice the presence of palm oil in some food to go products, though this is rare. Our objective is to eliminate palm oil from all these categories, and are in close dialogue with our suppliers to find substitutes. To learn more, read on page 28 about how RC Sweden launched their new Code of Conduct, which, among other requirements, demands palm oil-free products from its suppliers.

PALM OIL

Share of palm oil products across edible categories

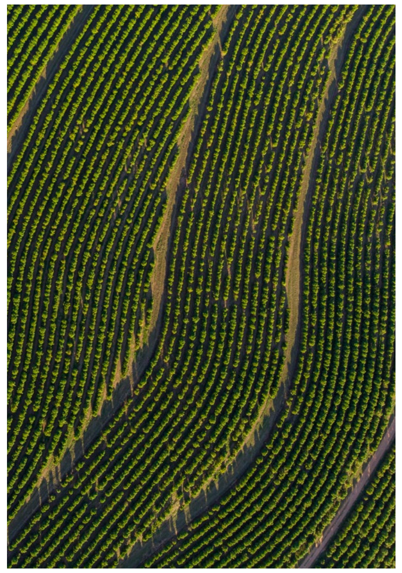
Aerial photograph of a palm oil plantation. The monocultures of oil palms may look green from above, but have a devastating impact on a huge number of plant and animal species.

COCOA



We have cocoa in 25 percent of our edible assortment

THE COCOA SUPPLY chains are also highly concerning from both an environmnetal and a social perspectve. Today, cocoa products constitute around 25 percent of our edible assortment sales. This makes cocoa a very important ingredient for us. We continuously track our cocoa sales but are still in the process of obtaining solid data on certifications, including their social and ecological criteria, and whether or not they are third-party audited, to be able to make data-driven decisions on this matter. All Reitan Convenience countries are aligned on the importance of a higher degree of certified cocoa, only RC Sweden has so far established a firm timeline and target, which says that all cocoa products should be certified by 2027.



IN 2023 WE sold almost 43 million cups of coffee. Just as with cocoa, we track our coffee sales but still lack systematised certification data. Although the majority of the coffee we sell is organically certified, suppliers use different certifications which adhere to different criteria. We are currently working out how to map the certification criteria so that we know what portion of our coffee sales live up to what standards. While certification is the main approach for coffee

Reitan Convenience wide, in Sweden and Norway we also offer coffee from Lykke Kaffegårdar who are not certified, but grow organic coffee and provide full transparency along its supply chain.

COFFEE

43 M
cups

OUR VIEW ON PALM OIL, COCOA AND COFFEE

THE RAPID EXPANSION of palm oil plantations in South-East Asia over the past decades has had serious environmental consequences in terms of deforestation of rainforests, loss of biodiversity, and drainage of peatlands, which in turn exacerbates the climate crisis. Palm oil production has also been linked to negative impacts on local communities, conflicts over land rights and poor working conditions on plantations. In addition, palm oil has been in the spotlight due to potentially carcinogenic substances formed during heating. The European Food Safety Authority (EFSA) considers that current exposure is safe for most people but "may pose health risks to younger people with high intakes of products containing palm oil”.

AFTER CAREFUL CONSIDERATION of the pros and cons of certification, we have decided to phase out palm oil altogether.
While new research shows that after stricter certification requirements, the deforestation rate in the certified areas now has started to decrease. However, the palm oil problem is complex and we do not believe that it can be solved through certification alone. The overall pressure on the industry needs to be reduced so that palm oil can be grown on a smaller scale where the surrounding land is rehabilitated and the profits from the cultivation benefit the local population. Contributing to increased demand for certified palm oil is not currently driving this direction, especially as virtually all certified palm oil comes from large-scale cultivation. The convenience sector is not dependent on palm oil per se, although many of our products contain it today. In light of the environmental and social conditions of production, combined with the potential health risks, we therefore want to push for the development of more sustainable and healthier convenience products without palm oil.

”the palm oil problem is complex and certification will not be enough”

MOST OF THE WORLD’S cocoa is produced in the Ivory Coast and Ghana. The cocoa supply chain is deeply entangled with serious ethical problems, including widespread child labour and exploitation of farmers in producing countries. Cocoa production also has a negative environmental impact. Cultivation often takes place in protected areas, where valuable forest is often cleared to make way for new cocoa plantations. This contributes to biodiversity loss and greenhouse gas emissions. While we want to move towards third-party audited sustainability certifications for our cocoa products, it is important to point out that we do not believe that certification is the whole solution to the cocoa issue either. However, there are no alternatives to cocoa currently, and chocolate products are important for convenience. Therefore we believe that certification is the best solution for the time being.

”the cocoa supply chain has serious ethical problems”

COFFEE PRODUCTION is less geographically concentrated than palm oil and cocoa, with cultivation in Latin and South America, Africa and parts of Asia, but it also faces several sustainability challenges. Working conditions are generally poor, with low remuneration that does not correspond to their work effort or the final value of coffee on the global market. Extensive use of chemical pesticides is common, which is harmful to both farmers’ health and surrounding ecosystems. Expanding coffee plantations have often contributed to deforestation, which risks exacerbating the climate crisis. This is paradoxical as coffee is also one of the most sensitive crops to climate change. Research suggests that global production could be halved as a result of a warmer and drier climate in the coming decades. Contributing to a sustainable future of the coffee industry is a business critical issue for us. Our current strategy is to work closely with our suppliers to select the best and most sustainably grown coffee possible. See more on page 29.

OUR ASSORTMENT TODAY:

RED MEAT AND PLANT-BASED

Red meat, especially beef, is a major contributor to greenhouse gas emissions globally and linked to land cover change and deforestation.

RED MEAT CAUSE a lot of CO_2 emissions, and excessive consumption of red meat – beef, lamb, and pork – is also linked to various health risks, including heart disease and certain cancers. In contrast, plant-rich diets are increasingly recognized for their often lower climate footprint and potential health benefits. In response to these concerns, we have committed to reducing red meat in our products and increasing our range of plant-based food to go alternatives. Changing the proportions of our food sales does not mean eliminating red meat from our assortment. We believe that meat production is an important component of the Nordic and Baltic farming landscape, and our hot dogs are a customer favourite. However, research shows we must substantially reduce the amounts of meat that we are producing and consuming globally to ensure a more healthy and sustainable future.

"driving up consumer demand for plant-based food to go is a strategic priority for us"

LOOKING AT OUR full range of edibles, excluding drinks, we find that around 30 percent of our sales are from products containing red meat. Focusing solely on the food to go category, which includes our hot dogs, the figure has doubled to around 60 percent.

Our aspiration to shift the proportions within food aligns with growing consumer preferences for fresh and healthy food. However, to reach our ambitious climate targets, which you can read about on page 22, we would need to change the assortment much quicker and more drastically than what is reflected by the food preferences among our customers. This is a challenge, since it means that keeping up with our climate roadmap means that we risk losing customers in the short term.

RED MEAT

60%

of our food to go segment

SUGAR AND CALORIES

As a convenience operator, certain categories of our assortment, such as soft drinks, bakery, and confectionery, contain high levels of sugar and calories.

WE BELIEVE THAT people should be able to enjoy an ice-cold soda on a hot day, a delicious cinnamon bun with their coffee, and some candy every once in a while. However, our food habits today along with the fact that portion sizes have gradually increased over time, lead to excessive consumption of sugar and too high calorie-intake for many of us. This is problematic in a context where more than one billion people are obese globally, about half the adult population in Northern Europe is overweight, and where we have rapidly increasing rates of child obesity. To address this issue, without changing what convenience is about, we try to focus on portion control. That is making sure that the products we sell should not contain more sugar or calories than necessary. One of the parameters that we look at is how much of our sales come from bakery products with calorie contents larger than 300 kcal per item. In contrast to an intensity measure (kcal / 100g), this measure also captures the issue with oversized bakery products. Today, 50 percent of our bakery products are below our limit and 50 percent are above, and we are actively steering towards bakery products below this calorie limit. Looking at the figures together with the financial data, we can see that it is not necessarily so that a large calorie content correlates with high sales – this makes us believe that there is great potential here for profitably driving a shift towards an assortment that is better from a health perspective.

"the products we sell should not contain more sugar and calories than necessary"

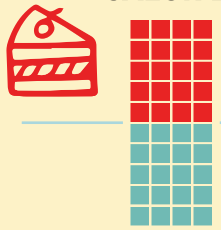
REGARDING SUGAR CONTENT in drinks, we are still discussing which approach will be most effective and we don't have a fixed target yet. However, if we would set a hypothetical sugar limit to 35 grams per portion, which is quite high given that adults should consume a maximum of 50-75 grams of added sugar a day, but still less than what is found in regular 500ml sodas, we find that 25 percent of our current sales of sodas exceed this limit. Looking at solutions, we believe that sodas with artificial sweeteners will not take us all the way, as research also indicates potential negative health risks associated with these. We are therefore also exploring other ways to offer more healthy cold drinks, such as flavoured water and natural fruit juices.

SUGAR

25%

25 percent of our sodas exceed our sugar limit of 35g per portion

CALORIES



50% of our bakery products contain below 300 kcal

FOOD ADDITIVES

Many industrially produced food products contain food additives, and that goes for our convenience products as well. While most food additives are harmless and many are even necessary to ensure food safety, there are food additives still in use in the food industry today that could be harmful to health.

WE HAVE CHOSEN to work according to the precautionary principle when it comes to food additives. That means that we have mapped all additives in our assortment, and categorised them as either phase-out additives with suspected negative health outcomes, additives to monitor awaiting further research, and additives of no concern.

"while most food additives are harmless there are those that come with health concerns"

A first rough analysis shows that phase-out additives are not a big problem for us today, but about ten percent of our sales come from products with food additives that need further monitoring. These are additives that are commoly used today in the food industry today, but where some research suggests that there may be negative health effects.

We are keeping up with this evolving area of research as we are currently in the process of defining a common approach and timeline for handling food additives in all our country organisations.

FOOD ADDITIVES

10

percent

Ten percent of sales come from products with food additives of potential health concern

ASSORTMENT ANALYSIS OVERVIEW

Palm oil, cocoa and coffee are risk commodities. 50 percent of bakery products contain palm oil. 25 percent of edibles contain cocoa. And we sell 43 million cups of coffee per year.

Red meat is present in 60 percent of our food to go assortment.

25 percent of our sodas exceed our sugar limit of 35g per portion.

50 percent of our bakery products are above our calorie mark, above 300 kcal per item

Ten percent of our sales come from products with food additives of potential concern

We source commodities from at least 107 different countries. 75 percent of our meat comes from the Nordics and Baltics, an additional 19 percent from the rest of Europe, and six percent from outside Europe.

SOURCING:
VALUE CHAIN TRANSPARENCY

We believe that the supply chains of the future are fully traceable and transparent. But there is a long way to go before we get there.

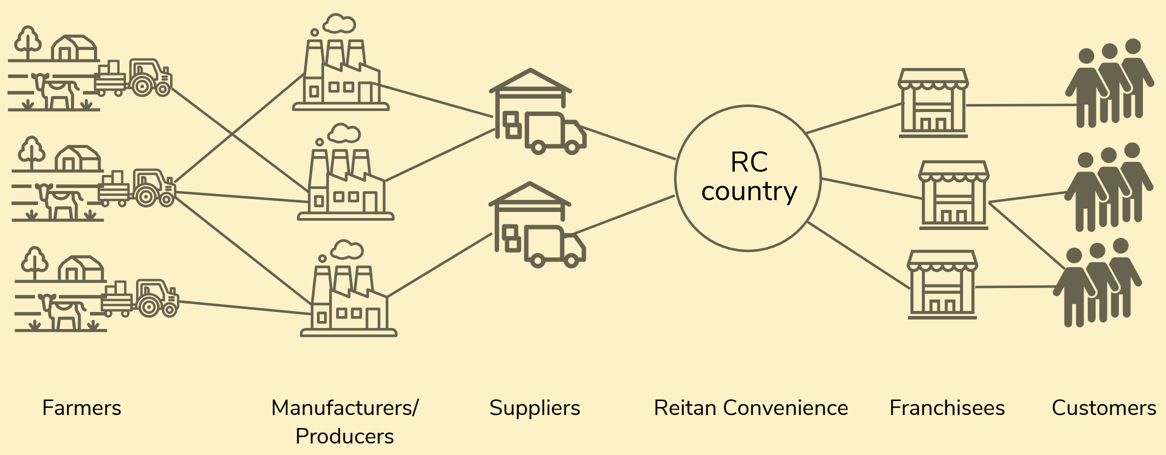
AS A CONVENIENCE retailer our operations are quite distant from the initial stages of production, meaning that we do not control the sourcing of ingredients in our suppliers' products. When it comes to our own products, like the sandwiches we make in store, we have more control, but these only account for a small percentage of our sales today. However, we believe in transparency and want to work with our suppliers to achieve fully traceable supply chains. This is important for us, as our impact on the world begins with sourcing, and we know that the value chains of the global food industry are fraught with environmental and human concerns. In 2023 we have tracked down the sourcing origins of our high-risk commodities and we can see that we are sourcing from all over the world, at least 107 countries. This is not surprising because many commodities that are common in convenience products, such as coffee and cocoa, cannot grow in Europe.

ANIMAL PROTEINS ARE among the high-risk commodities where we have started to systematically trace the origins, primarily due to the risk of high antibiotics use in the production in some countries. Currently, 75 percent of the sales from our analysed meat, chicken and fish products are sourced from one of the seven Reitan Convenience countries, all of which have relatively low use of antibiotics, and Norway being one of the absolute best in the world in this aspect. An aditional 19 % of our sales of products containing meat come from other parts of Europe.

”an ingredient level approach allows us to work proactively towards value chain transparency”

HOWEVER, THIS ANALYSIS showed us that we also have some individual products with meat content that come from further away, including South America, Asia and Africa. This is new information for us, which only was possible to obtain since we focused our analysis on the sourcing country of the ingredients. The more common practice within the food industry, even for retailers of ready made products composed of many different ingredients, is to focus on the production country, which obscures potential sustainability problems further upstream. For example, the origin of a chocolate bar is often cited as Belgium, although the origin of the main ingredient, cocoa, is most likely somewhere in West Africa. Our ingredient level-focused approach allows us to work with our suppliers to towards sustainable sourcing. As we move to rapidly phase out non-European meat from our range, we have already influenced some suppliers to source their chicken within Europe. Having EUs new deforestation regulation entering into force in 2024 helps put focus on the issue of sourcing origins for risk commodities. However, this would be a priority issue for us regardless as we believe that the value chains of the future are fully transparent. While it is no guarantee for sustainability, it is a prerequisite.

OUR VALUE CHAIN IS COMPLEX
We are working to increase transparency in all steps of our value chain.



CIRCULARITY:
WASTE MANAGEMENT

Waste management is an important issue for us within the convenience business because almost everything we sell is pre-packaged.

WASTE MANAGEMENT IS an important issue for us within the convenience business because almost everything we sell is pre-packaged. Although packaging in general accounts for a smaller part of a convenience product's carbon footprint, with the exception of cold drinks, lots of single use packaging also leads to unnecessary resource use and environmental pollution. Asking customers what they think we should focus on in terms of sustainability, the answer is almost always packaging. In our commitment to reducing waste, we try to minimise plastic usage and prioritise the issue of recyclable packaging, along with our efforts to reduce food waste.

SINCE THE DISPOSAL of packaging and single use items often occurs beyond our stores, like in the subway or in city parks, we focus on reducing environmental impact before products reach our customers. The most important way to do this is through dialogue with our suppliers where we currently gather comprehensive data on product packaging. Our efforts also include reducing plastic in single-use items. Currently about 90 percent of the lids to our coffee cups and 94 percent of the bags used in our stores are made from paper. All single use cutlery is wooden. When it comes to the coffee cups the issue is more complex, as also paper coffee cups generally have a think plastic liner in order to hold liquid. That means that only 9 percent of the cups that we use can be classified 100 percent paper.

”for many customers sustainable packaging comes first to mind”

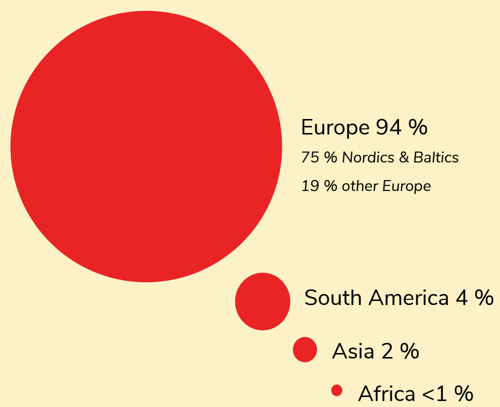
WHEN IT COMES to food waste, we follow the same principle, namely to address the issue upstream by optimised ordering and stock keeping. However, the balance between having a too empty shelf that may look less appealing and one that is too full and leads to waste is a fine line. While we try to challenge ourselves on this matter, we also work to reduce food waste by ensuring unsold items are offered through end-of-day price cuts as well as food rescue apps like Karma and Too Good To Go. During 2023, we sold approximately 3.7 million products through such channels, including in-store short-date discounts. This is more than 10,000 products a day, or almost six products per store and day.

WASTE

94 %
94 percent of bags used in stores are paper

3.7 M
3.7 million products rescued from becoming food waste

SALES FROM MEAT PRODUCTS PER REGION



OUR CLIMATE INNOVATION GAP

We strive to be net zero in scope 1 and 2 by 2030, and by then also reduce our emissions in scope 3 by at least 43 percent compared to 2022.

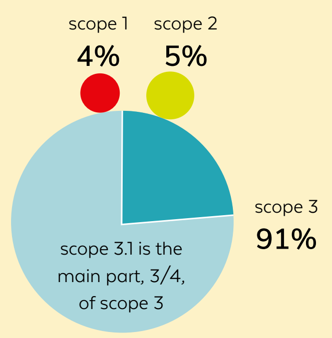
FOR 2023 WE report emissions of in total 207,949* ton CO_2e. This is a 12 percent increase compared to our reporting in 2022, explained primarily of an expanded scope of our data collection. Our reported emissions are divided by 4 percent in scope 1, which primarily comes from refrigerants, 5 percent in scope 2, which comes from our use of electricity and varies a lot across the seven countries due to different energy mixes across the Nordics and Baltics, and 91 percent in scope 3, which is linked to emissions from purchased goods and services, includes emissions from the products on our shelves, but also from the interiors of our stores, business travel, waste generation and more.

WE HAVE DECIDED across all business areas of Reitan Retail to align our operations at least with the reduction rate agreed upon in the Paris agreement, which is necessary to still have a shot at the +1.5°C target. What that means for us in concrete terms is that we strive to be net zero in scope 1 and 2 by 2030, and by then also reduce our emissions in scope 3 by at least 43 percent compared to 2022**.

> *"innovation to identify climate smart convenience opportunities will be necessary to reach our climate targets"*

SCOPES 1 AND 2 account for a relatively small part of our emissions, and our main strategies for reducing these include switching to better refrigerants in our many thousands of fridges and freezers, saving as much energy as we can in our stores, and gradually shifting to electric instead of fossil company cars. Through these measures, we estimate that we are more or less on track to halve our scope 1 and 2 emissions by 2030. In RC Sweden, where this has been a priority over the past years, we see encouraging signs of the strategy working and seems to be giving the expected results. To become net-zero in scope 1 and 2 we would have to find a reliable compensation mechanism to account for the remaning emissions.

CLIMATE EMISSIONS



** This differs slightly from what is reported in Reitan Retail's Annual and sustainability report due to a detection of errors in input data from Reitan Convenience. The difference equals 0.5 percent of Reitan Retail's total carbon emissions.*

*** IPCC has calculated a global emission reduction requirement of 43 % to 2030 compared to 2019. However, in Reitan Retail we use the base year of 2022, as before that we did not have any company wide CO_2 measurements that included scope 3*

Emission reduction analysis

OUR MAIN ATTENTION is directed at scope 3 and especially scope 3.1 as the sales of our products account for 76 percent of these climate emissions. Looking at the emissions intensity, that is emissions per sales, we have the highest emissions in our food to go. This is a big challenge for us since we want to grow this category in the years to come. While convenience in the past was more about selling bus tickets, newspapers and tobacco, the convenience of tomorrow will be more about selling fresh food, snacks and drinks to people on the go. This makes a lot of sense for us from a health perspective, but it will make it harder to reach our ambitious climate targets.

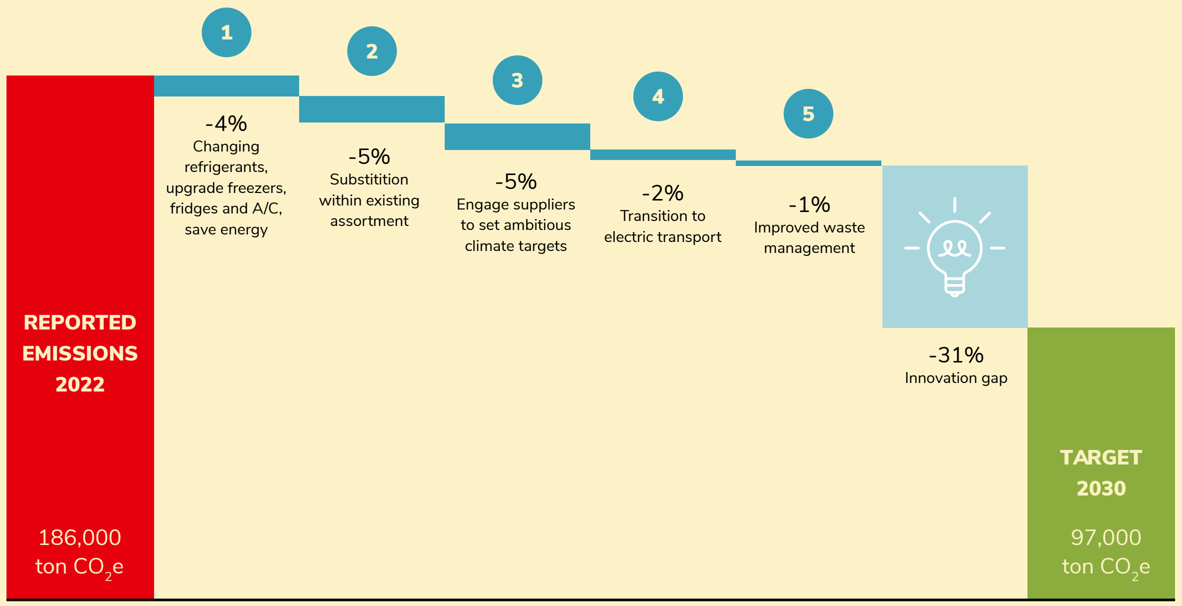
> *"the sales of our products account for 76 percent of our scope 3 emissions"*

IN 2023 WE started an ambitious climate action plan for all countries where we systematically map our assortment according to emission factors and margins, to find the most promising type shifts to move towards our climate targets. While we still have substantial issues with data quality, as emissions factors are often not precise enough, we expect the systematic climate work that we have not started to generate substantial results in the coming years.

IT IS, HOWEVER, important to appreciate the magnitude of the climate challenge that we are facing, which is illustrated below. Although the analysis should be interpreted with caution, our estimates show that even if we 1) work according to our ambitious plans on issues like upgrading fridges and saving energy, 2) are successful in our assortment shifts, which hinges on us being able to accelerate the demand for e.g. plant-based food to go options, 3) manage to engage our suppliers towards climate smart production methods, 4) switch to electric transports, and 5) drastically reduce our waste, will likely not be enough to reach our climate targets within our current business.

PARTLY, THIS HAS to do with the fact that we sell composite products. While a grocery retailer can reduce their emissions by, for example, selling less beef and more broccoli, our options are somewhat narrower. We can switch from a pork sausage to a pea sausage. But the sausage itself contains other things besides the protein, and the bread is a significant part of the dish. This means that even when we make efforts in the right direction, they have a relatively smaller impact on the overall CO_2 footprint.

OUR ESTIMATES POINT to a substantial innovation gap of some 30 percent. Thus, we must focus on innovation to identify the climate smart convenience opportunities of the future. Without that we will not be able to reach our climate targets. That serves as an important reminder for us that the convenience of tomorrow is not the convenience of today minus the bad stuff, it is something different.



Emission reduction analysis including innovation gap. Our target Including both a 43% reduction in scope 3 and net-zero targets in scope 1 and 2

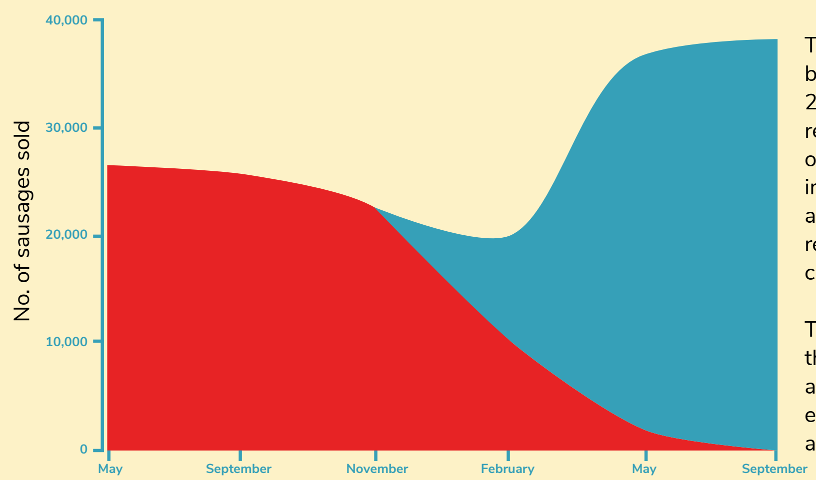
ZOOMING IN ON 2023:
WHAT WE HAVE BEEN UP TO LATELY

Guided by the approach and data presented above, we have been working hard over the past year to address the sustainability challenges of the convenience industry in a meaningful way. To catalyse transformative change, we try to accelerate the necessary assortment shift, as well as leverage the power of our strong supplier relations for sustainable sourcing.

Accelerating the shift towards a more sustainable and healthy convenience assortment

While most consumers – some 60-80 percent depending on the study – state that they want to make more healthy and sustainable consumption choices there is a large gap between people's intentions and their actions. In the actual decision moment, other factors are more important such as price or familiarity. Researchers call this the intention-action gap. In tough times, such as the recent economic downturn, the intention-action gap generally widens, as price becomes the dominating factor for buying decisions. Finding ways to close this gap and accelerate the demand for the sustainable convenience products of the future, is an important part of our work to roll out our Strategy for the Anthropocene. Below we account for some of the things we have done in 2023.

THE ESTONIAN HOT-DOG SWITCH



The graph shows sausage sales between May, 2022 and September, 2023. A popular beef-herb sausage, red, showed a high climate footprint in our analysis and was identified as key in reducing our climate emissions. In a quick two-month collaboration, we replaced the beef-herb sausage with a chicken-herb sausage, blue.

The chicken sausage outperformed the beef sausage, increasing sales at the same time as emissions were estimated to have been reduced by around 25 percent.

New triple-win hero products

RC ESTONIA MADE a bold decision to switch one of their popular hot dogs, a beef-herb one, to a sausage with a considerably better emissions profile, a chicken-herb hot dog instead. The beef-herb sausage has been a popular and high-selling product for years, explains Tiia Ilves, CEO of RC Estonia. But we reasoned that if we are to have a substantial effect on our sustainability targets, there is no point innovating in the tail end of the assortment. We have to improve on the products that we sell a lot. In a quick two-month collaboration, we replaced the beef-herb sausage with a delicious chicken-herb sausage, Riho Aunroos, product manager in RC Estonia, continues. The new sausage outperformed our expectations, says Tiia. It sold 50 percent more than its beef counterpart, comparing Q3+Q4 2023 with the same period in 2022. Beyond the economic success, a conservative estimate shows a 25 percent reduction in the carbon emissions from the sales of this sausage, even accounting for the increasing sales. In essence, a triple win. Better for the planet, loved by customers, and boosting our success.

”trying a delicious chicken sausage is perhaps a first step towards trying a yummy pea sausage for some of our more conventional customers”

Tiia Ilves and Riho Aunroos, RC Estonia

WHILE THIS IS a very important step forward for us, the new sausage still contains red meat in the form of lard, so while this helps us move towards our climate targets it does nothing for our red meat KPI, says Riho. Ideally, we would like to have a best-selling sausage that is free from red meat, but taste-wise we landed on this being the best option as the chicken meat was too dry otherwise, with the risk of having customers not buying it. Sometimes innovation is more radical and in other cases more of a step by step process, Tiia reflects. For us, challenging the conventional idea about convenience by proving that a chicken sausage can sell better than a beef one, is important. And trying a delicious chicken sausage is perhaps a first step towards trying a yummy pea sausage for some of our more conventional customers.

Partnerships for the future of convenience

RC DENMARK HAS also been making bold moves this year, building innovative partnerships that have resulted in new fantastic products. We teamed up with Jalm&B who make organic upcycled bread utilising leftovers from other local industries such as fruit pulp from juice making, malt from beer making, and whey from a local cheese maker, to produce bread and bakery products for 7-Eleven, explains Malene Norre, HR and Sustainability Manager in RC Denmark. Particularly the breakfast rolls have been a big success. These partnerships are exciting, Malene continues, since new constellations in the food system will be one of the keys to finding solutions to the sustainability problems that we face. In the past, most of the partnerships have been with smaller up and coming producers, but we have recently started a collaboration with Carlsberg to develop a new sustainable signature beer, the Cornershop IPA, using waste from another supplier, “Frankly Juice”. This collaboration is a milestone for us, says Jesper Østergaard, CEO of RC Denmark. It demonstrates the interest and potential also among larger companies to partner up and drive sustainable innovation. We are convinced that we need to make this shift, but we need our suppliers onboard and share the investment costs. Especially in the current economic situation, since the customers are not prepared to pay more for sustainable products right now and introducing new products are always costly until we can get the volumes up. Our success hinges on finding the delicate balance between commercial viability while transitioning into something new. The story is still unfolding, but each chapter reflects our dedication to a future where sustainability isn't just a distant goal - but an integral part of convenience, Jesper concludes.

”our success hinges on finding the delicate balance between commercial viability while transitioning into something new”

Malene Norre and Jesper Østergaard, RC Denmark

Towards a new type of category planning

RC Norway really has the foundation for data-driven assortment decisions in place.

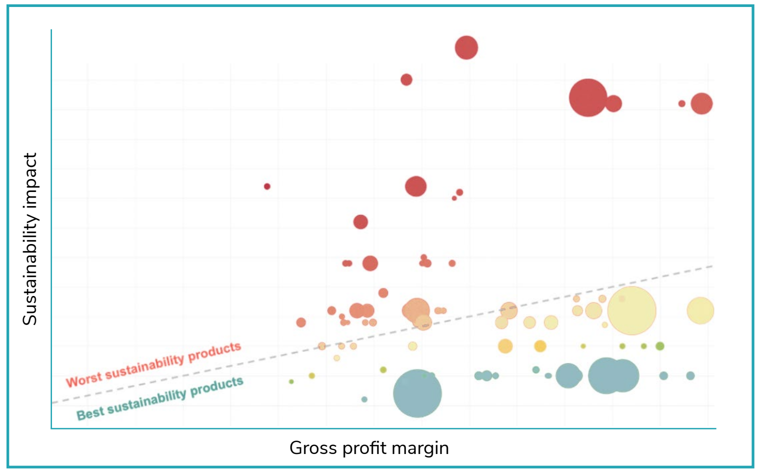
RC NORWAY HAS been working both behind the scenes and at centre stage this year to accelerate their

AnnaMaria Carnemark and Synnøve Reisæter Tveit, RC Norway

shift towards a more healthy and sustainable form of convenience. Behind the scenes, we integrated our sustainability targets into our main business plan early in 2023, explains AnnaMaria Carnemark, CEO of RC Norway. In parallel, we made a big effort to improve data coverage in "Assortment insights". This means that by now we have integrated financial and sustainability data, organised in our BI system, for about 95% of our sales, continues Synnøve Reisæter Tveit, Sustainability Manager in RC Norway. Together with our three main Category Managers, we have used this data to inform our work on a new type of category plans. These plans specify how climate targets should be approached, how risk commodities should be handled and how the health profile of the assortment should be emphasised, all while navigating profitability of each category, as illustrated below. While this is still work in progress, I am very proud of it, says Synnøve. It really lays the foundation for data-driven sustainable business decisions.

> "we integrated our sustainability targets into our main business plan early in 2023"

At centre stage, in the middle of down-town Oslo, RC Norway developed a brand new store concept for Narvesen in 2023 that will open early 2024. The look and feel communicate our ambitions for the future of convenience, says AnnaMaria, and we have taken big steps towards an assortment in line with our new category plans. We look forward to tracking the progress of our new Narvesen, using all the data that we now have. It is really important that we are not just shifting the assortment, but that we are shifting it the right way. It should be a win-win-win. Better for the planet, loved by our customers and boosting our business.



Right: Screen image from our BI system, plotting our gross profit margin against negative impact on sustainability for a selection of products. This helps us find our worst and best performing products in a combined sustainability-profitability perspective.

Taste and not sustainability as main argument

Using flavour as key to unlock customers' curiosity.

RC LATVIA'S COMMITMENT to sustainability has also been visible this year. In Narvesen we launched a vegan sausage - the first of its kind, produced locally, on the Latvian market, says Dace Dovidena, CEO of RC Latvia. A winning concept for us has been to offer the new vegan choices at the same price as the conventional choice. It is important to make the barrier for trying these new products as low as possible for the customers, even if it initially may mean lower margins for us, continues Dace. We have also been working hard this year to take control over the risk commodities in our assortment, adds Vita Breidaka, Sustainability manager in RC Latvia. We are proud that the entire Caffeine assortment and all of Narvesen's hot meals are now palm oil-free. In our newly opened Caffeine café in Riga airport, we have boosted the health- and sustainability profile of the assortment with more vegetarian and vegan meals, including options that are also gluten and lactose-free, we have less plastic-based packaging, and some products even without packaging, and an interior made with a focus on natural materials. Leveraging our new café as a future lab, we plan to test and introduce the products and ideas in our other cafés and stores soon enough, explains Dace. This approach helps us understand and meet customer needs effectively, while we take big steps towards the future of convenience.

> "A winning concept for us has been to offer the new vegan choices at the same price"

Dace Dovidena and Vita Breidaka, RC Latvia

IN R-KIOSKI IN Finland, the journey to a more healthy and sustainable assortment has also begun. We launched a range of great salads and wraps from Picadeli just before the summer, and at the same time we also introduced our own new R-salads and R-bowls, says Teemu Rissanen, CEO of R-kioski Oy. Thanks to these product launches, the sales of our entire salad and wrap product group increased by 35 percent in 2023, he continues. We have received positive feedback from customers, which gives us the courage to accelerate the introduction of more healthy food products for 2024.

COMMON FOR ALL of the assortment development across the seven countries, has been the focus on flavour rather than making sustainability related claims. In Finland people often don't trust green claims, are sceptical of products labelled for example vegan, explains Heiju Simola, Sustainability and Communications Manager in R-kioski in Finland. As health and sustainability has not been associated with convenience historically, we have to start building trust through tangible, meaningful actions in the right directions rather than big words. A useful learning experience on the same theme came from Estonia where they discovered that renaming the initially unpopular "Mega-Vegan Salad" to "Sweet Potato and Lentil Salad" without changing the product resulted in successful sales. In Latvia, the new green private label assortment line is simply called "Fresh & Tasty, to avoid allusions to its vegan and vegetarian properties.

> "we have to start building trust through tangible, meaningful actions in the right directions rather than big words"

Heiju Simola and Teemu Rissanen, R-Kioski Oy

Leveraging the power of supplier collaborations

Transforming convenience will require a shift that reaches far beyond our company and the signature products that we sell. We have to lever the power of supplier collaborations to enable a shift towards a sustainable supply chain.

A Code of Conduct to catalyse change

ONE OF THE most notable steps to deepening supplier collaborations was taken by RC Sweden this year, as they launched a very ambitious appendix to their Code of Conduct. The appendix covered a broad range of sustainability expectations, from sourcing of risk commodities to food additives and packaging, that applies to all their suppliers of products.

Anna Wallenberg and Linnea Borgström, RC Sweden

THE LAUNCH OF the CoC appendix took place at an event in Stockholm in October 2023, which was attended by more than 120 suppliers. The Commercial Director and Sustainability Director of RCS stood on stage together with five top suppliers and REMA 1000 Norway all anchored and supporting the new direction, adding weight to the ambitions. A proud moment indeed, says Anna Wallenberg, CEO of RC Sweden. The launch followed a two-year-long work process for us. This involved a lot of research to land in sustainability requirements truly based on science but adapted to us in the convenience sector, but also an analysis of the potential business implications of the requirements, and a number of deep supplier dialogues to ensure the requirements were as ambitious as possible, yet still feasible. Having our suppliers onboard is so important, continues Anna - this is a shift that we cannot do by ourselves.

"having our suppliers on-board is so important – it is a shift that we cannot do by ourselves"

THE REQUIREMENTS IN the new code of conduct are gradually expanded over the next five years until 2028 to cover all products in the assortment, explains Linnéa Borgström HR and Sustainability Director in RC Sweden. For example, we will then be palm oil-free, all the chocolate will have cocoa that has a third-party audited sustainability certification, animal protein will come from the Nordic region and meat from Sweden, the packaging will be resource-efficient, designed for easy recycling and not contain potentially harmful packaging chemicals, and so on.

WITH THIS APPENDIX, we have gone far beyond what is required of us from a legal or best practice standpoint, says Linnéa. But we see this CoC as a tool to catalyse change towards the future of convenience together with our suppliers. It is a way for us to handle value chain risks, stay ahead of the regulation, and be prepared to deliver on increasing customer expectations when it comes to sustainability.

ADMITTEDLY, SOME ISSUES will be difficult, says Anna. Today, for example, 70 percent of our sales within baked goods come from products containing palm oil. In 2028, this number should be 0. This will require continued dialogue, innovation and joint product development with our suppliers. What is important, Anna concludes, is that we are now finally moving from words to action when it comes to sustainability.

THE OTHER COUNTRIES have taken inspiration from RC Sweden's Code of Conduct appendix and have copied it with pride lately. Moving forward Reitan Convenience will work on getting alignment of the key issues and timelines, such as that for phasing out palm oil. As many of the suppliers are shared across all countries, this will provide leverage to create real change.

Transparent coffee partnerships

We drink more coffee in the Nordics and Baltics than anywhere else in the world.

COFFEE'S SIGNIFICANCE TO the convenience business is undeniable, highlighted by our 43 million cups sold in 2023. However, the global coffee industry faces a range of sustainability problems as highlighted earlier in the report, on page 16, and addressing these together with our coffee suppliers are a key priority for us. Caffeine is the first café chain in the Baltics to use only organic coffee beans, grown without chemical fertilisers and pesticides. We are so proud of this, says Saulius Žilėnas, CEO of RC Lithuania, and especially of the fact that we offer this coffee to our customers at the same price as the conventional coffee we sold earlier. The supplier is Coffee Point, which since 2019 is fully owned by RC Lithuania. This year, RC Lithuania together with partners at Coffee Point, and Lithuanian sustainability journalist Rugilė Matusevičiūtė, travelled to Colombia to visit the local farmers that grow the organic coffee for our coffee shops. The purpose of the trip was to transparently account for what is going on at every step of the journey the coffee bean takes, from farming on the steep hills in Latin America to undergoing several rigorous organic certification processes, before arriving in our cups, explains Lina Kaminskaitė, Marketing and Sustainability director at RC Lithuania, who was part of the excursion. The deal was that the journalist would account for reality, as it was, regardless of what we would find on our way. While we are proud of serving organic coffee in a market where this is still very much the exception, we are also fully aware that the sustainability problems of coffee production are multifaceted and complex and certification schemes do not always work satisfyingly, says Lina. Therefore, making this trip felt important to us. We wanted to see for ourselves what the production actually looks like.

"Caffeine is the first café chain in the Baltics to use only organic coffee beans"

WE DON'T HAVE this tradition in RC Lithuania, explains Saulius. With thousands of products and hundreds of suppliers and sourcing from all over the world, visiting all the production sites for a small organisation like ours would be impossible. But we are fully committed to enabling a future of convenience with transparent value chains and feel that the coffee journey that we have started was a very important first step, concludes Saulius.

Saulius Žilėnas, Kotryna Ieva Vaičiulionytė, Agata Gerasimovič and Lina Kaminskaitė, RC Lithuania

SIMULTANEOUSLY, RC SWEDEN and Norway collaborate with Lykke Kaffegårdar, which adopts a business model without middlemen and where farmers are co-owners of the business, promoting organic farming and fair wages. This approach tries an innovative solution to tackle the industry's challenges, ensuring full transparency from farm to store.

OUR ORGANISATION TODAY:

GOVERNING THROUGH VALUE-BASED LEADERSHIP

We believe in openness and inclusivity, and most of all we believe in the potential of each human being. Through value-based leadership we build great people who create action through trust.

NAVIGATING A RAPIDLY changing business landscape, where sustainability is becoming an imperative for success, requires full focus on our people. For that, we need an organisation that is not just moving on, but that is thriving. Because ultimately it all starts with finding ways to help the almost 12,000 individuals within our own organisation do things differently and innovate the way forwards. This means that we have to analyse our organisation holistically, understanding what we are good at and where to improve.

ANOTHER REASON TO make sure we stay on our toes in terms of organisational development is to stay relevant in a rapidly changing labour market, where new demands and expectations are quickly emerging. Just as for many other companies, securing the talent that we need to navigate towards the future will be a critical factor for us in the years to come. Over the past couple of years we have noted that our deep rooted values together with our stretched sustainability ambitions is something that benefits us directly in terms of being able to attract top talent, which strengthens our belief that if we build our organisation right, we will be able to navigate the sustainability transformation successfully.

> *”most of all, we believe in the potential of each human being”*

With people at heart

IN THE TABLES below we describe some statistics about our current organisation. The data comes from our yearly employee survey and our GRI data collection. In 2023 we had a total of 1,769 stores, and altogether 11,954 people who worked within Reitan Convenience. This is slightly less than in 2022 when we had 1,953 stores and 12,585 co-workers.

AS OUR BUSINESS is largely franchise-based, most of these people are not employed by Reitan Convenience but by the individual merchants. Employed by Reitan Convenience across the seven countries, we had 561 people at the support offices (including Reitan Comvenience AS), an additional 1,746 people in company owned stores and production facilities, as well as 184 people in other parts of the enterprise, including Press service operations and a fully-owned coffee supplier. Not employed by Reitan Convenience, but a key part of our operations, we also had 1,157 franchisees and 8,306 sales people who worked in their stores in 2023.

	RC Norway	RC Sweden	RC Denmark	RC Finland	RC Latvia	RC Estonia	RC Lithuania	RC AS	Total
Stores	349	388	175	379	221	82	175	N/A	1,769
Number of co-workers in support office	107	112	65	110	68	46	45	8	561
Number of co-workers in company owned stores and production	134*	5*	0	467	156	306	678	N/A	1,746

* These numbers reflect stores temporarily managed by the support office, which is an exception for these countries

	RC Norway	RC Sweden	RC Denmark	RC Finland	RC Latvia	RC Estonia	RC Lithuania	RC AS	All
Gender balance in top and middle management, percent women	52	50	40	62	76	73	63	100	59
Gender balance in board, percent women	71	57	80	80	70	60	75	60	68

LOOKING AT THE gender balance, we are a somewhat female dominated organisation both when it comes to all employees and to the leadership. Among our franchisees 53% are women. Among our top and middle management 59% are women, and among our boards 68% are women. We are currently revising our board composition to include more men to achieve a more equal gender balance to meet the targets of Reitan Retail of a 40/60 gender balance across the organisation. We are proud that we are a diverse team, as many of our franchisees have a background from other parts of the world. In Sweden for example, 50% of the franchisees are either born in another country or have parents who are, compared to the national average of 20%.

	RC Norway*	RC Sweden	RC Denmark	RC Finland	RC Latvia	RC Estonia	RC Lithuania	All
I feel proud to work at Reitan Convenience (%)	71	87	87	79	89	86	86	83
I fill an important role at work (%)	90	88	83	82	93	90	87	86
My closest manager trusts me (%)	76	94	87	85	82	86	88	86
I like going to work (%)	70	87	85	74	80	86	82	80
I feel that I can be myself (%)	80	94	88	84	80	89	84	86
I learn new things at work (%)	70	85	76	77	80	85	80	79
Capacity building, hours per person and year	10	30	15	25	19	35	30	23 (average)

* These percentages include RCAS responsens as RCAS is too small of a group to report opinions for separately

OUR LATEST EMPLOYEE survey targeting the support offices across the seven countries paints an overall positive picture. Four out of every five employees are proud to work within Reitan Convenience and enjoy going to work, feel that they fill an important role, that they can be themselves, and that their closest manager trusts them.

IN TERMS OF capacity, equally many feel that they learn new things at work and that their supervisors encourage them to find new solutions. But while we invest quite a bit in capacity building - the number of training hours per person and year varies from 10 to 35 for 2023 - we also know that this is an area that needs further focus since most of the challenges that we will be encountering on our sustainability journey will be fundamentally new for us. For example, integrating multi-dimensional sustainability targets, while at the same time navigating business margins and customer satisfaction rates, is not an easy balance act when curating the convenience assortment of tomorrow. But we believe that collaborating across the seven countries on issues like this will help us acquire the new skills and methods we need. However, one area that stood out as relatively lower in score in the employee survey was the level of cross-country collaboration, where only 25 percent of the employees stated that they collaborated regularly with a colleague from another country. This is something that we will actively focus on in the next year. Strengthening our cross-country collaborations, our collaborations with other Business areas within Reitan Retail, and our collaboration with our suppliers is central to our continued success.

> *”83 percent of the employees are proud to work within Reitan Convenience”*

THE DATA ABOVE relating to empowerment, wellbeing and capacity is based on our yearly employee survey, which is primarily directed to the support office in the seven countries. While we have a lot to be proud of when it comes to our organisation and its development, we have a saying within the Reitan Retail family that goes ”it all starts and ends in the store”. So when it comes to building our own organisation strong, it is just as much about the franchisees, store managers and their teams. It is through them that we meet our customers and broader society.

A LIGHT IN THE DARK:

FROM SHOP FLOOR TO SHOP FLOOR – ACROSS THE NORDICS AND BALTICS

In times characterised by uncertainty and increasing tensions, where a lot of people are lonely and many do not feel safe, our stores offer a light in the dark.

Our franchisees and shop managers and their stores are part of the community fabric, many of them being the beating heart of their neighbourhoods, and our ambition is to support them in becoming real local heroes. From shop floor to shop floor across the seven countries we have countless stories of when they, through small gestures, have made a difference in someone's life. This year we have chosen to highlight these everyday acts of kindness, which we truly believe are important and in the long run contribute to a more open, warm and inclusive society.

Narvesen, Oslo, Norway

Sabeehi Ul Hassan Khan

Sabeehi Ul Hassan Khan exemplifies the power of positive leadership and customer care. He is the manager for three Narvesen stores in Oslo, In December 2023 he was awarded the prestigious prize of the Norwegian Chamber of Commerce "Leadership Talent of the Year". Sabeehi came to Norway as a migrant from Pakistan 10 years ago. Despite initial challenges in Norway, including language barriers, Sabeehi's dedication to his customers and team shines through in everything he does. "Good leadership is about taking care of people" says Sabeehi. I once had this young man from Somalia in my store who struggled with the language and didn't know what he wanted. Several of his friends in Grønland were petty criminals with no plans for the future. In the early days, he was a cleaner in the shop. I asked him if he wanted to try out for an actual job in the store and I saw the fear in his eyes. But I told him that it was my job to give him the knowledge he needed, he had to trust me. So he started in the kiosk, took it step by step, and now he's a store manager and excelling. Soon he'll probably be a franchisee. His parents came by to say hello and were incredibly proud. That's my biggest task: To make others succeed. I love that."

Pressbyrån Alingsås, Sweden

Fazile Ibrahimi

Fazile Ibrahimi, the heart of Pressbyrån in Alingsås, has transformed her store into more than just a shop; it's a community haven. Known for her warmth and compassion, Fazile ensures every customer leaves feeling uplifted. The store has become a key meeting place, almost similar to a therapeutic haven where customers who are lonely and in need of someone to talk to find comfort. Fazile takes the time to ask about how customers are feeling. Last year, there was a woman who came in looking distressed and Fazile asked her how she was doing. She burst into tears and told Fazile that her husband had passed away. Fazile gave her a hug and sat down with her, sharing a cup of coffee and listened, at least for that moment giving some comfort in a difficult time. Fazile's personal touch and genuine concern for her customers have made Pressbyrån a beloved part of daily life in Alingsås, a place where people feel valued and cared for. "I make an effort to try to see every customer as an individual", Fazile says. Sometimes small gestures can make a quite big difference, I have noted.

7-Eleven Frederiksberg, Denmark

Jonathan Wolff

Jonathan Wolff, the owner of a 7-Eleven in Frederiksberg, prioritises social engagement as much as business success. His store, opposite a social shelter, has become a lifeline for many residents with substance abuse and disabilities. Just one out of many examples of Jonathan's commitment is his interaction with a regular customer, an elderly man with mobility issues. During a harsh winter day, the man couldn't make it to the store. Understanding his situation, Jonathan personally delivered essentials to his doorstep. This 7-Eleven store is more than a convenience spot; it's a community cornerstone where residents find a sense of belonging and care. Jonathan's approach goes beyond transactions, focusing on meaningful connections and support, making his 7-Eleven a cherished part of the neighbourhood.

R-kioski Järvenpää, Finland

Jukka Vuolle

In the centre of Järvenpää, near the railway station, a new R-kioski store opened in mid-December. Social media buzzed, and a customer post celebrating the opening garnered 1,200 likes in just two hours. The store's merchant, Jukka Vuollo, and his team, quickly adapted to their new environment. "You feel that R-kioski has been warmly welcomed here," Vuollo shared. Our opening ignited a wave of excitement in the local community. The customers enjoy our selection of food and drinks, and they seem to appreciate the revival of the historic railway station. Vuollo, known for his good sense of humour and for treating all customers with respect, has already seen a steady stream of regulars that stop by the store frequently. The R-kioski in Järvenpää shows the potential of local businesses to contribute in building community spirit, providing not just goods and services, but also amoment of joy and connection, to the people they serve.

Narvesen Daugavpils, Latvia

Ilona Kokina, a franchisee at "Narvesen" in Daugavpils Regional Hospital and a "Local Heroes" program winner in RC Latvia, embodies the essence of our company value that "the customer is our ultimate boss". If you show the customers that you care, they will do the same for you, Ilona explains. A heartwarming example is seen in her interactions with elderly customers. Ilona assists them with the coffee machine, adding sugar, securing the lid, and informing them about special discounts. These small acts of kindness make the customers feel valued. Ilona's attention to detail extends to personalising service, like warming sandwiches to the customer's preference or offering water at the desired temperature. These little things foster a personal experience and a sense of trust, encouraging customers to return. Ilona's success as a merchant proves her belief that a warm smile, some patience, and above all, love for people, will show the way towards a thriving business.

Ilona Kokina

R-kiosk Tartu, Estonia

Aita Kasar

Aita Kasar, a successful merchant with nearly 20 years in R-kiosk, loves her job in the heart of Tartu's community. Located near Miina Härma Upper Secondary School, her store is a hub for teachers, students, and locals. Aita values every customer, she keeps a diverse product range to ensure that everyone find what they need, and enjoys serving her customers while watching the students grow. On a graduation day a while ago, three tall young men, once regular schoolboy customers, returned to take a photo with her, a gesture that filled her with joy. Recognized and greeted also outside her store, Aita's presence in the community goes beyond the confines of her workplace. I truly love what I do, and despite my age I have no plans to retire, says Aita with a laugh.

Narvesen Vilnius, Lithuania

Ana Milevskaja

Ana, a Narvesen merchant at the bustling Saulėtekis university campus shop in central Vilnius, finding joy in serving the diverse community of students and academics. Her approach is akin to a teacher's, witnessing students' journeys from freshmen to graduates, and feeling their absence once they leave. One memorable interaction highlights Ana's commitment. A student was stressed before exams and couldn't decide what to buy. Ana, suggested her favourite stress-reliever – a bar of chocolate. Days later, the student returned, beaming with gratitude and success, sharing a celebratory high-five with Ana after he had aced his exam. Her attention to detail extends to morning routines; she knows her customers' preferred beverages – chai lattes and flat whites for students, black coffee for academics, and everyone loves a cinnamon bun. Ana is an integral part of the campus community and her love for her work stems from the sense of being needed, making every day at the university shop a meaningful experience.

OUR STRATEGIC FOCUS:

LOOKING FORWARD

There has been a lot of sustainability work done this year across Reitan Convenience and Malin Eklund, CSO, is proud – but also eager to advance.

WE HAVE DONE a lot of work this year, and I am proud of what we have achieved, says Malin Eklund, CSO at Reitan Convenience. Yet we have a very long way to go – creating systemic change is not done overnight. To understand what is most important to focus on moving forward, we did a substantial evaluation in late 2023,

Malin Eklund

to assess our progress across all countries and the major barriers we face at this stage of the sustainability journey. Based on that we have identified a set of broad areas of work that we will focus on in 2024-2025, to accelerate our sustainability progress.

THE FIRST FOCUS area is our Business intelligence system for the Anthropocene - the system that we have built to connect our sustainability data and our financial data, which made this year's report possible. We are still in the early days of this, there really are no off the shelf solutions that helps us tak the data driven decisions we like. So we will continue to develop our system to take data coverage and quality to the next level, and to improve system literacy among co-workers in all country organisations. This is absolutely essential, says Malin, because this system gives us the decision support we need to move ahead. At the same time, it also simplifies our compliance work by ensuring that we have our data in one place, structured and readily available. That way, we can be effective and strategic and focus on what is important moving forward, without all the new reporting requirements taking over.

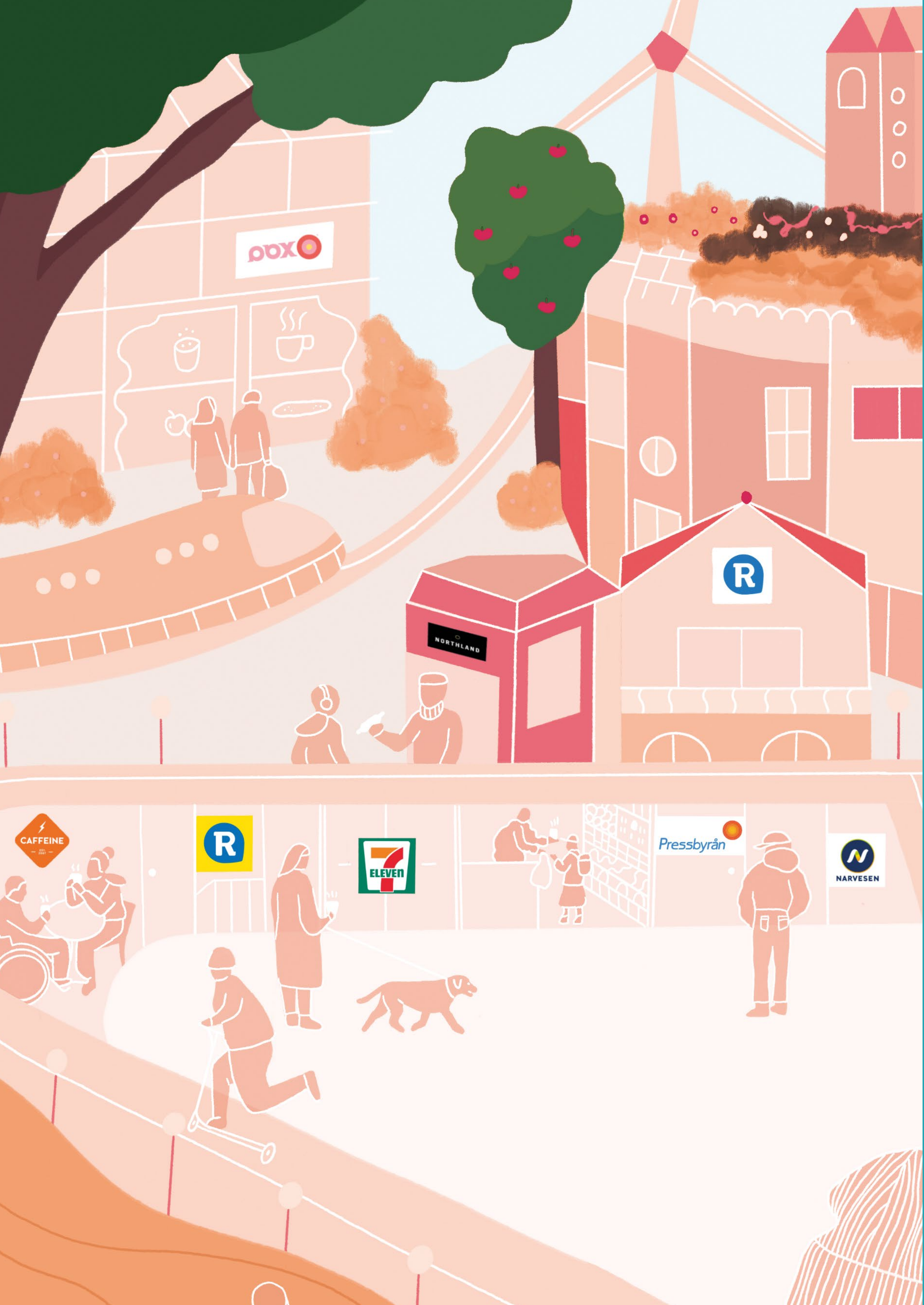
"we have a long way to go – creating systemic change isn't done over night"

A SECOND FOCUS is to continue our work towards a more healthy and sustainable convenience assortment through product development. Right now there is a lot of product innovation going on in all countries. While the business looks somewhat different on the different markets, there are also a lot of similarities, and I am convinced that the country organisations will be able to learn a lot from each other, which means that we will arrive at a convenience assortment fit for the future much faster by working together, continues Malin.

LINKED TO THAT we will also continue work on the customer side, to close the intention-action gap and accelerate the demand for these new products through novel marketing and various forms of nudging. This work is absolutely essential - because we need our customers onboard this journey too. And we will continue to focus on supplier engagement. Although contracts are negotiated in each country, we share many of the big suppliers. We have to make sure to harmonise our messaging on sustainability to our joint suppliers, says Malin. The suppliers must be able to trust that we are serious about this. Because changing the sourcing of the products will take time and require substantial investment on their part as well, says Malin. I like to think more about our suppliers in terms of partners. We will have to make this transformation together along the entire value chain.

THE LAST AREA of work is more internal. It has to do with our organisation and building the resilience that we need for the change journey ahead. This means that we will continue to focus a lot on capacity building in our teams, and systematising our sustainability efforts. A metaphor I often use is that the ball should always be rolling. If I am not actively pushing an issue someone else should, be it a colleague or a partner. And that is important, since we really have no time to lose.

IT IS A quite tall order we have here, Malin concludes with a smile. The convenience of tomorrow is not the convenience of today, minus the bad stuff. It is something different. I like to think of it in terms of our innovation gap. We have to work hard to close this if we are to make convenience sustainable and sustainability convenient. And I don't believe in shortcuts, so that means that we must walk the talk.



Reitan Convenience

GRI Appendix 2023

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About Reitan Convenience GRI reporting

Reitan Convenience (RC) reports its sustainability work through an annual sustainability report. The 2023 report, which is RC's fourth sustainability report, has been prepared according to the Global Reporting Initiative (GRI) Standards 2021 and describes how RC works for sustainable development where environmental and social issues along the value chain as well as business ethics are integrated into the core business. Along with the sustainability report and this GRI appendix, the described information is judged to meet the requirements for reporting in accordance with GRI Standards 2021.

The accompanying GRI index, refers to where information on the respective GRI indicator can be found in the sustainability report or this appendix. Clarifying comments are also provided for some of the indicators. Unless otherwise stated, the page numbers refer to RC's sustainability report 2023.

For questions about the sustainability report or Reitan Convenience's sustainability work, please contact Malin Eklund at: malin.eklund@reitanconvenience.no.

ANALYSIS OF MATERIAL TOPICS & STAKEHOLDER DIALOGUES

In Reitan Convenience, we have three core principles guiding our sustainability work:

- We see sustainability as a business opportunity
- We collaborate to create systemic change
- We base our sustainability in the science on sustainable development.

These principles are important as they inform how we approach this entire area of work.

The first principle means that we genuinely want to do this work, we believe that this is the pathway to our continued business success. The second principle is integral to who we are, it is about forging strong bonds between people and organisations that will allow us to create real change. The third principle is about making sure that we focus on the right things, and anchoring our sustainability efforts on science is a prerequisite for that.

The work on identifying key sustainability issues for Reitan Convenience is based on an expert-led omni-view analysis using an explicit social-ecological systems perspective. The key question guiding this analysis was "to which extent do our current business activities drive and exacerbate the global social and environmental sustainability problems, and to what extent are our activities, in turn, affected by the development of these problems?" What we tried to understand through this analysis was, essentially, the role of our business moving forwards in a hyper-connected global world where the consequences of us pushing towards the planetary boundaries are starting to be felt. When this analysis was made in 2021 the concept of 'double materiality' was not yet well established, but that is the kind of thinking that underpins our strategy.

This science-based analysis is the foundation for the strategy for the Anthropocene, which guides our approach to sustainability across the seven country organisations on a daily basis.

The stakeholder approach is more conventional, but key to us as one of our core principles is collaboration to create systemic change. By stakeholders we mean all persons and organisations that affect or are affected by our activities. These are thus our customers, our merchants and employees, our suppliers and all those working along our value chain, together with our owners. We regularly explore these groups' perspectives on key sustainability priorities, which serves as a complement to the sustainability science base that is the foundation of our strategy. In the strategy process both owners and representatives from all seven countries participated. The participants from all seven countries in turn represented relevant stakeholders in their own respective countries and businesses.

> *"Our strategy for the anthropocene aims to lead the change in our industry to make convenience sustainable and sustainability convenient"*

Since we launched our Strategy for the Anthropocene in 2022, Reitan Retail has set ambitious sustainability targets around a few selected areas, such as climate and palm oil, and we are continuously aligning our work with these priorities to ensure that we as a group are pulling in the same direction.

Our Strategy for the Anthropocene aims to "Lead the change in our industry to make convenience sustainable and sustainability convenient", by focusing on three major impact areas:

1. Climate action that makes a real difference
2. Products for people and planet, and
3. Value-driven transformation to shape the future together.

Each impact area has been further concretised through a set of shared ambitions, covering a wide range of issues around reducing our climate footprint in line with the Paris Agreement's 1.5°C target, how we can improve our resource efficiency and move towards net-zero waste, how we can improve the environmental and social conditions of production of the commodities that make up the products we sell, how we can contribute to better public health, and how we can stand up for an open and inclusive society where all individuals are given the opportunity to succeed.

As illustrated throughout the sustainability report, at the centre of our work is our assortment. Because it is through what we sell and the value chains that we are part of that we have the biggest impact on our planet and on people's lives.

ANALYSIS OF MATERIAL TOPICS & STAKEHOLDER DIALOGUES

Impact area I: Climate action that makes a real difference

Climate change is accelerating in all regions of the world and has turned into one an existential threat. We at Reitan Convenience want to make a difference, and have decided that our success should not contribute to perpetuating climate change.

Shared ambitions for 2030	GRI/Company specific indicator	Relevance to Agenda 2030	Relative priority for stakeholders
1. 1.5°C TARGET. We should be net-zero in scope 1 and 2 and reduce our emissions in scope 3 with at least 43% by 2030 compared to 2022.	302-1, 302-4 305-1, 305-2, 305-3, 305-5	13	Key issue for value chain stability, High focus from owners.
2. SUPPLIER ENGAGEMENT. In order to reach our climate targets, all our important suppliers must have an equally ambitious climate plan	305-3	13	High focus from owners.
3. SUSTAINABLE PACKAGING. We should have reduced our use of plastic packaging significantly compared to 2022. Product packaging should be resource-efficient, designed for easy recycling, and as far as possible, made from renewable raw materials.	301-1, 306-2 Portion of stores with instore recycling Sales from items with non-plastic packaging	12, 13, 14, 15	High focus from customers.
4. MINIMAL FOOD WASTE. We should be well on our way to net-zero food waste. Food waste that is still generated is used as a resource in other activities.	306-1, 306-2	2, 13, 15	High focus from merchants.
5. ENERGY & BUILDINGS. We will build and operate climate-smart and energy-efficient stores according to the highest environmental standard.	302-3	7, 11, 13	High focus from business partners.

Impact area II: Products for people and planet

The global food system, from production to consumption, is pushing us towards the planetary boundaries. At the same time, new public health risks are emerging due to our food habits. We at Reitan Convenience want to provide products that are good for people and the planet. Through innovation and new partnerships, we can contribute to developing a food system fit for the future.

Shared ambitions for 2030	GRI/Company specific indicator	Relevance to Agenda 2030	Relative priority for stakeholders
6. PLANETARY HEALTH DIET. Our range of food must be good for both people and the planet. This means that we mainly have healthy and fresh products in our food to go, avoiding unnecessary food additives, including a large selection that is plant-based and reducing red meat. We will also limit the amount of sugar in drinks and the portion sizes of baked goods and confectionery.	Sales of: - Red meat vs white meat vs lacto-ovo vs plant based - High calorie content of bakery - High sugar content of cold drinks - Food additives on phase out and monitoring lists	3, 12, 13, 14, 15	Key issue for addressing climate change, some focus on health from customers and suppliers.

GRI APPENDIX REITAN CONVENIENCE SUSTAINABILITY REPORT 2023

Shared ambitions for 2030	GRI/Company specific indicator	Relevance to Agenda 2030	Relative priority for stakeholders
7. SOURCING OF RISK COMMODITIES. We will completely phase out palm oil from our range. Coffee, cocoa and soy must have a credible and clearly documented sustainability profile, e.g. through third-party accredited certification that demonstrates both social and ecological sustainability.	308-1, 308-2 407-1 408-1 409-1 414-1 Sourcing country cocoa, coffee, soy	12, 15	Key issue for value chain stability, high focus from owners, some focus from suppliers, marginal issue from customers
8. ANIMAL WELFARE & SAFE USE OF ANTIBIOTICS. Products containing animal protein (red meat, chicken, eggs, fish/shellfish, dairy) must guarantee 100% safe antibiotic handling and we should be known as an advocate for good animal welfare.	Sourcing country animal content	3, 12, 14, 15	High focus on animal welfare from owners, some focus from customers.
9. PARTNERSHIPS FOR A SUSTAINABLE FOOD SYSTEM. We will create new types of innovative supplier collaborations which helps us realise the transition towards sustainable and healthy convenience.	204-1	9, 15, 17	Some focus from suppliers.

Impact area III: Value-driven transformation to shape the future together

We draw on our deep-rooted company values to contribute to building a society that we want to be a part of. We want to focus on the people in our fantastic team and further develop their commitment, competence, and drive to speed up the change. An open and inclusive future with equal opportunities for all is essential, and we must live these values fully within our organisation.

Shared ambitions for 2030	GRI/Company specific indicator	Relevance to Agenda 2030	Relative priority for stakeholders
10. WE WILL STRENGTHEN OUR TEAM to lead the way towards the convenience of the future. Through a focus on equity, diversity, inclusion, leadership, capacity and development opportunities, we at RC become the most competitive employer in convenience in all 7 countries.	401-1 402-1 402-2404-3 405-1 405-2 406-1 Capacity building (h/employee) Empowerment and autonomy (self assessment employment survey)	4, 5, 8, 10, 11	Focus on inclusion from owners, focus on working environment from merchants and co-workers, focus on working conditions from customers.
11. WE MUST LIVE UP TO OUR VALUES OF BEING A RESPONSIBLE SOCIAL ACTOR. Our brands should be highly associated with social responsibility and our merchants are known as local heroes - the beating heart of the local community.	418-1 Local hero initiatives	3, 10, 11	Focus on societal role from owners, franchisees and co-workers.
12. WE WILL MAKE SUSTAINABILITY CONVENIENT for our customers. Our brands should be strongly associated with a holistic sustainability approach and we should be known as the company that makes sustainable and healthy convenience available to all.	Proportion os product campaigns that aligns with strategy for the Anthropocene	3, 12	Focus on facilitating sustainable choices from owners.

GRI CONTENT INDEX

This GRI content index corresponds to the GRI Standards 2021 reporting requirements.
Unless specified differently, all page references are to the 2023 sustainability report.

Statement of use:	Reitan Convenience AS has reported in accordance with the GRI Standards for the period 2023.01.01-2023.12.31
GRI used:	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s):	No applicable GRI Sector Standard

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
GRI 2: The organization and its reporting practices					
2-1 Organizational details	8, See Additional Information	Not applicable			HQ located in Oslo, Norway
2-2 Entities included in the organization's sustainability reporting	See Additional Information				Reitan Convenience AS, Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, SIA Preses Serviss, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania, UAB Press Express, UAB Coffee Point.
2-3 Reporting period, frequency and contact point	See Additional Information				Annually/same as fiscal year. Contact point: malin.eklund@reitanconvenience.no
2-4 Restatements of information	See Additional Information				No restatements.
2-5 External assurance	See Additional Information				The report has not been externally assured.
GRI 2: Activities and workers					
2-6 Activities, value chain and other business relationships	See Additional Information				Reitan Convenience manages around 1 800 convenience stores across Norway, Sweden, Denmark, Finland, Latvia, Estonia, and Lithuania. Beyond its convenience store ventures, it runs coffee shops in the Baltic countries under the Caffeine brand. The company's business activities extend to the distribution of press materials in Latvia, Estonia, and Lithuania, serving both its own stores and other retailers. Additionally, Reitan Convenience provided infrastructure leasing to 7-Eleven energy stations in Denmark, lasting until 31 December 2023.
2-7 Employees	GRI appendix 51-52				
2-8 Workers who are not employees	See Additional Information				Reitan Convenience AS does not have any workers who are not employees.

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
GRI 2: Governance					
2-9 Governance structure and composition	GRI appendix 52				
2-10 Nomination and selection of the highest governance body	See Additional Information				The structure of the board for Reitan Convenience AS is specifically arranged to identify the key roles and personnel within Reitan Retail who are directly involved in managing the Reitan Convenience business division.
2-11 Chair of the highest governance body	See Additional Information				Ole Robert Reitan, CEO Reitan Retail AS
2-12 Role of the highest governance body in overseeing the management of impacts	See Additional Information				The highest governance body oversees the management of impacts by reviewing business strategy, economic performance, and sustainability progress during quarterly board and management team meetings, as well as through regular business review meetings.
2-13 Delegation of responsibility for managing impacts	See Additional Information				The highest governance body is responsible for overseeing the management of impacts by examining the company's business strategy, economic performance, and progress in sustainability. This examination takes place during quarterly meetings with the board and management team. These meetings are essential for ensuring that the company's activities align with its strategic, financial, and sustainability objectives.
2-14 Role of the highest governance body in sustainability reporting	See Additional Information				Sustainability Report is approved by the board
2-15 Conflicts of interest	See Additional Information				Employees holding key responsibilities, such as management team members and purchasing and category managers, are required to disclose any direct or indirect interests they and/or their relatives might have in companies that are suppliers or clients of Reitan Convenience. This also extends to disclosing any positions they or their relatives hold in companies with client or supplier relations to Reitan. Through this process, no significant conflicts of interest have been discovered.
2-16 Communication of critical concerns	See Additional Information				Reitan Convenience AS facilitates structured communication by having its management team members on the boards of its subsidiaries. The communication of critical concerns typically follows a path from the CEO of a subsidiary to the subsidiary's board, which includes members of Reitan Convenience AS' management team onto reaching the board of Reitan Convenience AS.
2-17 Collective knowledge of the highest governance body	See Additional Information				The board of Reitan Convenience AS has not recieved any formal training on sustainable development during 2023.

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
2-18 Evaluation of the performance of the highest governance body	See Additional Information				The performance of the board is evaluated by the board of the parent company, Reitan Retail AS. The climate accounting is audited by DNV.
2-19 Remuneration policies	See Additional Information	2-19 a	Not applicable	Partial omission. Not a fixed policy standard in 2023.	The process of implementing remuneration policies for the highest governance body and senior executives has begun. These policies will be designed to align their incentives with the organization's impacts on the economy, environment, and society.
2-20 Process to determine remuneration		2-20 a, b	Not applicable	Not a fixed policy standard in 2023.	
2-21 Annual total compensation ratio	See Additional Information				Reitan Convenience includes subsidiaries in seven countries, each utilizing various salary and payroll systems within the Group. For the GRI 2-21 report, we display the Group's compensation ratio data in ranges, average, and median, as provided by the subsidiaries.

GRI 2: Strategy, policies and practices					
2-22 Statement on sustainable development strategy	6-7, 10-11				
2-23 Policy commitments	10-11, 14, 16-19, 31				
2-24 Embedding policy commitments	See Additional Information				Ref: Reitan Retail's Code of Conduct and Supplier Code of Conduct: https://www.reitanretail.no/en/about/governing-documents
2-25 Processes to remediate negative impacts	See Additional Information				Ref: Reitan Retail's Code of Conduct and Supplier Code of Conduct: https://www.reitanretail.no/en/about/governing-documents
2-26 Mechanisms for seeking advice and raising concerns	See Additional Information				Ref: Reitan Retail's Code of Conduct and Supplier Code of Conduct: https://www.reitanretail.no/en/about/governing-documents
2-27 Compliance with laws and regulations	See Additional Information				No known instances of non-compliance.
2-28 Membership associations	GRI appendix 53				

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
GRI 2: Stakeholder engagement					
2-29 Approach to stakeholder engagement	See Additional Information				We connect with franchisees through an advisory group and an annual forum. Customers provide feedback via the Sustainability Brand Index survey or other surveys, helping us understand their priorities on sustainability. We maintain ongoing dialogues with suppliers through yearly forums to ensure open communication. Our work with government bodies, through initiatives like Sweden's "Företagsnätverk för att Motverka Ofrivillig Ensamhet" and the "Lithuanian Responsible Business Association (LAVA)," reflects our commitment to societal issues. For research and development, we include scientific experts in an external advisory group to ensure our decisions are well-informed. Additionally, in partnership with our owners, who share our commitment to sustainability, we strive to align our actions with environmental and social responsibilities.
2-30 Collective bargaining agreements	GRI appendix 53				

GRI 3: Disclosures on material topics					
3-1 Process to determine material topics	GRI appendix 39-41				
3-2 List of material topics	GRI appendix 39-41				
3-3 Management of material topics	GRI appendix 39-41				

Economic disclosures					
201-1 Direct economic value generated and distributed	See Additional Information				Ref: Reitan Retail's Annual & Sustainability Report
201-2 Financial implications and other risks and opportunities due to climate change	See Additional Information				The financial implications, risks, and opportunities presented by climate change are multifaceted and significant, particularly for industries reliant on key agricultural commodities such as coffee, sugar, and maize. The observed and anticipated changes in climate patterns - characterized by drying and heating trends - pose substantial risks to the productivity of these crops. These risks are not only immediate but are expected to persist and intensify over the coming decades. The likelihood of these risks materializing is high, as is the magnitude of their potential impact on value chains. Understanding these dynamics is crucial for developing effective mitigation and adaptation strategies.

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
204-1 Proportion of spending on local suppliers	GRI appendix 53	204-1 a	Information unavailable/ incomplete	Partial omission. Due to a lack of data on spending and procurement details, the count of suppliers is being provided instead.	
205-1 Operations assessed for risks related to corruption	GRI appendix 53				
205-2 Communication and training about anti-corruption policies and procedures	GRI appendix 54				
205-3 Confirmed incidents of corruption and actions taken	GRI appendix 53				
Environmental disclosures					
301-1 Materials used by weight or volume	GRI appendix 54				
302-1 Energy consumption within the organization	GRI appendix 54				
302-4 Reduction of energy consumption	GRI appendix 54				
305-1 Direct (Scope 1) GHG emissions	22-23, GRI appendix 55				
305-2 Energy indirect (Scope 2) GHG emissions	22-23, GRI appendix 55				
305-3 Other indirect (Scope 3) GHG emissions	22-23, GRI appendix 55				
305-5 Reduction of GHG emissions	22-23, GRI appendix 55				
306-1 Waste generation and significant waste-related impacts	See Additional Information				For Reitan Convenience, our biggest waste concerns are food waste and packaging. Most of this waste comes from two sources: packaged goods and disposable items, with the main issues being packaging waste and unsold food. The problem of food waste is especially serious due to the quick spoilage of perishable items, which make up a large part of our waste. Also, using single-use items adds to this problem. The effects of food waste go beyond just what happens in our stores. It includes waste from making and transporting our products, as well as how customers dispose of packaging. That's why reducing food waste and packaging is a key part of our environmental efforts.

GRI APPENDIX REITAN CONVENIENCE SUSTAINABILITY REPORT 2023

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
306-2 Management of significant wasterelated impacts	See Additional Information				Reitan Convenience strive for a high sorting degree in our recycling efforts, though we recognize that recycling systems differ across regions. Additionally, as a key part of our circularity measures, Reitan Convenience collaborate with third-party rescue apps to diminish food waste. Complementing this, Reitan Convenience offer short-date discounts to serve a similar objective. Currently, a standardized and centralized (i.e. operated by Reitan Convenience AS) system for monitoring waste streams is not in place.
306-3 Waste generated	GRI appendix 55				
306-4 Waste diverted from disposal	GRI appendix 55				
308-1 New suppliers that were screened using environmental criteria	GRI appendix 56				
308-2 Negative environmental impacts in the supply chain and actions taken	GRI appendix 56				
Social disclosures					
401-1 New employee hires and employee turnover	GRI appendix 56-57				
402-1 Minimum notice periods regarding operational changes	See Additional Information				Typically, the minimum notice period for employees ranges from 1 week to 1 month, with variations based on factors like probation status, employment duration, and specific legal or contractual requirements. This answer refers to the employees of Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, and UAB Reitan Convenience Lithuania.
404-1 Average hours of training per year per employee	GRI appendix 57				
404-2 Programs for upgrading employee skills and transition assistance programs	See Additional Information				Across all regions, Reitan Convenience implements a multifaceted skill enhancement approach, integrating performance-based reviews, hands-on training, e-learning, specialized workshops, and industry conferences. This approach caters to various roles including office staff, retail employees, and franchisees, focusing on professional, technical, leadership, and customer service skills, along with personalized development paths and sustainability practices.

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
404-3 Percentage of employees receiving regular performance and career development reviews	GRI appendix 57				
405-1 Diversity of governance bodies and employees	GRI appendix 51-52	405-1 b ii	Information unavailable/ incomplete	The data collection of employees did not include age.	
405-2 Ratio of basic salary and remuneration of women to men	GRI appendix 57				
406-1 Incidents of discrimination and corrective actions taken	GRI appendix 58				
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	16-17				
408-1 Operations and suppliers at significant risk for incidents of child labor	16-17				
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	16-17				
414-1 New suppliers that were screened using social criteria	GRI appendix 56				
414-2 Negative social impacts in the supply chain and actions taken	GRI appendix 56				
416-1 Assessment of the health and safety impacts of product and service categories	14-20, See Additional Information				Reitan Convenience prioritively evaluates and seeks improvements in the health and safety aspects of its key products and services. The company is aware of the health implications related to its product range, particularly tobacco, which, while constituting 16 % of overall sales, poses a significant challenge in aligning with health objectives.
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI appendix 58				

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
Company specific					
Share of stores that are supported by a commercial or public recycling system.	GRI appendix 59				
Out of the stores that are supported by a commercial recycling system, how many percent of the stores have in-store sorting facilities?	GRI appendix 59				
Sales from products with red meat divided by total food sales.	18				
Investment in capacity building among staff relating to sustainability, innovation and/or leadership (total hours/ employees)	GRI appendix 57, See Additional Information				The training in the business primarily focuses on leadership development, sustainability, and innovation. Leadership training is a priority, especially with the introduction of many new leaders. Sustainability and innovation is integrated into training through workshops and onboarding programs. In 2023, there was a special emphasis on value-driven leadership and employee empowerment, aligning with the company's sustainability strategy and responding to global trends.
Employee self assessment of empowerment & capacity	31				
Sales from baked goods with a calorie content lower than 300 kcal per portion divided by total sales from baked goods.	18				
Risk Commodity Palm Oil	16-17				
Risk Commodity Coffee	16-17				
Origin of animal protein	20-21				
Investments in local hero initiatives	30-33	Company Specific	Information unavailable/ incomplete	Partially omitted, the text highlights the significance of these initiatives, yet a coherent method for obtaining comparable investment figures across all regions is not in place.	
Customer brand affinity - responsible actor	GRI Index Page 59				

Disclosure Code & Name	Location	Omission			Additional Information
		Requirement(s) omitted	Reason	Explanation	
Proportion of campaigns promoting healthy and sustainable choices.	GRI Index Page 59				
Customer brand affinity - sustainable actor	GRI Index Page 59				
Sales from items without plastic packaging divided by total sales.	See additional information	Company Specific		Partially omitted. Data is incomplete; however, partial information is disclosed under 301-1. The main source of plastic comes from product packaging. Data from suppliers is currently lacking, but efforts are underway to collect this information.	See 301-1

GRI REFERENCE TABLES

2-7 Employees, 405-1 Diversity of governance bodies and employees

The numbers are reported as head count and refer to the numbers as per the end of the year.
The number of employees has not fluctuated significantly during the reporting period.

The data is displayed by region, covering all companies within the group: Reitan Convenience AS, Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, SIA Preses Serviss, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania, UAB Press Express, and UAB Coffee Point.

Total number of employees per gender and region

	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania	Total
Top management	12	10	8	6	16	16	15	83
Women	75%	30%	50%	33%	50%	56%	53%	52%
Men	25%	70%	50%	67%	50%	44%	47%	48%
Middle management	13	14	7	31	13	7	9	94
Women	46%	64%	29%	68%	85%	100%	67%	66%
Men	54%	36%	71%	32%	15%	0%	33%	34%
Production facilities	0	0	0	0	16	4	58	78
Women	N/A	N/A	N/A	N/A	88%	100%	91%	91%
Men	N/A	N/A	N/A	N/A	13%	0%	9%	9%
Office	90	88	50	73	96	71	100	568
Women	57%	59%	58%	77%	74%	77%	86%	70%
Men	43%	41%	42%	23%	26%	23%	14%	30%
Company-owned stores*	134	5	0	467	140	302	620	1 668
Women	51%	100%	N/A	81%	82%	92%	91%	85%
Men	49%	0%	N/A	19%	18%	8%	9%	15%

Information segmented by age group is unavailable.
*The figures pertain to company-owned stores. On an aggregated level, the gender balance among franchisees and employees in franchise-operated stores is: 59% women and 41% men.

Total number of employees per gender and region

	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania	Total
Part-time	130	5	1	377	118	221	346	1 198
Women	68	5	1	305	93	202	303	977
Men	62	0	0	72	25	19	43	221
Full-time	119	112	64	200	163	179	456	1 293
Women	67	64	34	154	126	152	414	1 011
Men	52	48	30	46	37	27	42	282
Permanent employment	226	107	64	302	279	400	799	2 177
Women	125	61	34	242	218	354	714	1 748
Men	101	46	30	60	61	46	85	429
Temporary employment	3	9	1	15	2	0	3	33
Women	1	7	1	14	1	0	3	27
Men	2	2	0	1	1	0	0	6

Total number of employees per gender and region (continued)								
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania	Total
Non-guaranteed hours employees	20	1	0	260	0	0	0	281
Women	9	1	0	203	0	0	0	213
Men	11	0	0	57	0	0	0	68
Total Women	135	69	35	459	219	354	717	1 988
Total Men	114	48	30	118	62	46	85	503
Total	249	117	65	577	281	400	802	2 491

Information segmented by age group is unavailable.
*The figures pertain to company-owned stores. On an aggregated level, the gender balance among franchisees and employees in franchise-operated stores is: 59% women and 41% men.

Board Members by age group and gender								
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania	Total
Total	11	7	5	5	10	10	12	60
Women	7	4	4	4	7	6	9	41
Men	4	3	1	1	3	4	3	19
Board members younger than 30	0	0	0	0	0	0	0	0
Women	0	0	0	0	0	0	0	0
Men	0	0	0	0	0	0	0	0
Board members: 30 to 49	6	4	4	3	5	4	6	32
Women	4	3	3	3	4	3	6	26
Men	2	2	1	0	1	1	0	7
Board members 50 years and older	6	2	1	2	5	6	6	28
Women	4	1	1	1	3	3	3	16
Men	2	1	0	1	2	3	3	12

2-9 Governance structure and composition			
Name	Start date	Role	Other missions
Ole Robert Reitan	2021	Chair	Owner REITAN AS & CEO Reitan Retail AS
Magnus Reitan	2016		Owner REITAN AS & CEO Reitan Kapital AS
Kristin S. Genton	2018		CFO Reitan Retail AS & REITAN AS
Monica Ødegaard	2021		COO Reitan Retail AS

2-21 Annual total compensation ratio		
Name	2023	2022
Number of reporting companies	12	12
Compensation ratio - interval	(3,5 - 11,5)	(3,5 - 11,9)
Compensation ratio - average	7.0	6.9
Compensation ratio - median	6.3	6.6
Growth CEO pay - average (%)	14.3	2.3
Growth CEO pay - median (%)	14.3	1.6
Growth median pay - average (%)	6.3	4.6
Growth median pay - median (%)	5.0	5.4

2-28 Membership associations			
Norway	Sweden	Denmark	Finland
• Handelens Miljøfond • Hold Norge Rent	• Convenience Stores Sweden • Handelns Säkerhetsgrupp • Svensk Handel • Svenska Franchise Föreningen • Läsrörelsen (Pressbyrån) • Reportrar utan gränser (Pressbyrån) • Svenskt Näringsliv • Norsk-Svenska Handelskammaren • Science Based Targets Initiative	• Danish Chamber of Commerce • DSK (De Samvirkende Købmænd) • CONCITO • Danish Cancer Society • Vegetarian Society of Denmark • Frej	• Helsinki Region Chamber of Commerce • Finnish Commerce Federation • Finnish Grocery Trade Association

Latvia	Estonia	Lithuania
• Latvian Food Retailers Association • Norwegian Chamber of Commerce in Latvia • Foreign Investors' Council in Latvia • Business Network International Latvia • Latvian Association for People Management • Latvian Diversity Charter • Distripress • Public Integration Foundation Latvia • MOT Latvija	• Eesti Kaupmeeste Liit • Eesti Maksumaksjate Liit • Green Tiger • Eesti Personalijuhtimise Ühing • Eesti Tööandjate Keskliit • Norra-Eesti Kaubanduskoda	• Lithuanian Diversity Chamber • SOPA • Lithuanian Responsible Business Association

The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.

2-30 Collective bargaining agreements							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Percentage covered by collective bargaining agreements (%)	100	100	0	Stores: 100 Support Office: 95	0	0	0

The figures cover employees in: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.

204-1 Proportion of spending on local suppliers							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Number of suppliers for whom a significant majority of sourcing is domestic to the organization's country	20	N/A*	8	24	29	25	4

*RC Sweden lacks this data, but efforts to gather the information commenced in 2024.

205-1 Operations assessed for risks related to corruption, 205-3 Confirmed incidents of corruption and actions taken							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Total number of operations	349	388	175	379	221	82	175
Percentage of operations assessed for risks related to corruption (%)	0	0	0	0	100	100	0
Confirmed incidents	0	0	0	0	0	0	0

Total number of operations' is the total number of sales outlets per 31st December 2023.

205-2 Communication and training about anti-corruption policies and procedures							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Does your company have an anti-corruption policy?	YES	YES	YES	YES	NO	NO (draft in progress)	YES
Is the policy communicated to the support office?	NO	YES	NO	YES	N/A	N/A	YES
Is the policy communicated to your suppliers?	YES	YES	YES	YES	N/A*	N/A	NO
Have you organised training around anti-corruption?	NO	YES	NO	YES	YES	NO	YES

The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.
*The code of conduct demands compliance with international and local laws on human rights, labor, and environment, emphasizing strict adherence to anti-corruption principles. Business partners must prioritize higher standards and uphold ethics, avoiding improper benefits in all transactions.

301-1 Materials used by weight or volume							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Lids	885	9 475	3 263	5 706	3 376	1 107	4 313
Plastic	0%	8%	0%	18%	12%	0%	22%
Paper	100%	92%	100%	82%	88%	100%	78%
Bags	759	14 159	20 563	337	2 997	176	740
Plastic	97%	5%	2%	83%	7%	0%	0%
Paper	3%	95%	98%	17%	93%	100%	100%
Cutlery	301	4 946	1 397	712	81	98	165
Plastic	0%	0%	0%	0%	0%	0%	0%
Wooden	100%	100%	100%	100%	100%	100%	100%
Coffee Cups	7 541	11 740	5 012	10 140	4 417	1 635	4 313
With Plastic Lining	100%	100%	100%	100%	12%	100%	100%
Without Plastic Lining	0%	0%	0%	0%	88%	0%	0%

The numbers are in quantities of thousands, distributed between reneawble and non-renewable materials as indicated by the percentages.
The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.

302-1 Energy consumption within the organization, 302-4 Reduction of energy consumption								
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania	Total
Total fuel consumption (liters)	12 984	59 214	54 999	17 767	49 841	49 830	69 657 liters Natural gas: 16 124 083 kWh LPG: 401 m3 & 7 458 kg	314 282 liters Natural gas: 16 124 083 kWh LPG: 401 m3 & 7 458 kg
of which renewable	0	0	0	675 liters Biogas (100%): 1 368 kg	0	0	0	675 liters Biogas (100%): 1 368 kg
Total electricity consumption (MWh)	45 506	31 135	24 278	22 857	6 224	3 652	5 551	139 203
Heating consumption (MWh)	126	5 663	367	2 421	409	857	282	10 125
Total energy consumption (MWh)	45 751	37 329	25 182	25 469	7 101	4 982	25 419	171 233
Change of total energy consumption compared to last year	-2%	-12%	-7%	-22%	-4%	-5%	389%*	3%

*The notable rise in Lithuania's figures can be attributed to enhanced data quality, specifically through an expanded inclusion within Scope 1.
See 305-1, 305-2, 305-3, 305-5 for information about the carbon accounting.

305-1 Direct (Scope 1), 305-2 Indirect (Scope 2), 305-3 Other indirect (Scope 3) GHG emissions. 305-5 Reduction of GHG emissions								
Ton CO2e	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania	Total
Scope 1	167	286	1 134	908	531	468	4 375	7 868
Scope 1 (2022)	371	515	1 737	688	769	350	1 139	5 569
Change	-55%	-44%	-35%	32%	-31%	34%	284%*	41%
Scope 2	283	613	3 015	2 081	686	2 239	776	9 692
Scope 2 (2022)	325	630	3 789	2 625	777	2 057	731	10 934
Change	-13%	-3%	-20%	-21%	-12%	9%	6%	-11%
Scope 3	36 854	49 000	36 397	22 367	12 400	7 131	26 240	190 388**
Scope 3 (2022)	26 224	36 478	31 903	21 593	20 184	18 063	14 827	169 270
Change	41%	34%	14%	4%	-39%	-61%	77%	12%

These figures incorporate all greenhouse gases as outlined in the GHG Protocol, presenting the data in terms of CO2 equivalents (CO2e). The carbon accounting for RC is conducted utilizing the CEMAsys Carbon Footprint, a climate calculation tool. This calculation model adheres to the international standard set forth by The Greenhouse Gas Protocol Initiative (GHG Protocol). It encompasses a detailed database of global emission factors, drawing from sources including DEFRA, Ecoinvent, and the International Energy Agency (IEA). Additional conversion factors have been sourced from alternative references or derived through further calculations.

2022 is designated as the base year for greenhouse gas (GHG) reporting because it marks the first year that all business areas completed GHG emissions reporting across all scopes. This year was chosen as the baseline for its data availability, facilitating emissions tracking, target setting, and progress measurement in subsequent years.

DNV Business Assurance Norway AS has conducted an assurance assessment on the Greenhouse Gas (GHG) Emissions and Energy data of Reitan Retail AS, as detailed in their 2023 annual financial and sustainability report. As a subsidiary within the Reitan Retail group, Reitan Convenience was encompassed within the scope of this engagement.

*The significant increase can largely be attributed to the expanded scope of reporting within Scope 1 in Lithuania, where stationary combustion was not previously accounted for.
**This figure has been adjusted due to input data errors in RC Norway, RC Sweden and RC Lithuania. This adjustment accounts for minus 0.5 percent of Reitan Retail's total carbon emissions, as disclosed by the parent company, Reitan Retail AS.

306-3 Waste generated							
Food waste	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Thousands of unsold products that end up being disposed.	5 738	2 983	3 653	2 059*	1 068	353	1 466
Estimated weight, metric tonnes	631	328	402	226	118	39	161

The source data, pertaining to the number of product units, is obtained from surveys answered by country representatives. The weight is determined by this unit count and an estimated average of 110 grams per portion. This figure is based on the median weight for non-drink food items, assuming that drinks are less frequently wasted. The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.
*This number is estimated based on sales amounts.

306-4 Waste diverted from disposal							
Food waste	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Thousands of products within edible categories sold through channels aiming to minimize waste (e.g. third-party rescue apps or with inhouse short-date discounts)	1 766	318	503	508*	114	162	245
Estimated weight, metric tonnes	194	35	55	56	13	18	27

The source data, pertaining to the number of product units, is obtained from surveys answered by country representatives. The weight is determined by this unit count and an estimated average of 110 grams per portion. This figure is based on the median weight for non-drink food items, assuming that drinks are less frequently sold in this manner. For some regions, the figure also covers donations. The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.
*This number is estimated based on sales amounts.

308-1, 308- 2 & 414-1, 414-2 New suppliers that were screened using environmental and social criteria and negative environmental impacts in the supply chain and actions taken							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Does your organization have a Code of Conduct?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Percentage of new suppliers that were screened using environmental criteria.	100%	100% for PBX, else 0%	0%	0%	0%	0%	80%
Has your organization terminated any relationships with suppliers due to the results of environmental assessments?	Yes, contract with one supplier of chicken terminated due to non-compliance with ECC standards.	A few suppliers have been terminated because they did not meet the established criteria for PBX.	No	No	Collaboration with two suppliers has been discontinued, not as a result of screening processes, but due to their refusal to sign the Code of Conduct.	No	No
Percentage of new suppliers that were screened using social criteria.	100%	0%	0%	0%	0%	0%	80%
Has your organization terminated any relationships with suppliers due to the results of social assessments?	No	No	No	No	Collaboration with two suppliers has been discontinued, not as a result of screening processes, but due to their refusal to sign the Code of Conduct.	No	No

Please note that all regions have a CoC which includes both social and environmental critetria since 2023. The process for due diligence is still under development, which is why most countries still cannot claim to perform regular environmental or social screening, although the CoC requires sustainable practices in the value chain. The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.

401-1 New employee hires and employee turnover								
New hires	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania	Total
Total	63	21	12	502	263	256	594	1 711
New Hire Rate	33%	20%	20%	87%	89%	61%	69%	68%
Women	31	14	6	391	219	221	507	1 389
Men	32	7	6	111	44	35	87	322
Employees younger than 30	36	3	2	299	240	196	493	1 269
Women	18	1	0	212	199	165	414	1 009
Men	18	2	2	87	41	31	79	260
Employees: 30 to 49	26	14	8	132	18	42	35	275
Women	12	9	4	111	15	38	31	220
Men	14	5	4	21	3	4	4	55
Employees older than 50	1	4	2	71	5	18	66	167
Women	1	4	2	68	5	18	62	160
Men	0	0	0	3	0	0	4	7

Turnover	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania	Total
Total	-5	-10	-7	-505	-276	-277	-657	-1 737
Employee Turnover Rate	-3%	-9%	-12%	-87%	-94%	-66%	-76%	-69%
Women	-2	-6	-5	-401	-237	-239	-566	-1 456
Men	-3	-4	-2	-104	-39	-38	-91	-281
Employees younger than 30	0	0	0	-288	-238	-195	-442	-1 163
Women	0	0	0	-205	-205	-163	-358	-931
Men	0	0	0	-83	-33	-32	-84	-232
Employees: 30 to 49	-1	-7	-5	-138	-24	-41	-63	-279
Women	0	-3	-3	-121	-21	-37	-59	-244
Men	-1	-4	-2	-17	-3	-4	-4	-35
Employees older than 50	-4	-3	-2	-79	-14	-41	-152	-295
Women	-2	-3	-2	-75	-11	-39	-149	-281
Men	-2	0	0	-4	-3	-2	-3	-14

404-1 Average hours of training per year per employee, company specific							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Average hours of training per year per employee	10	30	15	25	19	35	30
Has the training included sustainability?	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Data is not broken down by gender and employee category due to unavailable data. The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.

404-3 Percentage of employees receiving regular performance and career development reviews*							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Top management							
Women	N/A	100%	100%	100%	100%	100%	100%
Men	N/A	100%	100%	100%	100%	100%	100%
Middle management							
Women	N/A	100%	100%	100%	43%	100%	100%
Men	N/A	100%	100%	100%	N/A**	N/A	100%
Production facilities							
Women	N/A	N/A	N/A	N/A	0%	100%	100%
Men	N/A	N/A	N/A	N/A	0%	N/A	100%
Office							
Women	N/A	100%	100%	100%	67%	100%	100%
Men	N/A	100%	100%	100%	88%	100%	100%
Company-owned stores							
Women	100%	100%	N/A	0%	0%	0%	100%
Men	100%	N/A	N/A	0%	0%	0%	100%

The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania

*RC Norway is updating its performance review processes. Currently, RC Norway utilizes 'Best Standard' conversations for evaluations in sales, with established guidelines available in RC Norway's leadership and HR materials. Comprehensive tracking and digitalization of these reviews are under consideration for future development.

**The only man working in this position in SIA Reitan Convenience Latvia started in late 2023, which is why the disclosure is not applicable.

405-2 Ratio of basic salary and remuneration of women to men	
Median: women to men ratio	0,96
Average: women to men ratio	0,98
Span: women to men ratio	(0,81 - 1,27)

The data is shown on an aggregated level for all employees at Reitan Convenience AS and its subsidiaries.

406-1 Incidents of discrimination and corrective actions taken							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Total number of incidents of discrimination	0	0	0	0	0	2	0
Current status and action taken for each reported discrimination incident	N/A	N/A	N/A	N/A	N/A	Dialogues, behavioral agreements, free psychology sessions, and mental health and discrimi-nation training	N/A

While there have been zero incidents of discrimination in all regions except Estonia, the issue of discrimination in the company is not nonexistent in the other areas – there are indications from anonymous employee surveys that show this should be a prioritized area for improvement. The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data							
	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Total number of substantiated complaints received from outside parties and validated by the organization concerning breaches of customer privacy	0	0	0	0	One recorded data leak from a Franchisee's store environ-ment*	0	0
Total number of substantiated complaints received from regulatory bodies concerning breaches of customer privacy	0	0	0	0	0	0	0
Total number of identified leaks, thefts, or losses of customer data	1**	0	0	0	1	0	0

The figures cover: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, Lehepunkt OU, UAB Reitan Convenience Lithuania.
*The specific situation has been examined and discussed with the franchisee at the business location and the involved employee to prevent the recurrence of similar situations. In this case, the facts and their representation in the complaint are not unequivocal. The company has apologized to the customer for the unpleasant consequences they have experienced.
**Reported data theft due to unauthorized photo of customer's ID by an employee in store.

Company Specific*							
Recycling	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Share of stores supported by a public or commercial recycling system	100%	64%	100%	73%	42%	51%	25%
Of which do have in-store sorting	100%	61%	93%	100%	100%	83%	65%
Campaigns	Norway	Sweden	Denmark	Finland	Latvia	Estonia	Lithuania
Share of camapigns expected to improve sustainability KPIs	30%	38%	60%	14%	18%	50%	78%

Perception score: 'Making the service industry more sustainable' (0-100)	
Median	60
Average	57
Span	(44 - 70)
Based on region and brand-specific survey results	

Perception score: 'Opportunity to succeed in working life' (0-100)	
Median	61
Average	59
Span	(52 - 65)
Based on region and brand-specific survey results	

*The figures cover employees in: Reitan Convenience Norway AS, Reitan Convenience Sweden AB, Reitan Convenience Denmark A/S, R-Kioski Oy, SIA Reitan Convenience Latvia, Reitan Convenience Estonia AS, UAB Reitan Convenience Lithuania.

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